US Department of State Self Study Guide for The Benelux Countries, June 2003

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Office of Information Programs and Services
A/GIS/IPS/RL
U. S. Department of State
Washington, D. C. 20522-8100
Fax: 202-261-8579

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I refer to your letter dated March 11, 2007 regarding the release of certain Department of State material under the Freedom of Information Act (Title 5 USC Section 552).

We searched for and reviewed the self study guides that you requested and have determined that all except one of them may be released. They are on the enclosed disc. One of the guides is being released with excisions.

An enclosure provides information on Freedom of Information Act exemptions and other grounds for withholding material. Where we have made excisions, the applicable exemptions are marked on each document. With respect to material withheld by the Department of State, you have the right to appeal our determination within 60 days. A copy of the appeals procedures is enclosed.

We have now completed the processing of your case. If you have any questions, you may write to the Office of Information Programs and Services, SA-2, Department of State, Washington, DC 20522-8100, or telephone us at (202) 261-8484. Please be sure to refer to the case number shown above in all correspondence about this case.
We hope that the Department has been of service to you in this matter.

Sincerely,

[Signature]

for Margaret P. Graefeld, Director
Office of Information Programs and Services

Enclosures:
As stated.
§171.52 Appeal of denial of access to, declassification of, amendment of, accounting of disclosures of, or challenge to classification of records.

(a) **Right of administrative appeal.** Except for records that have been reviewed and withheld within the past two years or are the subject of litigation, any requester whose request for access to records, declassification of records, amendment of records, accounting of disclosure of records, or any authorized holder of classified information whose classification challenge has been denied, has a right to appeal the denial to the Department’s Appeals Review Panel. This appeal right includes the right to appeal the determination by the Department that no records responsive to an access request exist in Department files. Privacy Act appeals may be made only by the individual to whom the records pertain.

(b) **Form of appeal.** There is no required form for an appeal. However, it is essential that the appeal contain a clear statement of the decision or determination by the Department being appealed. When possible, the appeal should include argumentation and documentation to support the appeal and to contest the bases for denial cited by the Department. The appeal should be sent to: Chairman, Appeals Review Panel, c/o Appeals Officer, A/GIS/IPS/PP/LC, U.S. Department of State, SA-2, Room 8100, Washington, DC 20522-8100.

(c) **Time limits.** The appeal should be received within 60 days of the date of receipt by the requester of the Department’s denial. The time limit for response to an appeal begins to run on the day that the appeal is received. The time limit (excluding Saturdays, Sundays, and legal public holidays) for agency decision on an administrative appeal is 20 days under the FOIA (which may be extended for up to an additional 10 days in unusual circumstances) and 30 days under the Privacy Act (which the Panel may extend an additional 30 days for good cause shown). The Panel shall decide mandatory declassification review appeals as promptly as possible.

(d) **Notification to appellant.** The Chairman of the Appeals Review Panel shall notify the appellant in writing of the Panel’s decision on the appeal. When the decision is to uphold the denial, the Chairman shall include in his notification the reasons therefore. The appellant shall be advised that the decision of the Panel represents the final decision of the Department and of the right to seek judicial review of the Panel’s decision, when applicable. In mandatory declassification review appeals, the Panel shall advise the requester of the right to appeal the decision to the Interagency Security Classification Appeals Panel under §3.5(d) of E.O. 12958.
The Freedom of Information Act (5 USC 552)

FOIA Exemptions

(b)(1) Withholding specifically authorized under an Executive Order in the interest of national defense or foreign policy, and properly classified. E.O. 12958, as amended, includes the following classification categories:

1.4(a) Military plans, systems, or operations
1.4(b) Foreign government information
1.4(c) Intelligence activities, sources or methods, or cryptology
1.4(d) Foreign relations or foreign activities of the US, including confidential sources
1.4(e) Scientific, technological, or economic matters relating to national security, including defense against transnational terrorism
1.4(f) U.S. Government programs for safeguarding nuclear materials or facilities
1.4(g) Vulnerabilities or capabilities of systems, installations, infrastructures, projects, plans, or protection services relating to US national security, including defense against transnational terrorism
1.4(h) Information on weapons of mass destruction

(b)(2) Related solely to the internal personnel rules and practices of an agency

(b)(3) Specifically exempted from disclosure by statute (other than 5 USC 552), for example:

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>ARMEX</td>
<td>Arms Export Control Act, 22 USC 2778(e)</td>
</tr>
<tr>
<td>CIA</td>
<td>Central Intelligence Agency Act of 1949, 50 USC 403(g)</td>
</tr>
<tr>
<td>EXPORT</td>
<td>Export Administration Act of 1979, 50 App. USC 2411(c)(1)</td>
</tr>
<tr>
<td>FSA</td>
<td>Foreign Service Act of 1980, 22 USC 4003 &amp; 4004</td>
</tr>
<tr>
<td>INA</td>
<td>Immigration and Nationality Act, 8 USC 1202(f)</td>
</tr>
<tr>
<td>IRAN</td>
<td>Iran Claims Settlement Act, Sec 505, 50 USC 1701, note</td>
</tr>
</tbody>
</table>

(b)(4) Privileged/confidential trade secrets, commercial or financial information from a person

(b)(5) Interagency or intra-agency communications forming part of the deliberative process, attorney-client privilege, or attorney work product

(b)(6) Information that would constitute a clearly unwarranted invasion of personal privacy

(b)(7) Information compiled for law enforcement purposes that would:
   (A) interfere with enforcement proceedings
   (B) deprive a person of a fair trial
   (C) constitute an unwarranted invasion of personal privacy
   (D) disclose confidential sources
   (E) disclose investigation techniques
   (F) endanger life or physical safety of an individual

(b)(8) Prepared by or for a government agency regulating or supervising financial institutions

(b)(9) Geological and geophysical information and data, including maps, concerning wells

Other Grounds for Withholding

NR Material not responsive to a FOIA request, excised with the agreement of the requester
The BENELUX Countries

SELF STUDY GUIDE TO

BELGIUM
The NETHERLANDS
LUXEMBOURG

George P. Shultz
National Foreign Affairs
Training Center
School of Professional and Area Studies
Foreign Service Institute
U.S. Department of State
The Benelux Countries

Self Study Guide to
BELGIUM
THE NETHERLANDS
LUXEMBOURG

The Benelux Self-Study Guide is intended to provide U.S. government personnel in the foreign affairs community with an overview of important issues related to the history, culture, politics, economics, security, and international relations of the “Benelux” countries – Belgium, The Netherlands, and Luxembourg. The guide should serve as an introduction to and a resource for independent study of the region. Readers are encouraged to explore questions and issues raised in the guide by referring to the books, articles, periodicals, and web sites cited in the appropriate sections.

This self-study guide was prepared for the Foreign Service Institute by Robert Rinehart, The George Washington University, and by Thomas Rochon, director of the Graduate Record Examinations Program at the Educational Testing Service, Princeton, N.J. The views expressed in this publication are those of the authors and attributed sources and do not necessarily reflect official policies or positions of the U.S. Department of State.

The Benelux Self-Study Guide is for official educational and non-profit use only.

First Edition
June 2003
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TIMELINE
For the Low Countries
Belgium, the Netherlands, Luxembourg

59-54 BC  Caesar’s Gallic Wars.
57 BC  Belgica organized as a Roman province.
Late 4th century AD  Salian Franks entered Belgica as Roman allies.
431 AD  Franks united under Merovingian dynasty.
c. 496  Frankish King Clovis accepted Catholicism for himself and for the Franks.
c. 675  Pepin of Heristal invested “mayor of palace” in Austrasia.
714  Charles Martel succeeded his father Pepin in Austrasia.
732  Charles Martel defeated Arabs at Tours/Poitiers.
751  Carolingian mayor Pepin III deposed Merovingian Childeric III.
768  Charlemagne succeeded as king of the Franks.
800  Charlemagne crowned Roman Emperor by Pope Leo III.
814  Louis the Pious and son Lothair succeeded as co-emperors.
840  Oaths of Strasbourg.
843  Treaty of Verdun recognized Lothair’s “Middle Kingdom.”
855  “Middle Kingdom” divided on Lothair’s death.
870  Lotharingia divided by Treaty of Mersen between French king and German emperor.
9th-10th centuries  Feudalism introduced in the Low Countries.
987  Hugh Capet displaced last of the Carolingian kings.
<table>
<thead>
<tr>
<th>Year</th>
<th>Event</th>
</tr>
</thead>
</table>
| 11th-12th centuries | Growth of towns; “industrial revolution” in southern Netherlands.  
Feudal Netherlandish states virtually independent of French king and emperor. |
| 1060    | Conrad, descendant of Siegfried of the Ardennes, recognized as  
Count of Flanders.                                                |
| 1204    | Baldwin, crusader count of Flanders and Hainault, elected first Latin  
Emperor of Constantinople.                                       |
| 1294    | Flanders allied with England against France.                         |
| May 1302 | Matins of Bruges.                                                    |
| July 1302 | Battle of the Spurs at Courtrai.                                     |
| 1305    | French king recognized Flemish independence.                         |
| 1308    | Henry of Luxembourg elected Holy Roman emperor as Henry VII;  
Luxembourg dynasty held imperial title until 1437.                  |
| 1338    | Alliance of Netherlandish towns led by Jacob van Artevelde of Ghent. |
| 1340    | Artevelde concluded Flemish alliance with England in Hundred Years  
War.                                                               |
| 1348-1349 | Low Countries hit by Black Plague.                                    |
| 1382    | Flemish communes defeated at battle of Roosebeke.                     |
| 1384    | Margaret of Flanders and her husband Philip the Bold, duke of Burgundy,  
succeeded her father, Count Louis of Male.                          |
| 13th-early 14th centuries | Great age of desmesne farming.                                         |
| January 1477 | Charles the Bold killed at the battle of Nancy.                      |
| February 1477 | Grand Privilege restored liberties of Netherlandish states.           |
| April 1477 | Mary of Burgundy married by proxy to Austrian Archduke (later  
Emperor) Maximilian of Habsburg who acted as regent for their son  
Philip the Handsome.                                             |
<table>
<thead>
<tr>
<th>Year</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>1500</td>
<td>Charles V, son of Philip the Handsome and Joan of Castile, born in Ghent.</td>
</tr>
<tr>
<td>1511</td>
<td>Erasmus of Rotterdam published <em>The Praise of Folly</em>.</td>
</tr>
<tr>
<td>1515</td>
<td>Charles V came of age as duke of Burgundy and lord of the Netherlandish states.</td>
</tr>
<tr>
<td>1516</td>
<td>Charles proclaimed king of Castile and Aragon in Brussels.</td>
</tr>
<tr>
<td>1519</td>
<td>Charles elected Holy Roman Emperor in succession to his grandfather Maximilian of Habsburg.</td>
</tr>
<tr>
<td>1522</td>
<td>Charles’ tutor Adrian Florensz of Utrecht elected pope as Hadrian VI.</td>
</tr>
<tr>
<td>1523</td>
<td>Protestant Reformation introduced in the Low Countries.</td>
</tr>
<tr>
<td>1543</td>
<td>Charles V issued the Great Privilege in Brussels joining the Netherlandish states constitutionally.</td>
</tr>
<tr>
<td>1555</td>
<td>Charles V abdicated sovereignty in the Netherlands at States-General in Brussels in favor of his son Philip II, also king of Spain.</td>
</tr>
<tr>
<td>1545-1563</td>
<td>Council of Trent initiated the Counter-Reformation.</td>
</tr>
<tr>
<td>1559</td>
<td>Peace of Cateau-Cambresis ended war between Spain and France.</td>
</tr>
<tr>
<td>1560</td>
<td>“League of Magnates,” led by stadtholder William the Silent, prince of Orange, and counts Egmond and Horn, began to express discontent with reforms proposed by Philip II; French Calvinist preachers arrive in the Netherlands.</td>
</tr>
<tr>
<td>1566</td>
<td>Magnates presented Request to Philip II to withdraw the Inquisition.</td>
</tr>
<tr>
<td>1567</td>
<td>Duke of Alba appointed Spanish governor in the Netherlands.</td>
</tr>
<tr>
<td>1568</td>
<td>Council of Blood convicted and executed Egmond and Horn; William outlawed.</td>
</tr>
<tr>
<td>1572</td>
<td>William recognized in Holland and Zeeland as leader of resistance to Spanish rule and re-appointed stadtholder by the Estates; Gueux seize Brill and Flushing.</td>
</tr>
<tr>
<td>1577</td>
<td>Pacification of Ghent; Union of Brussels united Netherlandish states in a “common fatherland.”</td>
</tr>
</tbody>
</table>
1578 Archduke (later Emperor) Mathias of Austria invited to become governor of the Brussels union, which soon splits into rival unions of Arras and Utrecht; beginning of 70-year Dutch War of Independence.

1579-1586 Utrecht union allies in the southern Netherlands pacified by Spanish troops under Alessandro Farnese.

1581 States-General of the Union of Utrecht repudiated fealty to Philip II, creating the United Provinces.

1584 William the Silent assassinated in Delft; succeeded as stadtholder by his brother Maurice of Nassau.

1586 Johan van Oldenbarnevelt grand pensioner of Holland.

1588 Defeat of the Spanish Armada.

1588-1598 “The Ten Years” – Maurice reorganized the Dutch army and consolidated his control of the United Provinces.

1598 Philip II handed over title to sovereignty over the entire Netherlands to his daughter Isabella and her husband, Austrian Archduke Albert.

17th century Despite almost continuous war, art flourished in the Netherlands, north and south, during the “Golden Age.”

1602 Dutch East Indies Company chartered by States-General initiating Dutch colonial expansion in Asia, Africa, and America.

1609 Albert concluded 12-year truce with United Provinces.

1609-1621 Domestic political and religious conflict in the United Provinces; Oldenbarnevelt championed the authority of the estates against the power of the stadtholder.

1610 Arminians addressed Remonstrance to Holland estates.

1618-1619 Oldenbarnevelt and Hugo Grotius arrested; Oldenbarnevelt hanged. Synod of Dordrecht condemned Arminianism; Remonstrants suppressed.

1621 Death of Albert of Austria; without an heir, Southern Netherlands (Belgium and Luxembourg) receded to Spain. Truce not renewed; war resumed.
1621 Dutch West Indies Company chartered, promoting colonization in the Americas.

1628 Frederick Henry succeeded as stadtholder on the death of his half-brother Maurice; Remonstrants rehabilitated.

1633 Financial panic in Holland resulted from crash of the tulip market. Peace negotiations with Spain failed.

1641 William (II), son of the stadtholder, wed the daughter of Charles I of England.

1648 United Provinces and Spain agreed to the Peace of Munster. Spain recognized Dutch independence, including control of the Generality.

1650 Holland estates opposed William II; Amsterdam occupied by stadtholder’s forces.

November 1650 Death of William II.

1650-1672 Holland, Zeeland, and other provinces without a stadtholder.

1652-1654 First Anglo-Dutch War.

1653-1672 Johan de Witt grand-pensioner of Holland.


1667-1668 War of Devolution; France invaded Spanish Netherlands.

April 1668 Treaty of Aix-la-Chapelle; Spain ceded territory to France.


July 1672 William III appointed stadtholder.

August 1672 Johan de Witt resigned as grand-pensioner; murdered by a mob in the Hague.


11
<table>
<thead>
<tr>
<th>Year</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>1678</td>
<td>Treaties of Nijmegen concluded war with France.</td>
</tr>
<tr>
<td>1697</td>
<td>Treaty of Rijswijk.</td>
</tr>
<tr>
<td>1701-1713</td>
<td>War of the Spanish Succession. United Provinces allied with England and Empire in “world war” against France and Spain. The Low Countries major theatre of military operations.</td>
</tr>
<tr>
<td>1702</td>
<td>Death of William III.</td>
</tr>
<tr>
<td>1702-1747</td>
<td>Holland and other provinces without a stadtholder. Authority assume by grand-pensioner and States-General. Urban oligarchy dominant in United Provinces.</td>
</tr>
<tr>
<td>1713</td>
<td>Treaty of Utrecht. Southern Netherlands (Belgium and Luxembourg) assigned to Austrian Habsburgs; provincial estates governed under local leadership.</td>
</tr>
<tr>
<td>1722</td>
<td>Ostend Company founded in Austrian Netherlands.</td>
</tr>
<tr>
<td>1740-1780</td>
<td>Popular reign in the Austrian Netherlands of Maria Theresa. Beginning of “Industrial Revolution.” Traditional institutions thrived.</td>
</tr>
<tr>
<td>1740-1748</td>
<td>War of the Austrian Succession. Southern Netherlands earned title as “cockpit of Europe.” United Provinces neutral.</td>
</tr>
<tr>
<td>1747</td>
<td>William IV of Orange named stadtholder in all provinces.</td>
</tr>
<tr>
<td>1751</td>
<td>Infant son of William IV succeeded as stadtholder as William V. Provincial estates acted as regents.</td>
</tr>
<tr>
<td>1756-1763</td>
<td>Seven Years War. France and Austria allied.</td>
</tr>
<tr>
<td>1780</td>
<td>Dutch fortress at St. Bartolemy first to salute American flag.</td>
</tr>
<tr>
<td>1781</td>
<td>United Provinces declared war of Britain in support of the United States. British blockaded Holland and captured Dutch colonies.</td>
</tr>
</tbody>
</table>
1780-1791 Unpopular reign of Joseph II. “Enlightened” reforms imposed on
Austrian Netherlands.

1783 Nassau Succession Agreement.

1787 Reform party, the “Patriots,” suppressed in the United Provinces.

1789 Brabant estates opposed reforms to centralize administration in the

1790 Proclamation of the “United States of Belgium.”

1791 Austrian army reentered Belgium to restore order. Leopold II shelved
reforms.

1792 Austrian army defeated; French occupied Austrian Netherlands.

1795 Former Austrian Netherlands (Belgium and Luxembourg) and Liege
annexed by France. United Provinces occupied by French without
opposition; Batavian Republic established under dictator-pensioner
Rutger van Schimmelpenninck.

1806 Kingdom of Holland created for Louis Bonaparte. Napoleon declared
“Continental System” to blockade British trade. British imposed
counter-blockade, paralyzing Dutch economy.

1810 The Netherlands annexed by France. British seized Dutch colonies.

1813 Napoleon defeated at Leipzig. Pro-Orange revolt against French in
Holland.

March 1814 William, Prince of Orange, inaugurated as “sovereign prince” by
Assembly of Notables in the Hague; assumed provisional
administration of former Austrian Netherlands

1814-1815 Congress of Vienna.

June 1815 Battle of Waterloo (near Brussels). Belgo-Dutch force, commanded by
Prince of Orange, fight on allied side.

August 1815 Constitution promulgated for Kingdom of the United Netherlands
linking the Netherlands and Belgium in a constitutional monarchy
under a hereditary ruler, William I of Orange, who also received
Grand Duchy of Luxembourg in personal union.
1815-1830 Political union of the Low Countries. Protests in Belgium against economic restrictions. Belgian liberals and traditionalists found common cause against Dutch.

1819 Dutch recognized as an official language in Flanders.

1830 Revolt in Brussels and Liege. “Petitions of Grievances” against union gained wide support. Provisional government declared Belgium independent.

1831 Belgian independence recognized by European powers. Leopold I of Saxe-Coburg named “King of the Belgians.”


c. 1840 Flemish movement began to promote recognition of the Dutch language in Belgium.

1848-1849 Liberal constitutions adopted in Belgium and the Netherlands. Liberal leader Rudolph Thorbecke dominant figure in Dutch politics.

1853 Thorbecke resigned to protest opposition to restoration of Catholic hierarchy in the Netherlands

1856 Commission appointed to study the “language question” in Belgium; deliberated for remainder of 19th century.

1857 Education Act enacted in the Netherlands, recognizing the state’s responsibility for inculcating “Christian and social virtues.”

1860s Liberal ministries led by Thorbecke. Social and economic reforms introduced.

c. 1860-1899 Guido Gezelle promoted the revival of Flemish as a literary language.

1868 Liberal constitution adopted in Luxembourg, enabling the grand duchy to be administered separately from the Netherlands. European powers guaranteed Luxembourg’s neutrality in the Treaty of London.

1870-1871 Belgian and Luxembourg neutrality complicated by Franco-Prussian War.
<table>
<thead>
<tr>
<th>Year</th>
<th>Event</th>
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<tbody>
<tr>
<td>1870s-1880s</td>
<td>Competing socialist and confessional trade unions established in Belgium and the Netherlands.</td>
</tr>
<tr>
<td>1878</td>
<td>Abraham Kuyper founded the Anitrevolutionary Party in the Netherlands.</td>
</tr>
<tr>
<td>1879</td>
<td>Education Act, imposing state control of education, resisted by Catholics.</td>
</tr>
<tr>
<td>1884</td>
<td>Catholic party formed first government in Belgium, retaining one-party majority until 1914.</td>
</tr>
<tr>
<td>1873</td>
<td>Bilingualism recognized in Belgium.</td>
</tr>
<tr>
<td>1884</td>
<td>Berlin Congress recognized Leopold II’s personal title to the Congo Free State.</td>
</tr>
<tr>
<td>1887</td>
<td>Election reform doubled the franchise in the Netherlands. Social reforms introduced by Catholic government in Belgium.</td>
</tr>
<tr>
<td>1888</td>
<td>Coalitions of Protestant and Catholic confessional parties became the dominant factor in Dutch politics.</td>
</tr>
<tr>
<td>1889</td>
<td>Subsidies voted for denominational schools in the Netherlands.</td>
</tr>
<tr>
<td>1893</td>
<td>Universal manhood suffrage and plural voting approved in Belgium.</td>
</tr>
<tr>
<td>1896</td>
<td>Franchise extended with restrictions in the Netherlands.</td>
</tr>
<tr>
<td>1897</td>
<td>Christian Historical Union broke from Kuyper’s Antirevolutionary Party. Social Democrats entered the Dutch parliament.</td>
</tr>
<tr>
<td>1898</td>
<td>Dutch recognized as an official language in Belgium.</td>
</tr>
<tr>
<td>1899</td>
<td>Death of William III. In accord with the Nassau Succession Agreement, Luxembourg passed to Adolph of Nassau-Weilburg. First Hague Peace Conference convened. Proportional representation introduced in Belgium.</td>
</tr>
<tr>
<td>1901-1905</td>
<td>Kuyper led confessional coalition governments in the Netherlands.</td>
</tr>
<tr>
<td>1905-1909</td>
<td>Liberals governed in the Netherlands with Social Democrat support.</td>
</tr>
<tr>
<td>1908</td>
<td>Congo annexed as Belgian colony.</td>
</tr>
<tr>
<td>Year</td>
<td>Event</td>
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<td>------------</td>
<td>-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
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<tr>
<td>1914-1918</td>
<td>World War I. Germany invaded Belgium, August 4, 1918. One million refugees fled the country. Belgium and Luxembourg occupied for four years. Belgian army remained in the field under King Albert I. Belgium devastated by warfare.</td>
</tr>
<tr>
<td>1917</td>
<td>Church-related schools supported by the state in the Netherlands. Universal manhood suffrage enacted.</td>
</tr>
<tr>
<td>1919</td>
<td>Belgium participated in Versailles Conference; received reparations, territorial concessions, and mandate to Ruanda-Urundi. Catholic party lost parliamentary majority sustained since 1884. Catholic-led coalitions characterized interwar period. Marie Adelaide, regarded as pro-German, abdicated as grand duchess of Luxembourg.</td>
</tr>
<tr>
<td>1920</td>
<td>Belgium abandoned neutrality. Entered military convention with France.</td>
</tr>
<tr>
<td>1921</td>
<td>Belgium-Luxembourg customs union formed. Dutch recognized as the administrative language of Flanders.</td>
</tr>
<tr>
<td>1925</td>
<td>Locarno Treaty noted the abrogation of previous treaties guaranteeing Belgian neutrality. Belgo-Dutch treaty to settle question of Scheldt navigation rejected by upper chamber of the Netherlands parliament.</td>
</tr>
<tr>
<td>1926</td>
<td>Confessional coalition in the Netherlands fell when Protestant parties joined Liberals in rejecting diplomatic representation in the Holy See.</td>
</tr>
<tr>
<td>1926-1939</td>
<td>Confessional-Liberal coalitions in the Netherlands.</td>
</tr>
<tr>
<td>1930s</td>
<td>The Great Depression brought massive unemployment to the Low Countries.</td>
</tr>
<tr>
<td>1934</td>
<td>King Albert killed in climbing accident.</td>
</tr>
<tr>
<td>1936</td>
<td>Germany occupied the Rhineland. Belgium reverted to neutrality; released from Locarno obligations.</td>
</tr>
<tr>
<td>1939</td>
<td>Social Democrats entered the Dutch government.</td>
</tr>
<tr>
<td>1939-1945</td>
<td>World War II.</td>
</tr>
</tbody>
</table>
May 10, 1940  The Netherlands, Belgium, and Luxembourg invaded by Germany after reassurances of respect for their neutrality. Rotterdam bombed. Dutch capitulated after five days, Belgium after 18 days of fighting.

1942  Japan occupied Netherlands East Indies.

1944  Convention on three-country postwar customs union agreed on in London by governments-in-exile.

September 1944  Allied forces entered Belgium.

October-November 1944  “Operation Market-Garden”

December 1944-January 1945  Battle of the Bulge.

1945  Governments-in-exile return. Belgium, the Netherlands, and Luxembourg charter members of the UN. Nationalists proclaimed independent republic in Indonesia.

1946-1947  Enactment of legislation contained in the “Social Pact” laying the foundation for the welfare state in Belgium.


1948  Benelux Economic Union put into effect. Women enfranchised in Belgium.

1948-1954  Marshall Plan aid contributed the economic reconstruction of the Benelux countries.

1949  Belgium, the Netherlands, and Luxembourg charter members of NATO. Referendum in Belgium on the return of Leopold III.

1950  Leopold III abdicated in favor of his son Baudouin. Independence conceded to Indonesia in personal union with the Netherlands.

1950-1953  Korean War. Belgium and the Netherlands contributed troops to the UN action.
1952 European Coal and Steel Community founded.
1954 Republic of Indonesia broke ties to the Netherlands.
1958 School Pact accepted in Belgium.
1960 Enactment of the *Loi unique*. Belgian Congo became independent as Republic of Congo.
1962 Independence for Rwanda and Burundi.
1963 Language frontier in Belgium redefined and fixed.
1966 Democrats 66 established to challenge pillarization. William-Alexander born, first son born to the Dutch royal house since 1851.
1968 French faculties “expelled” from Catholic University of Louvain/Leuven; established New Louvain as separate university. Social Christian Party split along linguistic lines.
1971 Equal distribution of cabinet portfolios between Flemish and Walloon ministers mandated in Belgium. Cultural communities recognized.
1974-1979 Social Christians out of office in Luxembourg for first time since 1919
1977 Egmont Pact authorized five-tier federal government for Belgium.
1978 Belgian Socialists split into separate Walloon and Flemish parties.
1980 Constitutional reforms prepared the way for devolution in federal Belgium.
1984 Brussels “Capital Region” organized. Regions assumed fiscal responsibilities
1993 St Michel Agreement approved. King Baudouin died.
1994  Wim Kok formed coalition with Liberals and Democrats 66. First Dutch government since 1918 without participation of a confessional party.

1995  Muslims under Dutch protection at Srebrenica massacred by Serbs.


July-October 2002  List Pym Fortuyn entered short-lived Dutch government

January 22, 2003  General election in the Netherlands

May 18, 2003  General election in Belgium

June 2003  General election anticipated in Luxembourg
INTRODUCTION

The purpose of this self-study guide is to provide basic background information on Belgium, the Netherlands, and Luxembourg for Foreign Service officers and other personnel scheduled for assignment in those countries. The guide attempts to present information in such a way that users can obtain a better understanding of each country individually and of the “Benelux” region and to have a more productive and pleasant tour of duty. Users are encouraged to consider the questions and points for discussion at the conclusion of most sections in the guide and to pursue those of special interest by drawing on resource materials cited.

THE BENELUX COUNTRIES AT A GLANCE

Kingdom of Belgium
   Koninkrijk België
   Royaume Belgien
   Königreich Belgien
Capital: Brussels (Dutch, Brussel; French, Bruxelles)
Head of State (since 1993): King Albert II of Saxe-Coburg-Gotha
Population: 10,200,000
Languages: Dutch, French, and German
Area: 11,780 square miles (30,520 sq. km.)

Grand Duchy of Luxembourg
   Groussherzogtom Lëtzebuerg
   Grand-Duche du Luxembourg
   Grossherzogtum Luxemburg
Capital: Luxembourg
Head of State (since 2000): Grand Duke Henri II of Nassau-Weilbeck
Population: 450,000
Languages: Lëtzebuergesch, French, and German
Area: 999 square miles (2,586 sq. km.)

Kingdom of the Netherlands
   Koninkrijk der Nederlanden
Capital: Amsterdam
Seat of Government: The Hague (Den Haag)
Head of State (since 1980): Queen Beatrix of Orange-Nassau
Population: 15,800,000
Languages: Dutch and Frisian
Area: 13,250 square miles (41,865 sq.km.)

WHAT’S IN A NAME?

The acronym BENELUX was coined in the customs union agreements adopted by the governments of Belgium, the Netherlands, and Luxembourg that came into force in January 1948 in the Treaty of Benelux Economic Union, revised in November 1960. These agreements created institutional structures for the economic integration of Belgium, the Netherlands, and Luxembourg. These institutions included:

- The Committee of Ministers on which sat heads of government of the three countries, accompanied by their foreign ministers and ministers of trade, economics, finance, agriculture, and social affairs, meeting to coordinate implementation of the union treaty.
- The Council of Economic Union staffed by civil servants responsible for executing decisions of the Committee of Ministers.
- The Secretariat-General that prepared proposals submitted to the Committee of Ministers for consideration.
- The Court of Justice that handed down binding interpretations of rulings common to the three countries.
- The Inter-Parliamentary Council, an advisory body composed of representatives of the three national legislatures.
- The Economic and Social Advisory Council, drawn from representatives of non-governmental economic and social organizations.

Belgium, the Netherlands, and Luxembourg had an even longer record of cooperation predating the Benelux arrangement. The 1960 Benelux Economic Union was based on a customs union agreed to in London in 1944 by wartime governments-in-exile of the three countries and that took effect on January 1, 1948 after revision in the Hague Protocol of the previous year and ratification of the Treaty of Brussels. The customs union was itself an extension to the Netherlands of the 1921 Belgium-Luxembourg Economic Union that abolished customs duties between those two countries and adopted common trade conventions. The Benelux agreements abolished tariff duties within the union and applied a common tariff to imports that was half-way between the higher Belgian-Luxembourg rates and the lower Dutch rates. The duty-free list of imports adopted earlier by the Netherlands was reduced, thereby raising the common tariff rate. Certain domestic restrictions to trade, e.g., licenses and subsidies, remained in each country, and national production was protected by complex regulations as a buffer against the eventual liberalization of postwar European economies. Most of these restrictions were eliminated in 1950. Following the establishment in 1953 of the European Coal and Steel Community, of which the Benelux countries were members, interest shifted from agreements among neighboring countries to European integration. The prime ministers of the three countries, meeting in 1955, proposed an
initiative to expand cooperation in a European “community” that resulted in the signing of the Rome Treaty two years later.

The activities of the Benelux Economic Union have been folded into those of the European Union. In addition, the regional governments of Flanders and Wallonia have bilateral arrangements with the Netherlands in areas formally handled by Belgium under the Benelux treaty.

“Benelux” has become a convenient shorthand for the three-country region. Outside the context of activities covered by the treaty, however, the term “Benelux” is seldom used in the three signatory countries to describe their region collectively. If any one term is appropriate, geographically or historically, to describe Belgium, the Netherlands, and Luxembourg collectively, it is The Low Countries.

**The Netherlands** (Dutch, Nederland, or, literally, “The Low Country”). Also called "Holland" in English, the name of two provinces in the Netherlands (North Holland and South Holland) that as a single entity were historically the dominant region in the United Provinces. "Holland" is thus a misnomer, though one that is widely used and understood, just as “England” is often used when the more precise reference is to Great Britain.

In conventional English usage, the inhabitants of the Netherlands, the language they speak, and the adjectival form specifying things pertaining to them and their country are Dutch. The term is derived from the Old Germanic duutsc, meaning “language of the people,” and, in forms found in Middle Netherlandish as well as in Middle English, was used to describe Low German dialects, including Netherlandish, and the people who spoke them. From the late sixteenth century, “Dutch,” originally used in derision and contempt in English, was gradually restricted to Hollanders and other Netherlanders.

**Belgium** (French, Belgique; Dutch, België) from the Belgae, Celtic tribes that inhabited the area in antiquity. Belgica was a province of the Roman Empire, and the term continued to be used in classical and poetic references to the entire Low Countries into modern times. Modern Belgium is divided into two regions, Dutch-speaking Flanders (Dutch, Vlaanderen) and French-speaking Wallonia (French, Wallonie). The former placename is derived from the Latin pagus flumensis, or, literally, the “flooded country,” applied to the region by the Romans. The placename “Flanders,” which in its restricted meaning identifies a distinct province, now divided, is also applied to the entire Dutch-speaking region of Belgium. “Wallonia” is a survival of a primitive Germanic term wahl (“strangers”) by which Germanic folk described the Romanized populations, often Celtic, with whom they came into contact and which is also found, for example, in the placenames Wales and Wallachia. Dutch-speaking natives of Flanders are Flemish or, rarely, Flemings. French-speaking natives of Wallonia are Walloons.

**Luxembourg** (Lëtzeburgesch, Lëtzebuerg; German, Luxemburg) derives its name from the origins of its capital city as the “Little Fortress” (archaic Lucilinburhuc; later Germanic Lützelburg).
SOCIAL and CULTURAL DYNAMICS

LANGUAGES

*Nederlands* (conventionally called *Dutch* in English) is the Germanic language native to more than 20 million people in the Netherlands and Belgium. The Dutch language, as spoken as the mother tongue by 6 million people in Belgium, is commonly referred to in that country as *Vlaams* (Flemish), the language of Flanders. Flemish is not a separate language from or a dialect of the Dutch as spoken in the Netherlands. Although there is some vocabulary peculiar to Dutch-speakers in both countries, e.g., loan words used in the Netherlands that have not been adopted in Flanders and some archaic expressions used in Flanders that are not heard in the Netherlands, Standard Dutch (*Algemeen Beschaafd Nederlands*, literally “General Cultured Netherlandish”) is the accepted language spoken and written in the Netherlands and by Dutch-speakers in Belgium. Within the Netherlands, Dutch is sometimes referred to as *Hollands*. Regional variants of standard Dutch are heard in both countries, and distinct accents easily identify their speakers with particular locations. *Frisian*, a language distinct from both Dutch and German, is spoken in Friesland and is acknowledged as an official language along with Dutch in that northern province of the Netherlands.

*French* is the mother tongue of more than 4 million Belgians in Wallonia and Brussels. Although regional dialects are absent, French is spoken by most with an easily discernable “Belgian” accent. Both French and Dutch are required subjects in all Belgian schools. Most educated Flemish speak French as well as Dutch, and many are tri- or quatra-lingual, also competent in German and English. Walloons are much less likely to achieve fluency in Dutch. There are approximately 70,000 *German*-speaking Belgians in the Eupen-Malmedy region, where they enjoy protected language rights and exercise control over cultural affairs and education.

Luxembourg is officially tri-lingual in French, German, and *Lëtzebuergesch*, a Franconian dialect also spoken in the Moselle region outside Luxembourg. French is the language of administration and has outstripped the use of German in business and other venues. Education is conducted in German and French. Newspapers are published in both languages. Lëtzebuergesch is the language commonly spoken among family, on the street, and in the countryside, and its use in elementary school classrooms has increased.

*English* is widely spoken in all three countries.

Questions/Discussion

Discuss the political and social implications of bi-lingualism and multi-lingualism in the Low Countries.

Describe the relationship between language and concepts of ethnicity.
Is it necessary to be Dutch-speaking in order to be recognized as being Dutch? Explain.

Discuss the cultural importance of the widespread use of English in the Benelux countries. What is the relationship between participation in the global economy and competence in English?

Compare the affinities of the Flemish with the Netherlands and the Walloons with France.

Suggested Reading


ETHNICITY and POPULATION

The notions about the ethnic composition of the peoples of the Low Countries received over generations in school textbooks and repeated in popular, scholarly, and official publications pointed to the Germanic origins of the population of the Netherlands and Flanders. The former stemmed from the indigenous Batavians and Frisians, the Flemish from the Salian Franks who entered the region in the 4th century A.D. The French-speaking Walloons were recognized as being descended from the Romano-Celts of Belgica who were not displaced by Germanic folk or assimilated by them. Luxembourgers traced their roots to a mixed Celtic and Germanic ancestry. As far as it goes, the received wisdom on ethnic origins is correct, but it does not describe accurately the evolution of ethnic identity over centuries or the increasingly diverse ethnic composition of population in the region at the beginning of the 21st century.

In Belgium, language determines ethnicity. Some “Flemish” family names are, in fact, French in origin, and many “Walloon” family names are clearly Flemish. In the 19th and early 20th centuries, for example, large numbers of Dutch-speaking workers from Flanders took industrial jobs in Wallonia, where the only language used on the job or in the street was French. Instruction in the schools attended by the children of these regional migrants was only available in French. By the next generation, the families of those workers were Walloons. Likewise, in the Netherlands, to be Dutch is to be a Dutch speaker and to conform to Dutch social values and cultural norms.

In a sense, the Low Countries have always been “countries of immigration.” Already in the Middle Ages, the region was a magnet for merchants and mechanics from Germany,
England, Italy, and elsewhere attracted by opportunities offered in trade and industry. In later centuries, the northern Netherlands provided safe refuge for religious dissidents and exiles – German and English sectaries (including the Plymouth Pilgrims), French Huguenots (many of whom were, in fact, Walloons), and Sephardic Jews from Spain and Portugal and, later, German Jews, most of whom blended into the “Dutch” population.

In the late 19\textsuperscript{th} and early 20\textsuperscript{th} centuries, numbers of workers came from Poland and southern Europe to find employment in Belgium’s burgeoning industrial sector and many stayed to become Belgians. The names of some well-established Luxembourgish families are Italian, Spanish, or Portuguese in origin.

The Netherlands accepted large infusions of former colonial subjects from Indonesia and Surinam. When the latter achieved independence in 1969, nearly half of the Surinamese people took the option of retaining their Dutch citizenship and passports, and several hundred thousand “returned home” to the Netherlands. The Surinamese are Dutch-speaking and have integrated successfully into Dutch society. Christian Moluccans formed the base of the Dutch army in the East Indies and fought loyally alongside Dutch troops during the Indonesian insurgency against restored Dutch colonial rule following Word War II. Tens of thousands of Moluccans fled to the Netherlands after Indonesian independence in 1949. Although they are Dutch-speaking and accustomed to generations of service under the Dutch, many have found it impossible to assimilate. Now, in the third and fourth generation in the Netherlands, some refuse to accept their “exile” as permanent and continue to agitate for an independent state in their home islands. By contrast, there has been no significant migration to Belgium from former African colonies. Those relatively few Africans who have settled in Belgium come mainly from professional backgrounds.

In the decades since the 1960s, increasingly large numbers of non-European immigrants arrived in the Low Countries from North Africa, South Asia, and Turkey and elsewhere the Middle East. Many came initially as guest workers to supply much needed semi-skilled industrial and unskilled menial and service labor during a period of rapid economic expansion, but remained as permanent residents. Others benefited, especially in the Netherlands, from liberal family-reunion and asylum laws. Immigrants and their descendants make up more than 10% of the country’s population. Many have taken advantage of employment and education opportunities to become productive members of society, even when they have been reluctant to assimilate culturally.

With the introduction of freedom of movement of people across the EU, aliens from these same regions have taken advantage of porous national frontiers to enter the Low Countries and to settle there illegally, some in search of better living conditions through employment and others, according to some Dutch and Belgian observers, to gain access to the benefits of liberal social welfare programs. The situation was deemed sufficiently critical for Belgium to withdraw temporarily from the Schengen Agreement in 2001 in order to halt the inflow of aliens while authorities sought out and expelled those who had already entered the country illegally. Responsible Dutch and Belgian authorities as well as populist politicians remark on the high incidence of crime among this population; self-imposed isolation in “ghettos,” as evidenced by an absence of effort to learn the language of the host country; and the retention
of social customs, particularly regarding women, that are at variance with the norms of the host countries. The late Pim Fortuyn achieved wide support for his allegations during the 2002 election campaign in the Netherlands that aliens, particularly Muslims, posed a threat to liberal Dutch social and cultural values and were a drain on resources supporting the social welfare system. Legislation was subsequently proposed in the Netherlands that imposed restrictions on asylum rights and limits on further immigration. It also mandated compulsory courses in Dutch language and culture for applicants for permanent residence.

Belgium and the Netherlands, whose populations grew rapidly in the immediate post-war era, have birthrates well below replacement level. Maintenance of current population levels, not to mention population growth, comes from immigration and the offspring of immigrants. Luxembourg, by contrast, has one of the two highest birthrates among EU countries. With its impressive economic growth, open borders, and a multi-lingual environment, Luxembourg has become home to many from neighboring EU countries. About 90,000 people commute every day from France, Germany, and Belgium to jobs in tiny and accessible Luxembourg. Nearly 30% of permanent residents, about 125,000 people, are foreigners. Some observers predict that the grand duchy’s population will double by mid-century. Steady population growth is seen as necessary to pay for the social welfare system and to fund pensions.

Amsterdam, Rotterdam, Antwerp, and Brussels, the “capital of Europe,” are cosmopolitan and highly internationalized cities. Non-European migrants comprise an estimated one-third of the population of Rotterdam and one-fifth of those living in Antwerp. This has caused a backlash in the voting population of these cities. Pim Fortuyn's political party won one-third of the votes in local and general elections in Rotterdam in 2002, and the right-wing nationalist Flemish Bloc carried a quarter of the votes in Antwerp.

Questions/Discussion

Discuss the concept of “national identity” as it applies to small, open countries like Belgium, the Netherlands, and Luxembourg.

In the past, what have been the most important factors in integrating migrants into society in those countries?

Suggest and discuss scenarios relating to the impact of non-European immigration on “national identity” in the Low Countries.

Predict possible political solutions or reactions to problem posed by non-European immigration.

Is there a contradiction between assertions that immigrants are a burden on the social welfare system and the contention that population growth is required to sustain funding for the system?
Suggested Reading


RELIGION

Belgians and Luxembourgers traditionally identified themselves as either formally Catholic or as laïque (i.e., secular, non-religious, and often anti-clerical). The Netherlands, by contrast, was historically a predominantly Protestant country, but one that had a large Catholic minority that constituted a majority in some parts of the country. Since the 1960s, these categories of religious practice and non-practice, by which one could even determine voting patterns, are of greatly diminished importance.

Belgium and Luxembourg were overwhelmingly Catholic countries, but, within Belgium, Flanders was the more Catholic region, Wallonia the more secular. To be laïque in Belgium is not simply to be secular but to belong to a “spiritual family” that might be either liberal (meaning laissez-faire conservative) or socialist. In 1960, at least 80% of the Belgian people were baptized Catholics. Sixty percent attended Mass regularly in Flanders, 40% in Wallonia. There were not more than 50,000 active Protestants in Belgium, a number sustained 40 years later by Protestants from elsewhere in Europe working in Brussels. In Luxembourg, 97% were baptized Catholics.

Estimates from the same period showed that the Netherlands was 45% Protestant, 35% Catholic (and growing), and 20% unaffiliated with any religious group. About 75% of Protestants belonged to the official Netherlands Reformed Church (Nederlands Hervormde Kerk), Calvinist in doctrine but meant to be inclusive of the largest possible segment of the Protestant community. Most of the rest of Dutch Protestants adhered to more self-consciously orthodox Calvinist communions, whose doctrines were more demanding and restrictive. The largest of these groups was the Reformed Church (De Gereformeerde Kerken), to which about 10% of the Dutch people adhered. There were also small Lutheran and Mennonite communities. Catholics in the Netherlands were subject to political and social discrimination until the late 19th century. The Catholic Church, as represented by its hierarchy, was, in response, both reactive and insular-- determined to organize every aspect of the daily life of Catholics in order to maximize their power and protect them from discrimination. But there co-existed a liberal dimension to Catholic thinking and practice that manifested itself during the Second Vatican Council and became pervasive within Dutch Catholicism in the 1960s.
Defense of religious identity and community in the Netherlands -- and defense of religion and language identity in Belgium -- led in each country to the creation of what is known as the pillar system, or *pillarization* (Dutch, *verzuilen*). Members of each religious and language group formed their own schools, hospitals, labor unions, newspapers, radio and television programming groups, recreational associations, and so forth. The religious and language communities of the Netherlands and Belgium lived apart, though they generally lived peaceably. Political parties were each closely tied to one of the pillars; their role was to champion the interests of the group in governmental circles. The Dutch and Belgian governments have responded by funding all religious schools, hospitals and other institutions on a proportional basis.

Over the last forty years, the Low Countries have become progressively de-Christianized. Attendance at religious services has declined sharply, in most cases by more than half from the figures cited in the early 1960s. The reduction of religious sentiment has diminished popular identification with the pillars. In Belgium, devolution of authority to regional government has also reduced the need for pillarized politics at the federal level.

Questions/Discussion

Discuss the relationship between religious affiliation and "identity," and between religion and political preferences.

Has state recognition of church-based activities had a positive or adverse affect on religious tolerance in the Low Countries?

Does state recognition compromise the independence and integrity of the churches? In the Netherlands, has it compromised or encouraged national cohesion? Explain.

How has the development of Dutch and Belgian pillars facilitated the absorption of new groups in society?

Suggested Reading


GEOGRAPHY

The Low Countries are drained by three river systems: the Rhine, the Meuse (Maas), and the Scheldt. The three rivers form a delta in the southern Netherlands and northern Flanders, from which their estuaries empty into the North Sea. The Lek and the Waal divide from the Lower Rhine between Arnhem and Nijmegen, and flow to the sea, the former to the north and the latter to the south. Another Rhine tributary, the IJssel, leaves the Lek at Arnhem, winding north to the IJsselmeer. The Meuse, which rises in the Longres Plateau in France, flows parallel to the Waal to the north for 80 miles on the way to the sea. The Scheldt and its numerous tributaries drain the Central Plateau. Formerly, the western and eastern branches of the Scheldt’s estuary bracketed the large island of Walcheren, now attached to the mainland by an isthmus.

The fact that many of Europe's great rivers drain to the sea through the Low Countries has created both opportunity (trade) and threat (flooding). Most of the Dutch provinces of North and South Holland, Zeeland, and Friesland, parts of North Brabant and Groningen, and all of Flevoland lie below sea level. Sixty percent of the population lives on land that would be submerged during high tides (not to mention seasonal flooding) if nature were allowed to rule.

A long history of catastrophic floods has created an unparalleled expertise in the Low Countries in “water engineering,” including flood control dikes and the reclamation of land by draining water. From the year 1200 to the present, the Dutch have added 20 percent to the area of their country (7,000 square kilometers). Just over one third of that amount was created in the Lake IJssel project -- a vast reclamation project that turned the Zuider Zee into a fresh water lake (the IJsselmeer), and created a new province (Flevoland). Even the largest Dutch cities, Amsterdam and Rotterdam, exist by virtue of Dutch water engineering. Rotterdam, the world's busiest cargo port, would not even have access to the North Sea were it not for the Rotterdam Waterway. Amsterdam, once called “the Venice of the North” is built on marshland. The city’s buildings are supported by wooden piles driven thirteen to sixty feet into the ground.

In Belgium, the Central Plateau rises gently from the Flanders Plain to elevations of up to 700 feet in Hainault and Brabant. The region is drained by the Scheldt and its several tributaries. In the watershed between the Scheldt and the Meuse, the lower Kempenland Plateau is heathland containing the coal basin that was a principal source of Belgium’s prosperity. South Limburg slopes to the south and east and is cut by alluvial valleys. The Meuse-Sambre Valley stretches for more than 100 miles along the southern edge of the Central Plateau in Belgium. It varies in width from three to 10 miles, an area in which about a quarter of Belgium’s population lives.

The Ardennes lies south of the valley, an undulating sandstone and limestone plateau cut by deep winding valleys formed by small rivers that flow westwards to the Meuse. Summits reach up to 2000 feet. Half the upland area is heavily wooded by oak and beech, the valleys
marked by peat bogs and heathlands. The Ardennes extends eastward to the Grand Duchy and the Belgian province of Luxembourg.

A line of ironstone hills that have a mean altitude of about 1000 feet crosses the southern two-thirds of the province and grand duchy. Known as Belgian Lorraine in the former and Bon-Pays or Gutland in the latter, the area provides lush pastureland in small river valleys and beech woods on the hillsides.

Coastal and inland plain areas of Belgium and the Netherlands have a typical maritime climate, damp, cool, and frequently overcast. Climatic conditions in the interior and upland regions in the south are transitional between maritime and continental norms. Mean average rainfall in the several geographical regions of the Low Countries ranges between 25 and 32 inches.

The Low Countries have a high population density which is especially concentrated in several urban areas and conurbations. Throughout the region, however, there is a clear demarcation between urban and rural environments. The Randstad, or “Ring City,” is a vast conurbation, including Amsterdam and The Hague, that houses nearly 40% of the Dutch population. The area is at a maximum 30 miles in width and stretches 110 miles from Dordrecht to Haarlem, virtually the entire length of North and South Holland. The Randstad is polycentric and built-up areas are interspersed with extensive green spaces that allow the conurbation to “breathe.”

**Questions/Discussion**

Based on its geography, justify the use of the term “Low Countries” to describe the region.

In what ways has geography influenced the political and economic ties of the Low Countries with neighboring countries in Europe and overseas?

Explain the importance of the polders.

**Suggested Reading**


The original colors of the Netherlands were horizontal stripes of orange-white-blue derived from the arms of the Prince of Orange. Because the orange stripe surmounting the white stripe was prone to fade and could not be easily recognized at a distance at sea, red replaced orange on the upper stripe on the Dutch maritime ensign already in the 17th century. The red-white-blue combination was eventually adopted on the national flag, probably at the insistence of the republican opposition to the House of Orange in the Estates-General. The horizontal tricolor of Luxembourg is almost identical to that of the Netherlands, from which it is derived, except for the length of the fly being longer and the shade of blue somewhat lighter.

The national flag of Belgium is a tricolor composed of vertical stripes of black-gold-red in the format of the French tricolore. The colors are those of the Duchy of Brabant adopted as the emblem of the 1830 revolution.

The royal and grand-ducal families fly personal standards, which in the Netherlands and Luxembourg retain the color orange from the arms of their ruling families. Each province and most cities and towns in Belgium and the Netherlands have distinctive flags, some of which have colors and design of great antiquity. The flags of Flanders (sable “Lion of Flanders” on a gold field), Wallonia (red “Cock of Wallonia” on a gold field), Brussels (blue iris on a white field), and the German-speaking community (lion and blue florettes on a white field) are displayed in their respective regions alongside or sometimes in place of the national flag. The EU flag is commonly flown on public buildings in all three countries.

**Question**

What do national symbols, such as flags, contribute to an understanding of the history of the Low Countries?

**Suggested Reading**

EUROPEAN UNION

Belgium, the Netherlands, and Luxembourg were signatories of the treaty establishing the European Coal and Steel Community (ECSC), the first of the European “communities,” in 1952, together with France, Germany, and Italy. The same six nations were charter members of the European Economic Community (EEC), or Common Market, created by the Treaty of Rome in 1957, and of the European Atomic Energy Community (EURATOM) that came into force in 1958. Collectively, these institutions, headquartered in Brussels, were the European Community (EC), which evolved into the European Union (EU). The Benelux Treaty (1960) anticipated subsequent developments in the EU toward “ever closer union.”

The Treaty of European Union, usually referred to as the Maastricht Treaty, was formulated while the Netherlands held the rotating presidency of the Council of Ministers, responsible for proposing and implementing the EC’s agenda. The treaty, adopted in 1992, would provide a framework for achieving a common foreign and security policy as well as cooperation in home affairs. It also completed the “common market” and endorsed monetary union and adoption of a common currency.

The Maastricht Treaty viewed European union in terms of three “pillars.” The first pillar referred to the institutional structures of the EU and set criteria for monetary union. The second pillar embodied the Common Foreign and Security Policy (CFSP), and the third pillar covered justice and police issues, including immigration, asylum, and the movement of people across national borders. The Schengen Agreement, named for the town in Luxembourg where it was signed, sought to harmonize national implementations of third-pillar objectives. National passports are also recognized as EU passports, and EU citizens enjoy freedom of movement across the borders of member countries. The first pillar deals with areas of exclusive EU competency, while the second and third pillars cover areas that are essentially intergovernmental and are negotiable among member countries. Belgium, for example, withdrew temporarily from the Schengen Agreement for a three-month period in 2001, effectively closing its borders during that period to migrants and asylum seekers not authorized by the Belgian government in order to identify aliens residing illegally in the country.

Citizens of Belgium, the Netherlands, and Luxembourg are also citizens of the EU, sharing rights guaranteed to nationals of other member countries. EU citizenship does not preempt responsibilities imposed by member countries on their citizens.

Belgium, the Netherlands, and Luxembourg participate in the Economic and Monetary Union (EMU) that provides for a common monetary policy supervised by the European Central Bank (ECB), based in Frankfurt. The three countries adopted the common currency, the euro, together with nine other EU members, effective January 1, 1999 with euro notes and coins introduced in 2002.
PARTICIPATION IN EU INSTITUTIONS

Polls over several decades have indicated overwhelming approval by citizens of the Benelux countries for closer European integration. Brussels is the administrative “capital” of the EU, and other EU institutions and agencies are located in Luxembourg and the Netherlands. Within the EU, the Benelux countries were staunch advocates of monetary union and have supported EU enlargement, social harmonization, and democratization of decision making.

Benelux heads of government and government ministers represent their respective national policies and exercise executive authority for the EU on the Council of Ministers and the European Council. Since the last EU enlargement in 1993, each of the three holds the rotating six-month presidency of the council once every seven and a half years. Belgium, the last Benelux incumbent, held the presidency during the second half of 2001. The Netherlands is scheduled for its next presidency in 2004, Luxembourg in 2005. Luxembourg’s prime minister Jean-Claude Juncker is on record contending that the presidencies of smaller countries are more focused and efficient than those of larger countries. Reservations run deep in the grand duchy about mooted reforms to the rotating presidencies that might deprive Luxembourg of its next scheduled presidency.

Votes cast by governments of EU-member countries represented on the Council of Ministers total 87 and are apportioned according to population. The Netherlands, which has just over 4% of the EU’s population, and Belgium, which has just under 3%, are both allotted 5 votes. Luxembourg, with one-tenth of one percent of the total, casts two votes, approximately ten-times the voting strength per capita of Germany. The support of smaller EU members, including the Benelux countries, is generally needed for a qualified majority of 62 votes on issues not requiring unanimity. As a consequence of further devolution of Belgian state authority, Flanders and Wallonia rather than the national government represent the interests of their regions on the council. Both are active in the EU’s Committee of Regions, Assembly of European Regions, of which they are founding members.

Each Benelux country appoints one commissioner to the 20-member European Commission, the administrative body of the EU. Tiny Luxembourg has supplied two presidents of the commission, nominated by heads of government sitting as the European Council. Approximately 15,000 European civil servants work out of offices in Brussels and Luxembourg to administer EU agencies under the direction of the commission. The European Court of Justice, the EU’s highest legal authority, is based in Luxembourg, as is the European Investment Bank, the EU’s concessionary infrastructure-financing arm.

Although the European Parliament (EP) holds plenary sessions in Strasbourg, its secretariat is headquartered in Luxembourg, while parliamentary committees meet in Brussels. The current EP, elected for a five-year term in 1999, seats 626 delegates elected from the 15 EU-member countries. Although nationally elected representatives to the EP normally campaign
on domestic rather than “European” issues, they sit in multinational parliamentary party groups, not in national delegations. Thirty-one representatives are elected from the Netherlands, 25 from Belgium, and six from Luxembourg.

The Amsterdam Treaty, concluded during the 1997 Dutch presidency, gave the EP responsibility for holding confirmation hearings for commissioners and, by a vote of two-thirds majority, the power to force the resignation of an individual commissioner or the entire European Commission. In 1999, the commission and its president, former Luxembourg prime minister Jacques Santer, was compelled to resign following an investigation of charges of fraud, mismanagement, and cronyism.

Questions/Discussion

Explain the importance of European integration to smaller countries, including the “Benelux Three.”

Discuss the special position of these countries in EU institutions.

What are some of the advantages and potential disadvantages of EU enlargement for the Benelux countries?

Suggested Reading


FOREIGN POLICY

There is no “Benelux” foreign policy, despite consultations among the governments of Belgium, the Netherlands, and Luxembourg. Each of the three countries concentrates on agreements made in a European context, but each conducts its own discreet foreign policy that shares common commitments to the UN, NATO, and principles of international law. Each country focuses increasingly on alignment with the foreign and security policy dimensions of the EU and limits unilateral initiatives. Arms control and especially the non-proliferation of weapons of mass destruction are high priority considerations.

The three countries have different perceptions of their roles in international affairs, conditioned by geography, wealth, and history. While the Dutch consider the Netherlands a “medium”-sized country (as Swedes, for example, consider Sweden), Belgians unassumingly refer to Belgium as a “small” country (much as Danes do Denmark). Luxembourg’s tremendous economic clout locates that country on a level above mini-state status. Both Belgium and the Netherlands were colonial powers until the mid-20th century, and the latter was also a great maritime power whose involvement in Asia, Africa, and the Americas dates back to the 16th century. Foreign relations of the three export-oriented countries have traditionally been influenced by economic considerations.

For good reason, Belgium was called the “cockpit of Europe.” For centuries, it was the frontier between France and Germany and the real estate over which dominant powers fought for strategic advantage. Belgian and Luxembourg neutrality was violated by Germany in World War I, though the Dutch successfully remained out of the war. All three countries were occupied during World War II, and all three definitively abandoned neutrality after the war. As small- and medium-sized powers, they each emphasize multilateral approaches to the solution of international problems.

As a matter of principle, Belgium intervenes internationally only when it has something concrete and constructive to offer. An example of one such initiative was the report generated by then-foreign minister Pierre Harmel in 1966 recommending increased political consultation between NATO and the Warsaw Pact over tactical missile deployment in Europe. The Harmel Report is considered to have been an important element in the process of détente during that period. Belgian initiatives under the direction of Foreign Minister Louis Michel often emphasize ethical considerations, human rights, and greater reliance on international law in the formulation of foreign policy. Belgium asserts the principle of the “universal jurisdiction” of Belgian courts in cases involving war crimes and human rights violations.

Federal Belgium’s regions and communities have played a constitutional role in the formulation and implementation of foreign policy since the state reform of 1993. They have full competence in foreign relations in those fields for which they have domestic responsibility.
Dutch foreign policy has been consistently interventionist and has involved itself in a greater range of issues outside Europe. In the words of Joris Voorhoeve, Dutch foreign policy is based on overlapping considerations of “peace, profits, and principles,” with no one consideration ever excluding the others. The main elements affecting those considerations have been national security, regional integration, open markets, and support for overseas development and human rights. The Netherlands has been for many years one of the most generous per capita contributors to technical assistance and development aid. The Netherlands supports the imposition of internationally recognized legal norms. Appropriately, The Hague is the site of the World Court as well as the more recently established International Criminal Court (ICC).

**Questions/Discussion**

Why is multilateralism the core principle of foreign policy for all three Benelux countries?

In what ways have political and economic considerations been complementary in the formulation of Dutch and Belgian foreign policies?

Discuss differences between the foreign policy orientations of Belgium and the Netherlands, and explain the reasons for them.

To what degree have the “Benelux Three” surrendered control of foreign policy to the EU?

**Suggested Reading**


NATIONAL and REGIONAL SECURITY

The national security of the three Benelux countries is firmly rooted in NATO, of which they are founding members, and in its Atlantic dimension, which they regard as remaining essential to European security. NATO is headquartered in Brussels, and the Supreme Headquarters for Allied Powers Europe (SHAPE) is based in nearby Mons. Headquarters for Allied Forces Northern Europe is located in the Netherlands.

The EU’s Political and Security Committee (PSC), on which representatives of the Benelux countries participate, coordinates the common policy of the European Security and Defense Policy (ESDP) in consultation with NATO. Harmonization of EU and NATO planning and deployments is considered indispensable by the three countries, which reject any suggestion of a EU force operating independently of NATO. Regular 23-country meetings are conducted at all levels between NATO, which includes six non-EU members in its Euro-Group, and the EU, which includes four non-NATO members.

Since 2000, the EU’s interim military staff and NATO have shared in-house expertise. In practice, however, the former is a secretariat, not a command staff, and it does not conduct operational-level military planning. There is no separate EU planning capability outside NATO’s established planning structures.

The European Rapid Reaction Force (ERRF) was proposed at the Helsinki Summit in December 2000 with the stated aim of mobilizing 60,000 personnel from EU member countries to carry out the so-called Petersburg Tasks, including humanitarian assistance, rescue missions, disaster relief, conflict prevention, and peacekeeping missions. The Netherlands has pledged 4500 troops to the notional ERRF, Belgium about 1000.

While actively engaged on the PSC, the Benelux countries rejected creation of an EU military force independent of NATO. In 2002, however, the Belgian prime minister called for a radical rethinking of the EU’s defense policy. Guy Verhofstadt proposed consideration of ESDP as a collective alliance independent of NATO. He argued in a letter to EU heads of government that NATO was becoming an American “tool box” for building coalitions in the war on terrorism and in April 2003, in reaction to the U.S. military intervention in Iraq, which it did not support, the government hosted a meeting with the heads of government with Luxembourg, France and Germany to explore further a separate EU military force.

That said, total defense spending among the EU-15 decreased by 15% to under $150 billion in the five-year period 1997-2001. ERRF lacks independent compatible information technology, access to intelligence, logistical support, and lift capacity. No common regional security concept has been agreed on by EU members.
Belgium abandoned conscription in the 1990s in favor of professional volunteer armed forces. Prior to the end of eight-month national service, conscripts comprised only one-third of active duty forces, but they provided the bulk of a large reserve force designed to fill out unit cadres. Active duty force levels have been cut by half since the abolition of conscription, reserves by 40%.

Belgian Armed Forces, 2002
Active: 37,600
Army: 26,400
Navy: 2600
Air Force: 8600
Reserves: 100,500
Including 72,000 army reservists and 15,500 medical personnel
Defense budget (2001): $2.2 billion

The armed forces is one of Belgium’s few remaining national institutions.

The Belgian army is capable of deploying one mechanized infantry division composed of three brigades, each deploying one armored battalion, equipped with Leopard MBTs, and two mechanized infantry battalions backed by assault helicopters. Two brigades are kept at 70% strength to be reinforced by reserves, one at 50% strength. One brigade is stationed in Germany. Elite troops, including those in airbourne and commando units, are highly rated for their training and effectiveness.

The navy is trained and equipped for coastal and North Sea missions under joint command with the Dutch navy. Components include three ASW frigates, 11 fast attack craft equipped with Exocet SSMs, and minesweepers.

The air force’s inventory of combat aircraft consists of 72 F-16s organized in six squadrons. Flying hours available for Belgian pilots are below the NATO norm. Transport capacity is limited.

Belgium contributed a battalion-level unit to SFOR-II in Bosnia and UN observer teams in Kashmir, Western Sahara, and with KFOR in Kosovo.

Implementation began in 2002 of a plan for the gradual restructuring of the armed forces, to be completed by 2015. The plan is based on the premise that it is unlikely the armed forces will be mobilized at full strength in any potential future conflict. (See “Mission of the Armed Forces.”) “Rationalization” is the keyword in the plan, which envisions Belgian components of not more than 5000 personnel and assets deployed as part of a broad coalition in crisis-management scenarios. The armed forces would be reduced by 10% to under 40,000
personnel integrated, together with a medical corps, under a single unified command. Some activities would be outsourced to the civilian sector.

The NETHERLANDS

The Netherlands also moved to an all-volunteer force in the 1990s, reducing the size of personnel in the armed forces by half after the end of the Cold War. As in Belgium, conscripts, who normally accounted for nearly half the active force, were trained in periods of 14-17 months to provide a standing reserve of more than 150,000 available to complete units maintained by regular cadre. The army continues to rely on a small reserve component to reinforce cadre in combat and support units.

Dutch Armed Forces, 2002
Active: 50,430
   Army: 23,100
   Navy: 12,130
   Air Force: 10,000
   Constabulary: 5200
   Reserves: 32,200, including 22,000 army reservists.
   Defense budget (2001): $5.6 billion

In wartime, the Dutch army is capable of fielding one mechanized infantry division, equipped with Leopard MBTs, several hundred APCs, and self-propelled artillery. Combat ready units include 12 tank, armored infantry, and air-mobile battalions, supported by six artillery battalions. Two battalions are stationed in Germany. The army is backed up by territorial units from a lightly-armed Home Guard.

The Netherlands has a proud and strong naval tradition. Combat assets include two destroyers and 12 smaller frigates, armed with Harpoon SSMs, plus four submarines and anti-mine warfare vessels. The naval aviation branch flies ASW and reconnaissance patrol aircraft and ship-based helicopters, and a single naval patrol plane is regularly on duty with NATO in Iceland. A corps of 3100 marine infantry is organized in three battalions, one of which is integrated with the Royal Marines in a joint UK/Netherlands amphibious landing force. The Dutch navy operates under joint command with the Belgian navy with headquarters at Den Helder. Units are also periodically assigned to the base at Willemstad in Curaçao. Coast Guard craft combat smugglers and attempt to interdict drug traffic in the waters of the Netherlands Antilles.

The air force has at its disposal 108 F-16s, deployed in nine squadrons, as well as efficient reconnaissance and limited transport capability. The Netherlands intends to participate in the F-35 Joint Strike Fighter aircraft program. Flying hours for Dutch pilots are in line with the NATO norm.

The Royal Constabulary (Koninklijke Marechaussee) is a paramilitary police corps numbering 5200 personnel and responsible for providing internal security, criminal investigation, border...
and passport control, highway patrol, transportation (including airport) security, and armed crisis intervention. Officers of the Marechaussee are highly respected and have a reputation for being “tough” in the execution of their duties.

The Netherlands retained a mechanized infantry battalion under UN command as part of SFOR II in Bosnia following the tragedy involving Dutch peacekeepers at Srebrnica. Dutch observers served in Ethiopia/Eritrea and others were assigned to KFOR in Kosovo. A joint Dutch-German command was prepared to take charge of the international peacekeeping force in Afghanistan at the end of 2002.

LUXEMBOURG

Luxembourg’s armed forces consists of 900 personnel organized in an infantry battalion and two reconnaissance companies. One company is normally assigned to the Belgian mechanized infantry division. A small number serve abroad under UN command as observers with SFOR II and KFOR.

For legal purposes, NATO’s 17 E-3A early-warning aircraft (AEWs) are registered to Luxembourg and bear Luxembourg roundrels for identification. Luxembourg personnel were assigned to the flight and maintenance crews of the five AEWs taking part in Operation Deliberate Forge.

MISSION of the ARMED FORCES

Belgian and Dutch armies, operating under NATO command, were equipped and configured to defend assigned forward areas in Germany. Mechanized divisions were trained to fight in conventional and nuclear environments. Although active and reserve forces were drastically downsized in the 1990s, combat units are still largely composed of “heavy metal” components intended to counter threats envisioned during the Cold War. The mission of the armed forces of the Benelux countries, like those of other NATO countries, has not been clearly redefined. Nor is there a commonly agreed upon assessment of threats to national and regional security. While retaining a capability for territorial defense under NATO command, Belgian and Dutch armed forces are being reconfigured gradually to meet the long-range demands of peacekeeping and crisis intervention outlined in the Petersburg Tasks.

DEFENSE SPENDING and PROCUREMENT

Belgium and the Netherlands drastically reduced defense expenditures in the 1990s. Belgian spending was cut by one-third in the five-year period 1997-2001 to a total of $2.2 billion, the lowest per capita expenditure in NATO after Poland and Luxembourg. The Netherlands’
outlay for defense was more than double that of Belgium in 2001 ($5.6 billion) but had still dropped by 25% from the 1997 level.

Belgium has an important arms industry built around *Fabrique Nationale* (FN) of Liege. The FN 7.62 automatic rifle is standard NATO issue. Although a less aggressive exporter than in earlier decades, FN remains a major supplier of small arms throughout the world. The Dutch produce avionics and have naval shipbuilding and repair facilities. Funds available for R&D, however, are virtually nil in Belgium in 2001 and are declining in the Netherlands.

The level of equipment procurement by Belgian and Dutch armed forces is constant, but the latter was spending nearly five times as much on acquisitions in 2001 than the former. F-16s in the Belgian and Dutch air forces are undergoing extensive “mid-life” up-grades. The Netherlands has tentatively agreed to re-equip with the Joint Strike Fighter (JSF).

**Questions/Discussion**

What is NATO’s primary mission in the post-Cold War era? Are there important secondary missions?

Discuss areas of cooperation and possible contradictions in missions assumed by NATO and those proposed for an EU security force.

What roles are the Benelux countries best able to perform within NATO and ERRF?

**Suggested Reading**


HISTORY

Although the region is relatively small (about the size of West Virginia), the history of the Low Countries looms large in world and European history. Both Belgium and the Netherlands were colonial powers. The Netherlands was for a century the world’s most important maritime power, and Belgium was one of the homes of the Industrial Revolution. The influence of the Low Countries on the world economy is far greater than their size might indicate.

Historical issues in the Low Countries are invariably European issues, and, over the centuries, many decisive conflicts in European history have been resolved on their soil – in modern history from Waterloo to the Battle of the Bulge. The region, once part of the “Middle Kingdom,” was a meeting place of Celtic and Germanic peoples, of Roman order and barbarian hordes, and a buffer between France and Germany, aptly called the “cockpit of Europe.”

The Low Countries shared a common history until the late 16th century, but, as Johan Huizinga, the distinguished Dutch historian, demonstrated, the line of historical continuity was broken during the years of the Dutch Revolt and could not be restored. What remains, however, are the separate and vibrant national histories of three countries.

Celt, Roman, and German

"All Gaul," Caesar observed, "is divided in three parts -- Gallia, Acquitania, et Belgica." The province of Belgica remained an integral part of the Roman Empire for 500 years, during which time the Celtic tribes that lived there, the Belgii, became thoroughly Romanized – Asterix notwithstanding! The empire’s frontier was eventually planted farther east along the Rhine in Germania Inferior, a province inhabited by the Batavians. The region was connected to the rest of the Roman Empire by a system of roads not surpassed in Europe until the 19th century, functioned under a common legal code, and used a common language, Latin. Towns were founded that enjoyed the amenities of Roman urban life.

Germanic tribes began applying pressure on the frontier already in the 2nd century A.D. When Roman troops evacuated the province in the late 4th century, the vacuum was filled by the Franks, Germanic allies of Rome whose chieftains exercised commissions from the emperor to defend the region against their cousins, the Frisians and the Saxons. Their warlords became a ruling class on Roman territory. In 496, Clovis, king of the Franks, converted to Catholicism and was followed in that by his folk. Clovis also established the Merovingian dynasty of Frankish kings that in time won over most of what had been Roman Gaul and would become the Frankish lands, or France.
The Carolingians

Succeeding generations of Merovingian kings ruled over several kingdoms. One of them, Austrasia (the “eastern lands”) was co-extensive with much of the present-day Benelux countries. The kings appointed officials, called “mayors of the palace,” an office usually hereditary, to administer the kingdoms in their stead. By the late 7th century, Pepin Herstal, had collected mayoralties of the Merovingian kingdoms under his control. His son, Charles Martel, who defeated the invading Arabs at Tours in 732, left his name to the dynasty – the Carolingians, and Charles Martel’s son Pepin III deposed the last of the Merovingian kings, a puppet whose family, always brutal, had become decadent as well. Pepin was recognized with papal approval as king of the Franks.

Pepin’s heir, Charles, known as Charles the Great or Charlemagne, transformed the Frankish kingdom into a European empire. Charlemagne, who kept court in the old Roman towns at Nijmegen and Aachen in Austrasia, defeated the Frisians, conquered the Saxons, and extended Carolingian dominion across Germany. On Christmas Eve 800, Pope Leo III crowned Charlemagne in Rome as emperor in succession to the western Roman emperors as a reward for subduing the Lombards in Italy.

Having built a large empire, the Carolingians fell back on the Frankish custom of sharing family property among legitimate sons. In 843, in the Treaty of Verdun, the Carolingian Empire was divided among Charlemagne’s three grandsons into three separate kingdoms – a West Frankish kingdom in what would become France, an East Frankish kingdom in Germany, and the “Middle Kingdom,” left to the eldest, Lothair. Lotharingia, as the kingdom was called, included Austrasia, the Carolingian heartland, as well as Burgundy, Provence, the upper Rhineland, and northern Italy, a rich but ungainly piece of real estate lacking in natural frontiers. In the Verdun treaty is found the remote political origins of France and Germany -- and the end of the political unity of western Christendom.

On Lothair’s death in 855, the “Middle Kingdom” was divided three ways. Louis the Fat, the German king, took Italy and the imperial title; Charles the Bald, the French king, annexed Provence; and the dead king’s son, Lothair II, kept the Low Countries and Alsace-Lorraine. And, when the younger Lothair died in 870, his uncles met at Mersen to split what had remained of Lotharingia between them. In doing so, they drew a line through the Low Countries and through western Europe over which their immediate descendants began fighting and over which their successors continued to fight – until 1945.

The Middle Ages

In order to supply and maintain a ready force of mounted warriors, the Franks had, in the 8th century, introduced the practice of vassalage by which a warrior commended his service to a warlord in return for which the lord gave his vassal the use of property for his support in the field. This was a social and political relationship. The property involved in the arrangement was a fief, hence, “feudalism.” In time, possession of property implied a vassal’s obligation to fight at the behest of his lord. The economic system that provided the wealth to
support the military obligation was manorialism, derived from a pre-existing Roman model, in which manors held in feudal tenure were worked, as the system developed, by peasants bound to the land in premedial serfdom. Manorialism remained the basis for the agricultural economy in much of the Low Countries into the 18th century, long after vassalage and feudalism had passed into history.

Under the Carolingians, feudal states had been established whose lords commended themselves as vassals to the king, who resided at the apex of the feudal pyramid and who, in turn, had vassals and sub-vassals commended to them. Feudal relationships in the Low Countries were complex, giving rise to continuing conflicts of interest. There were, in fact, two overlapping feudal pyramids, one in the south (Flanders and Artois) that had the French king at its apex and the other where the German emperor was suzerain. Beneath them were levels of “great vassals” – dukes, counts, and lords, and, beneath them, baronies, lordships, abbeys, and knightly holdings. There were, in addition, ecclesiastical states, ruled by their bishops as feudal lords.

Feudal States in the Low Countries

Duchies
- Brabant
- Gelderland
- Limburg
- Luxembourg

Counties
- Antwerp
- Artois
- Drenthe
- Flanders
- Gelderland
- Hainault
- Holland
- Limburg
- Namur
- Zeeland

Lordships
- Friesland
- Groningen
- Overijssel

Ecclesiastical States
- Cambrai
- Liege
- Utrecht

The feudal ties to the emperor in the northern Netherlands were not as strong as those to the king of France in the south, but even those links weakened and the feudal states were virtually independent of their suzerains after the 12th century. The counts of Flanders, for
example, possessed the wealth of kings, married into royal families, and held the title of
Latin Emperor in Constantinople in the 13th century. The ducal house of Luxembourg
produced two German emperors and two kings of Hungary in the 14th-15th centuries. The
great feudal families also often married among themselves and were joined by kinship. The
wars among them, also frequent, had the quality of family feuds.

Duchies and counties were often joined in personal unions, only to split in another generation
and form new combinations that may not have been territorially contiguous. Titles were
bequeathed, purchased, and usurped, given as dowries and, then, divided among the children
of the family. The ruler might wear several crowns, but each state retained its own laws and
customs, flag, coins, and legislature.

External trade began to revive along the river systems in the Low Countries in the 10th
century. Merchants and craftsmen congregating at ports, in old Roman towns, and around
fortresses promoted the rebirth of urban life in the 11th century at, for example, Bruges at the
bridge over the Zijn, at Ghent in the shadow of the castle on the Scheldt, near the dikes on
the Amstel, and at Ypres, Antwerp, Brussels, Utrecht, Doderecht, and other locations, more,
at first, in the south than, later, in the north. Depending on location, trade in the Low
Countries was oriented to England or France, up the Rhine to Germany, or to Scandinavia.

In the 12th century, the southern Netherlands (along with northern Italy) participated in
Europe’s first “industrial revolution.” Sheep raising on the lowlands of Flanders, Artois, and
Brabant provided the wool that fed the looms in the towns in those provinces. When demand
for the raw material exceeded domestic supply, the textile industry turned to England for its
wool. Towns in the northern Netherlands imported timber and naval stores from the Baltic to
build ships for fishing and the carrying trade.

The “estates” – the bishops and clergy and the nobility and, only later, citizens of the towns
or communes – were represented in the Netherlandish parliaments that met periodically in
each province. Each represented a source of income for the ruler and agreed to tax
themselves in return for the redress of grievances and recognition of liberties.

The communes often presented a problem for the landholding nobility because these “urban
democracies” existed outside the feudal structure. Often controlled by small oligarchies, they
were governed by councils independent of feudal lords and answered directly to the duke or
count. Troublesome though their demands might often be, the rulers, in turn, were likely to
grant the towns greater liberties because of the wealth that they generated. The towns were
themselves deeply divided by class animosity, the balance of political power differing among
them, however, from town to town. Class struggle was endemic. The urban patricians, who
built their great gabled houses on the market square, were merchants and entrepreneurs
whose fortunes equaled all but greatest of the landed nobility. The craftsmen, well organized
in the gilds, owned the workshops that put out goods on contract to the patricians and vied
with them for political control of the councils. On the lowest rung of the social and economic
ladder was a usually turbulent urban proletariat employed by the gildsmen. In Flanders
particularly, relations with the count and the nobility and among the urban classes were
complicated further in the 14th century by the wars between the suzerain, the king of France, and England, the province’s most important trading partner.

When Philip IV of France tried to bring Flanders under royal control, the French king found allies among the Flemish patricians, who offered him their direct allegiance. But the old count of Flanders, Guy Dampierre, had the support of the gildsmen. The Flemish militias, pikemen and crossbowmen mobilized by the communes, utterly routed over-confident French knights at the Battle of the Spurs at Courtrai in 1302. As their reward, the communes exacted greater liberties from the count.

Jacob van Artevelde, a brewer from Ghent and political leader of his commune, negotiated an alliance of several Flemish towns – Bruges, Ypres, Antwerp, and Ghent – to proclaim armed neutrality in the war between France and England that resumed in 1345 but also concluded a commercial treaty with England to assure the supply of wool and grain. The count, Louis Nevers, loyal to his obligation to his suzerain, was defeated when he moved against the allied communes and was forced to recognize their autonomy.

The autonomy movement spread outside Flanders to towns in other parts of the Netherlands, but, ultimately, neutrality was impossible to sustain and the communes joined in a formal alliance with England, pledging their allegiance to Edward III who claimed the crown of France. The struggle of the communes to defend their autonomy became a theatre in the Hundred Years War. In 1382, the French defeated the communes at the battle of Roosebeke and restored the authority of the count of Flanders over them.

**The Burgundian Period**

Two years later, Count Louis de Male, died, leaving as heir his daughter, Margaret, whose husband Philip the Bold, the Valois duke of Burgundy, was welcomed by the Estates as count of Flanders, thus uniting two of the richest areas in late medieval Europe. The Burgundian period gave Flanders a line of four strong rulers who, over nearly a century, acquired title to other Netherlandish states. Although they never bore a royal title, the count-dukes – Philip, John the Fearless, Philip the Good, and Charles the Bold -- had wealth, power, and prestige greater than that of all but a few kings.

The Burgundian period was the “golden age” of Flemish art. Its patronage was bourgeois, not aristocratic, and demanded an unrelentingly exact realism that featured bright colors made possible by the innovative use of oil-based pigments. In a violent world confronted by plague, war, and doubt that had strained the imagination, the Flemish “primitives,” so-called, depended on literalness in order to be seen.

Charles the Bold was killed at Nancy in 1477 in battle with the Swiss. The Estates sanctioned the marriage of Mary, his daughter and heir to the Netherlands and Burgundy, to Maximilian, heir to the Habsburg realms – Austria, Bohemia, Lombardy, and more --and the title of Holy Roman Emperor. Their son Philip the Handsome was married to Joana, daughter of Isabella of Castile and Ferdinand of Aragon, through whom their son Charles (1500-1558) inherited
the Spanish throne and colonial empire. Charles was born in Ghent and raised speaking the
languages of Flanders. As Charles V, he became emperor and claimant to the Burgundian
and Habsburg inheritances. His was a dominion greater even than Charlemagne’s.

Succession of the Houses of Flanders-Burgundy-Habsburg in the Low Countries

Louis de Male, Count of Flanders (d. 1384)
: Margaret of Flanders = Philip the Bold, Duke of Burgundy (d. 1404)
: John the Fearless (d. 1419)
: Philip the Good (d. 1467)
: Charles the Bold (d. 1477)
: Maximilian of Austria = Mary of Flanders (d. 1482)
: : Ferdinand of Aragon=Isabella of Castile
: : Philip the Handsome (d. 1506)=Joana of Castile
: : Charles V (abd. 1555)……………
: : Philip II of Spain (d. 1598) Mary
: : : Isabella=Albert of Austria (d. 1621) Matthias

Questions/Discussion

Consider the legacy of Romanization in the Low Countries. Did it survive the fall of the
Roman Empire in that region? How?

Relate linguistic differences in the Low Countries to the events of the 4th and 5th centuries.

What effect did Carolingian dynastic practices have on European history in the 9th century –
and thereafter?

Describe and compare the political connections in the Middle Ages between the Low
Countries and France, Germany, and England.

How was feudalism responsible for the delineation of distinct political units in the Low
Countries?
Discuss the conflict of interests among the nobility and in the towns arising from competing allegiances to local sovereigns and their suzerains.

Discuss the composition and function of the estates-general in the Netherlandish states. How “representative” were they?

Discuss and critique the Pirenne Thesis which argues that the growth of trade was the exclusive cause for the reinvigoration of urban life in the Low Countries in the Middle Ages.

Describe class divisions in Netherlandish towns.

Cite some reasons for the decline of urban “democracies” in the Low Countries from the 14th to 16th century.

Account for the rise and decline of the Valois dukes of Burgundy in the Low Countries.

**The Age of Charles V**

The 16th century was absolutely decisive in the history of the Low Countries. The total population of the provinces in the region in 1500 was about two million, one-fourth of which was in Flanders and another fourth in Brabant. Holland had a population of about 250,000, more than half of it living in 18 incorporated cities. About 40% of the population of the southern Netherlands was urban as well.

Charles, who would eventually preside over a world empire, came of age as duke of Burgundy in 1515 and assumed the various titles of the Netherlandish states. He intended to bind the 17 states of the Habsburg Netherlands together constitutionally within the Burgundian Circle. Burghers in Holland wanted strong government to protect their carrying trade and approved the plan. Cities in Flanders, however, and the landed nobility there were more jealous of their ancient liberties. When Bruges and Ghent resisted, their privileges were revoked.

Like the Burgundian dukes who preceded him, Charles relied on stadtholders, appointed in each state to serve as his viceroy and as military commander. The stadtholders were often drawn from a corps of professional administrators. Among them were the counts of Breda in Brabant, who were from a branch of the German house of Nassau.

In 1543, the Netherlandish states were joined formally under a single constitution, called the Great Privilege. Each retained its own provincial government, directed by a stadholder, and provincial estates, but they were under the supervision of a “central” government in Brussels. Hereditary succession was confirmed in all of them, so that they could not in future be divided among heirs.

Then, in 1555, Charles V – emperor, king, archduke, duke, count, and holder of many other titles – abdicated them all and retired to a monastery. He divided the vast Habsburg empire between his brother Ferdinand, who received the dynasty’s German possessions along with
the imperial title, and his son Philip (1527-1598), who became king of Spain as Philip II and received the Habsburg possessions in Italy and the Burgundian Inheritance, including the Netherlands.

**The Reformation**

Despite the decay of religious institutions, there was a tradition of popular piety and prophetic mysticism in the Netherlands in the late Middle Ages. Netherlandish clerics were prominent in the Conciliar Movement, intended to reform the administration of the Church through the regular meeting of general councils of its bishops. The Brethren of the Common Life, a lay religious order, promoted reform through education. One of their students, Erasmus of Rotterdam (1466-1536), perhaps the most prominent scholar of his time, sought to put humanistic studies at the service of the renewal of the Church from within. The Netherlandish artists Hieronymus Bosch and Pieter Brueghel depict the physical and psychological turmoil of the period in their paintings.

The teachings of the French Protestant reformer John Calvin (1509-1564) found an early and receptive audience in Wallonia and among the burghers of Antwerp, who carried his message to the northern Netherlands, often as refugees from Spanish persecution. By the end of the 16th century, few towns of any size in Holland were without a *Vaalsekerke* (Walloon Church). The clarity, certainty, and absence of ambiguity in Calvin’s acceptance of predestination and justification by faith appealed to tough-minded, business-like citizens of the Netherlandish towns who embraced its spiritual cost-effectiveness.

**The Dutch Revolt**

The beginnings of the “Dutch Revolt,” the 80-year War of Independence fought in the Netherlands against Spain, coincided with the introduction of the Protestant Reformation and the consequent reaction of the Catholic Counter-Reformation. Philip II stayed in the Netherlands only a short time after his accession there. He returned Spain in 1559 and never left it again. He appointed his half-sister Margaret of Parma to be his governor-general in Brussels, but it was Philip who pronounced the policies from Spain that his viceroy was expected to enforce in the Netherlands. Whatever he might have imposed on his subjects there, often from a distant court in Germany or Spain, Charles V was at least recognized as Netherlandish. Philip II was a Spaniard.

From his court in Spain, Philip II took four initiatives in the Netherlands that alienated most of his subjects, regardless of class or religion. He laid out a plan for further consolidating the Netherlands and integrating the region directly into the Spanish imperial system, including control of its trade. This required a substantial reduction of the autonomy of the town councils and the provincial estates, followed by the introduction of a system of regular taxation that would yield revenues without having to seek their advice and consent. Finally, he introduced the Inquisition into the Netherlands to stamp out Calvinism. Finally, a large
Spanish army was dispatched to defend the Netherlands from France – and to enforce the
king’s will.

It was Spanish encroachment on local liberties, not religion, that was the foremost concern of
the Estates-General that met to reject Philip II’s initiatives. The protest was led by the League
of Magnates, including the counts Egmond and Horn, who were Catholics, and William,
called “the Silent,” the stadtholder of Holland, Zeeland, and Utrecht.

William the Silent (1533-1584) was the scion of the house of Nassau. Born in Germany, he
was count of Nassau-Dillenburg, inherited the county of Breda from the Netherlandish
branch of the house and the principality of Orange, an imperial enclave in southern France,
from another member of his multi-faceted family. Raised a Lutheran in Germany, he became
a Catholic to accept Charles V’s commission to serve him in the Netherlands. Philip II
conferred the stadtholderships on him in 1559. William the Silent was a successful politique
for whom religious commitment in those fractious times served political expediency.

As Spanish attempts to enforce religious conformity increased, Calvinists in Antwerp and
other towns reacted by sacking churches and religious houses with iconoclastic fury. Town
officials stood by as mobs destroyed stained glass, statues, and paintings. In 1566, the League
of Magnates presented the Request to Philip II to withdraw the Inquisition from the
Netherlands and repeal the edicts against heresy. Philip responded by sending the duke of
Alva as captain-general to reassert by military means both Catholic orthodoxy and his own
authority in the Netherlands. Egmond and Horn were arrested by Alva and executed at the
orders of the Council of Blood. William escaped to Holland and raised support there and in
Zeeland. He recruited initially from two groups: from the Calvinist burghers, who, although
still a minority in Holland’s cities, had at their disposal the town militias, and from the gueux,
or “sea beggars,” fishermen, merchant seamen, and sometime pirates from Zeeland. He
trusted them because they were willing to fight the Spaniards, and they followed him because
they recognized in the stadtholder a soldier who could lead the resistance to Spain. William
the Silent thus became defender of local liberties and the leader of the Calvinist cause in
Holland and the Dutch revolt against Spain that would continue as the Eighty Years War. But
Dutch Calvinists were iconoclasts and the gueux were pirates, and, eventually, because of his
allies, William lost the confidence of Catholic magnates and many of the landed nobles
towns in the south.

For 15 years (1566-1581), terms for peace, not independence, was the issue between William
the Silent and Philip II, who was recognized as legitimate ruler even in Holland and Zeeland.
All attempts at a truce failed until 1577, when an agreement on an armistice and a formal
union of states was reached at the Pacification of Ghent. The armistice set the stage for the
Union of Brussels the following year. Its founding document referred to the Netherlands,
south and north, Catholic and Protestant, as the “common fatherland” of its people. Spanish
troops, who had caused havoc by their mutinies, were paid off and prepared to return home.

The Estates invited Matthias of Austria to replace his and Philip II’s uncle, Don Juan of
Austria, the victor of Lepanto, as governor. Matthias, who was 20 years old, was a younger
son of the heir to the Habsburg titles in Germany. Styled “Defender of the Liberties of the
Netherlands,” the task before him was to mediate the quarrel between the Estates and Spain and to counteract the influence of William the Silent, but no settlement was possible without cooperation between the largely Catholic nobility and the now Calvinist stadtholder.

In the settlement, Catholicism was recognized everywhere in the Netherlands. Otherwise, the issue of religious toleration was left open in the southern provinces. Protestants were not satisfied with an understanding that restricted Protestantism anywhere. As the religious issue became more sharply defined, the rift opened more widely between Catholics and Protestants.

Holland and Zeeland, where William had been reconfirmed as stadtholder and captain-general by Matthias, withdrew from the Brussels Union, and, in 1579, two rival leagues were formed. In the northern Netherlands, both Protestants and Catholics adhered to the Union of Utrecht, pledging to resist the Habsburgs, while the estates of southern provinces joined the Catholic Union of Arras, submitting an appeal to Philip II to defend the Church in the Netherlands. Matthias left the Netherlands. In 1608, he would become Holy Roman Emperor and the disputed succession to imperial lands after his death, in 1618, provided a motive for the Thirty Years War.

The formation of the rival unions and the demise of the short-lived Brussels Union, whose constitution had spoken of a “common fatherland,” marked the definitive division of the Low Countries. The southern and northern Netherlands would thereafter develop in different directions.

In 1581, the States-General of the Utrecht Union repudiated Philip II, creating the United Provinces. Spanish troops moved to occupy the fortresses they had recently abandoned as a base for the conquest of the northern Netherlands. It was a task that even the large and splendid Spanish army could not accomplish. Nor could the Dutch expel the Spaniards from the south, where they always stumbled on the unwillingness of the Catholic people to rally to Calvinist rebels.

Finding legitimacy was a problem for the United Provinces too. It was a republic, unable to secure recognition even from its ally, England. The search to recruit a prince failed to come up with a suitable candidate. In practice, however, the government of the republic was a disguised monarchy under the rule of the stadtholder, William the Silent. When William was assassinated at Delft in 1584, his brother Maurice was elected stadtholder and captain-general to succeed him.

Questions/Discussion

Assess the contribution of Charles V to the unity of the Netherlands or his blame for its disunity.

What was the role of the office of stadtholder? How did it compare with the office of the Frankish mayors of the palace?
What religious trends were evident in the Low Countries in the 14th-16th centuries that anticipated the Protestant Reformation?

Give some reasons why Calvinism might have been popular in the Netherlands. Did the belief form the temperament of its adherents, or did the temperament of the Netherlanders encourage its acceptance?

How did the religious climate in the northern Netherlands differ from that in the southern Netherlands? How important were the differences in preventing the realization of a "common fatherland" in the Netherlands?

What were the principal factors contributing to the Dutch Revolt? Did the same factors determine the progress and resolution of the conflict? To what extent and why did the southern Netherlands remain loyal?

How did William the Silent select his allies in the struggle against Spain?

Cite some advantages of prolonging the wars with Spain for the United Provinces. What was the importance of Hugo Grotius to the Dutch war effort?

What were the limits of religious tolerance in the United Provinces? Were they imposed mostly for theological reasons or were they essentially political in nature?

The Golden Age

The war with Spain continued with periodic English and French interventions, the battle lines flowing back and forth with repeated campaigns and sieges. The Dutch captured northern Brabant and Limburg, a largely Catholic area organized as The Generality, an occupied dependency administered by the States-General of the United Provinces in which they were not represented. At sea, the long arm of Dutch naval power harried the Spanish merchant fleet, cut lines of communication, and attacked Spanish and Portuguese colonies. Partly due to French mediation, a 12-year truce was concluded in 1609 that preserved the status quo in the Netherlands for its duration.

In 1598, Philip II handed over title to the whole of the Netherlands to his daughter Isabella and her husband-to-be and cousin the Habsburg archduke Albert of Austria as independent sovereigns, not as the agents of Spain. An autonomous Netherlands under Habsburg rule was proposed as a solution by which the south and north could be reconciled and reunited. The consolidation of Catholicism in the southern Netherlands during the years of the truce, particularly under the influence of the Jesuits on education and the intellectual life of the country, discouraged any rapprochement with the Protestant north. Isabella and Albert were childless, and, on the archduke’s death in 1621, the southern Netherlands reverted to Spain.

The truce opened the opportunity for political dissent in the United Provinces that was muted when the country was threatened by invasion, particularly opposition the ascendency of the
House of Orange. The estates of each of the Dutch provinces elected a stadtholder. In Holland and Zeeland, the office had passed without debate from William to Maurice as head of the House of Orange. Maurice – or another member or supporter of the family -- was elected in other provinces as well. Each province retained its traditional estates that chose parliamentary leaders often drawn into conflict with the stadtholder. The constitutional relationship between stadtholder and estates was not always clear or consistent from province-to-province.

The estates of Holland that assembled in The Hague was typical. The Noble Great Mighty Lords Estates of Holland and West Frisia, as it was styled, was composed of 19 delegations, one representing the estate of the landed nobility and others sent by the 18 cities in Holland. (Before 1567, a twentieth estate had represented the Catholic bishops and clergy.) Each estate was led by an elected pensioner, and the collective body of estates was presided over by the Grand Pensioner chosen from their number, whose job it was to work out the sense of the estates on an issue before them and devise a resolution that could be approved by a unanimous vote. The estates of the several provinces might convene periodically in the States-General of the United Provinces.

After the death of William the Silent, a struggle for supremacy in Holland developed between the stadtholder, expressing a monarchical tendency, and the pensioners, upholding the republican principle. The stadtholder was accused of using the resources of Holland to protect the interests of the United Provinces at the expense of – and against the interests of Holland. Within the Holland Estates, the landed nobility and the city of Amsterdam supported the prerogatives of the stadtholder and the House of Orange against the opposition of the other city estates, led by the grand pensioner Jacob van Oldenbarneveldt. In the States-General, Holland and Zeeland were often aligned against the opposition of the other provinces. From province to province, the landed classes were opposed by the urban patricians and Orangists by republicans. These social and political conflicts, in differing combinations, were fought in every town and province.

The political conflict was further complicated by religious issues. The United Provinces was unique in its commitment to religious tolerance. Jews and Protestants of many persuasions found welcome and tolerance there. Catholics were tolerated as well, if they kept a low profile. But similar open-mindedness was not always present within the Calvinist community itself. In its quest for doctrinal certitude, Calvinism was uneasy with ambiguity and contradiction and found many ways to punish dissent within its ranks.

Jacob Hermannzen, a member of the faculty at Leiden University, who was known as Arminius, attempted to confront the apparent contradiction between the divine sovereignty that assumed predestination and the human freedom that presumed the existence of free will. Arminius taught that God wills all to be saved but allows man to exercise free will in accepting or rejecting the grace necessary for salvation. There were evident political ramifications to his teaching. Protesting against the overlapping ecclesiastical and political establishments, Arminius called for a “free church in a free republic.” His followers, known as the Remonstrants, appealed to the States-General with the support of van Oldenbarneveldt to end state oversight of the church.
Maurice had no interest in the theological aspects of the debate, but he rejected the Remonstrants on political grounds and ordered ministers to keep silent in their pulpits on the issues raised by Arminius. Many Remonstrants fled into exile. Disorder broke out in some Dutch cities, and van Oldenbarnevelt authorized town councils to mobilize the local militias. The grand pensioner, who was accused of undermining the authority of the stadtholder, was arrested and hanged for treason in 1619.

The stadtholder, freed from van Oldenbarnevelt’s opposition, did not seek to renew the truce in 1621, and the wars resumed. The conflict had been profitable for the Dutch. Treasure passed through Spain as if through a sieve to finance the war in the Netherlands, much of it into Dutch coffers. Piracy against enemy shipping in time of war and the blockade of rival ports in the southern Netherlands was given legal justification by Hugo Grotius in *The Law of the Sea*. Dutch colonial expansion in Asia (Ceylon, Malaya, the East Indies), the Cape of Good Hope, the West Indies, Brazil and Surinam, and in North America often came at the expense of European enemies and fuelled the enormous prosperity of the United Provinces.

On his death in 1628, Maurice was succeeded as stadtholder by his half-brother Frederick Henry, a tolerant man who allowed the Remonstrants to return to Holland. He ruled clearly as a monarch from his illustrious court in The Hague, and his family concluded a royal marriage in England. Also a man of considerable good taste, the stadtholder was a patron of music, scholarship, architecture, and, especially, art. The art of the Golden Age, however, was not aristocratic but reflected the bourgeois culture of urban patrician patrons and was thoroughly secular. By contrast, the high baroque art of the Spanish Netherlands was ecclesiastical and aristocratic and reflected a Catholic sensibility.

Frederick Henry determined to end the wars. The Dutch were signatories to the *Treaties of Westphalia* in 1648 and made peace with Spain in 1656, concluding the *Eighty Years War*. Dutch independence was formally recognized, and the United Provinces were confirmed in the possession of northern Brabant and parts of Limburg. Spain kept Antwerp, but the Scheldt was closed to traffic to its port. The Treaty of the Pyrenees that ended the war between Spain and France in 1659 stripped Thionville and Montmedy from Spanish Luxembourg. Spain also lost the province of Artois to France.

Although a governor was appointed by Madrid to serve as viceroy in the Spanish Netherlands, the provinces and towns were administered by their traditional estates and councils with a considerable degree of local autonomy. Members of noble families were in service to the Habsburgs in Spain. Flemish and Walloon troops fought with distinction in the Spanish army in the Netherlands and in others theatres. But, in contrast with the prosperity of the United Provinces, the economy of the Spanish Netherlands was generally depressed through the 17th century, and the vigor of urban life declined.

Frederick Henry died before the conclusion of the Westphalia treaties. His son William succeeded to all of his offices as in an hereditary monarchy. The wars concluded, Holland wanted to reduce the size of the army, which it largely financed. The stadtholder refused to
accept the decision of the Holland Estates and undertook a military occupation of the province. Confrontation between the dynasty and the republic was averted only because of his death from smallpox before the birth of his son, who would also be named William (later William III).

Holland and all but two of the other united provinces were without stadtholders from 1650-1672. (Friesland and Groningen retained the stadtholdership under a cadet branch of the House of Orange.) Republicanism was ascendant during that period. Political power in the United Provinces resided with patricians in the States-General whose leading figure was the grand pensioner of Holland, Jan de Witt.

The basis of political power lay in the governing councils of the Dutch towns. Councilors or regents were typically elected for life from among the wealthiest individuals in the town on the theory that men of achievement were best able to govern in the interest of the town as a whole. They agreed that government must respect local liberties, both as a matter of principle and because local freedom contributed to the building of a more prosperous society. Rule by the wealthy led to government that was limited in scope and that sought to create conditions for the further growth of wealth.

During the 17th century, the Dutch developed a global trading empire that put the United Provinces in the first rank of European powers and that laid the foundations for a global economy. The Dutch were quintessential “middle men” who established multilateral trade networks in which they were carriers and warehousers for a variety of goods whose origins and final destinations lay outside the Netherlands. The storehouses of Amsterdam and Rotterdam were filled with grain from the Baltic, timber from Norway, coals from Newcastle, copperware from Hamburg, canvas from Russia, Swedish pitch and tar, wines from France and Germany, soap from Marseilles, English leather and lead, olive oil and honey from Spain. Pasta was made in Holland from Baltic wheat, brought to Italy in Dutch ships, and exchanged there for the marble that was used to build the stately homes of Amsterdam.

These trade relations were solidified by a complex set of commercial arrangements and political ties. The Dutch controlled trade in the Baltic and, to protect that dominance, used diplomatic influence and naval power to assure that neither Sweden nor Denmark gained a decisive advantage over the other in their frequent wars that would upset the balance of power in the region. Dutch banks made loans to the king of Sweden, who put up Swedish copper mines as security, and invested in Danish agriculture. Dutch investors purchased mining and timber concessions in Sweden and Norway. Dutch interests extracted, refined, and shipped all of the sulfur produced in Iceland. Exports of caviar, tar, hemp, salmon, and wool from Russia were all Dutch monopolies. In Poland, the Dutch operated the Mint, giving them control over that country’s currency.

The greatest achievements of the Dutch commercial empire were made, however, by the East India Company, formed in 1602 as a government-sanctioned monopoly financed by private investors who traded shares in the company on the bourse (stock market). Directors of the East India Company quickly understood that there were great profits to be made by
organizing trade in Asia by establishing a permanent presence there, building warehouses and stations at ports of call, rather than by merely sponsoring trading argosies that shuttled between Asian and European ports. The company’s early voyages had acquired tea and spices in exchange for gold and silver, but this pattern was soon replaced with a multilateral system of trade relations that capitalized on price spreads such as nutmeg that sold in India for thirty times what it cost in the Spice Islands of the East Indies. The Japanese, though not interested in European goods, were ready to trade copper and gold for silk, tea, and porcelain from China, cotton cloth, sugar, and opium from India, cinnamon, pearls, and nuts from Ceylon, hardwoods from Siam, and spices from the East Indies, products that found markets in Europe as well. Having understood each of the markets in which it was involved, the East India Company developed a pattern of overlapping triangular trade in Asia. Buying and selling at each port of call, the company sped up its turnover and maximized its profits.

A large portion of the domestic Dutch economy also relied on overseas trade. Shipbuilding and ancillary industries that employed sail-makers, rope-makers, lumber-cutters, smiths, and carpenters flourished in the coastal towns of Holland and Zeeland. Many goods shipped to warehouses in Amsterdam, Rotterdam, and other towns were processed there in workshops, cutting-rooms, mills, refineries, breweries, and distilleries before being shipped on to their destinations. The Dutch became leaders in the dyeing and dressing of cloth, processes that accounted for nearly half of the price of finished woolens. The tile-making industry was developed to compete with Portuguese tiles. Some towns became identified with specialized industries – clothmaking and weaving in Leiden, silk and lace in Haarlem, cheese in Gouda, tobacco in Utrecht, china and tiles in Delft, gin in Schiedam. Warehousing and insurance for cargoes contributed as much to the Dutch economy as the trade itself. Credit banking developed to handle the many currencies and notes of obligation involved in multilateral trade. Amsterdam’s private banking industry created an international market in stock and commodities futures.

In the process of creating a global trading network, the Netherlands also became a colonial power whose empire at its height controlled a million square miles of territory strategically located to advance its commercial interests. For the most part, the Dutch were content to limit their contacts overseas to trade, usually operating through treaties with local rulers. However, they were also quite prepared to exert direct political and military control when it was necessary or more convenient to do so. The East India Company established outposts under its control at the Cape of Good Hope and in India. However, in 1624, the newly founded West India Company built the first in a series of forts as a base for fur trading along the Hudson, Delaware, and Connecticut rivers in what became the colony of New Netherlands in North America. The town of New Amsterdam grew up around the fort and trading post situated at the tip of Manhattan Island and became a free port and the administrative center for the colony. The company granted titles to “plantations” along the Hudson to tenants. In 1655, the Dutch seized the small Swedish colony at the mouth of the Delaware River. Earlier, in 1630, an expedition dispatched by the West India Company captured Pernambuco, the center of the rich sugar-growing district in northern Brazil and planted a Dutch colony there that was governed by a member of the House of Orange. The
company also set up stations on the West African coast for the embarkation of slaves to work on its sugar plantations in colonies in the West Indies and Surinam.

The *Golden Age* was not a peaceful period. After the peace with Spain, France became the chief threat to the United Provinces. Commercial rivalry drew the Dutch into two naval wars with England (1652-1654, 1664-1672). The Portuguese drove the Dutch out of Brazil in 1654, and, in 1664, the English took the ill-governed New Netherland colony, renaming it New York. More ominously, Louis XIV began a series of “wars of devolution” in the 1660s intended to extend the borders of France to a natural frontier on the Rhine. In 1672, the French took Utrecht and, then, occupied large parts of the country outside Holland and Zeeland.

**William III**

Under popular pressure, the States-General surrendered power to the young William of Orange (1648-1702) and named him stadtholder in 1672. De Witt was murdered in The Hague by vengeful Orangists. William concluded an alliance with England, Spain, and Austria that brought a temporary end to the wars and French withdrawal from the Netherlands.

The stadtholder William, who was the nephew of Charles II, contracted a marriage with his English cousin Mary. When her father, James II, was deposed by Parliament in the *Glorious Revolution* of 1688, the couple became the joint monarchs of England as William III and Mary II. William defeated James in Ireland with an army that included Dutch troops, but his main concern as the king of an adopted country was largely to obtain the resources and manpower from England to defend the Netherlands against France.

The War of the Spanish Succession (1701-1713) was the last of Louis XIV’s devolution wars. It was also the last time that the Netherlands would act as a great power in Europe. The direct line of the counts of Breda beginning with William the Silent and his brother Maurice ended in the fourth generation when William III died without an heir in 1702. No successor to the stadtholdership of Holland was elected, and the grand pensioner was again recognized as chief executive of the United Provinces to conduct the war and to conclude the *Peace of Utrecht* in 1713. Louis XIV achieved in war his aim of putting his Bourbon grandson on the Spanish throne, but the southern Netherlands remained Habsburg, passing to the Austrian branch of the family.

**Questions/Discussion**

Characterize the aims of Dutch colonial expansion in the 17th century.

Explain the economic decline of the Spanish Netherlands in the 17th century. Was Spanish rule there a tyranny?
Explain the differences in artistic styles in the United Provinces and the Spanish Netherlands in the 17th century.

Was/were the United Provinces a republic or a monarchy? Is it more accurate to use the singular or the plural verb with reference to the United Provinces?

Give reasons for the on-going conflict between the stadtholder and Estates and describe political alignments in the United Provinces.

Why was the Golden Age “golden”?

What was Louis XIV attempting to achieve in the wards of devolution? Why was the English alliance so important to William III?

What were the consequences of the War of Spanish Succession for the Low Countries?

The Low Countries in the Eighteenth Century

The United Provinces successfully defended its independence in the wars with France but emerged from the last of them exhausted and weakened. The merchant fleet had suffered huge losses. The treasury was empty and the economy stagnant. In the years following the war, the army and navy were neglected. The ruling oligarchy in the States-General was abusive of power. The United Provinces was still a rich country but wealth was poorly distributed among the provinces. Its commercial influence declined in relation to England and France, and, in the 18th century, the country lost its status as a first-class power.

The United Provinces had the right under the Utrecht treaty to garrison the “barrier fortresses” in the Austrian Netherlands in the event that war there with France threatened its security. The Dutch succeeded in remaining neutral, however, during the War of Austrian Succession (1740-1748) and the Seven Years War (1756-1763) that were fought on Belgian soil, the “cockpit of Europe.” Belgian interests, it would be pointed out, were sacrificed to those of the welfare of Europe.

Austria did not dominate the 18th-century Habsburg provinces in the Low Countries. The connection between them was that they shared the same sovereign. The Austrian emperor-archduke was represented in Brussels by a governor, while a minister from Brussels, representing the estates, had a seat on the imperial cabinet in Vienna. The provincial estates and city councils exercised a large degree of autonomy, and the Austrian Netherlands was, in practice, a decentralized collection of separate provincial and local jurisdictions operating independently of one another. It was an untidy but generally popular system.

The archduchess Maria Theresa (1717-1780) shared that popularity among her Belgian subjects. She patronized the Church and education lavishly. Belgium became a site for the beginning of the modern Industrial Revolution. Mills and mines in Wallonia, the energy and
entrepreneurship of its people, and state subsidies provided the basis for economic growth. Efforts to open overseas trade were thwarted by the Dutch, however.

Joseph II (1741-1792), who succeeded his mother, was an “enlightened despot,” a rationalizer and a centralizer of institutions annoyed by what to his logical mindset was the medieval chaos of Netherlandish institutions. At one point, he tried to work out a deal to transfer Belgium to France in exchange for permission to annex Bavaria to Austria. His empire-wide Patent of Toleration (1781) was deeply offensive to his Belgian subjects, for some because it granted recognition to Protestants but to others because it infringed on the liberties of local institutions. Religious houses were suppressed, seminaries closed, and schools secularized. Traditional institutions, courts, and local administration were reformed without local consultation. Taxes were imposed from Vienna. Commerce was regulated in onerous ways. Liberals and traditionalists united against what they saw as the destruction of their country’s autonomy.

When, in 1789, the Brabant Estates refused to consent to taxation, the Austrian army entered Brussels, setting off a general uprising that forced an Austrian withdrawal. In 1790, the rebellious estates produced a constitution for the “United States of Belgium.” Not all the provinces were equally enthusiastic, however. The Austrian army returned the following year and scattered the rebels, but the new emperor, Leopold II (1747-1792), shelved the reforms they had resisted.

The French occupied the Austrian Netherlands in 1792 after defeating the Austrian army at the battle of Jemappes. In 1795, the Belgian provinces, including Liege and Luxembourg, were annexed by France, largely to the indifference of their people. In Luxembourg, however, there was an uprising, the Kloppelkieg, in protest against the imposition of military conscription.

In the United Provinces, the stadtholdership, vacant in Holland and Zeeland, had continued as before in Friesland and Groningen in the hands of a branch of the Orange-Nassau family. In 1747, William (IV), the heir of that line, was elected stadtholder in all the provinces to counter a perceived threat from France. He also had a mandate to introduce political reforms. On William’s death in 1751, his three-year old son, also William (V), was recognized as “hereditary stadtholder” and the States-General assigned to act as regent during his minority. The United Provinces was clearly now a republic that had a “royal” family.

Traditionally, the Orangists were drawn from all classes – except from a patrician oligarchy that was profoundly republican. Shopkeepers and artisans of the lower middle-class, for example, had regarded the House of Orange as its protector against the patrician oligarchy. As institutional paralysis set in, however, even these groups became alienated by the inability of the stadtholder to secure reforms.

The neo-republican and democratic movement in the United Provinces gained momentum at the time of the American Revolution. Inspired by the Americans, instructed by English political ideas, and, later, sympathetic to the French Revolution, the Patriots called for a re-
volution, in the Lockean sense, to restore the republican and “democratic” customs that they accused the stadtholder of having nullified.

The Napoleonic Era

The Dutch offered no resistance to French occupation in 1795. Delegates to a constitutional convention divided along political lines between radical unitarians and moderate federalists. The French settled the debate in favor of the Batavian Republic, modeled on the Directory in France and presided over by a committee chaired by the dictator-pensioner, Rutger van Schimmelpennick. It was an efficient government, federal in form but unitary in practice and centralized to a degree previously unimaginable, that eventually adopted the Napoleonic Code in Dutch courts. In 1806, Napoleon created the Kingdom of Holland and named his brother Louis as its king. But, in 1810, when Louis began putting Dutch interests above his brother’s imperial designs, Napoleon annexed the northern Netherlands to France.

The Napoleonic Wars were costly for the Netherlands. Huge resources were expended on Napoleon’s war efforts. The British occupied Dutch colonies and trading stations, most of which were returned in 1815 but some – Ceylon and the Cape of Good Hope – were lost permanently. Trade was cut off by the British blockade and a large part of the merchant fleet sunk or seized. After Napoleon’s defeat at the battle of Leipzig in 1813, Orangists revolted in Holland. Dutch and Belgian troops, many of them veterans of Napoleon’s army, fought on the side of the Allies at Waterloo under the command of William, Prince of Orange.

Although the French interlude in the governance of the Netherlands and Belgium was brief, it left permanent effects in the form of a centralized state. A single legal code applicable to all the provinces was developed, and the powers of local and provincial authorities were reduced. Development of a national tax code gave the central state its own resources for the first time, and also shifted the tax burden more equally among all citizens, away from the consumption taxes that had weighed heavily on the lower classes while leaving untouched the accumulated wealth of the privileged few. A system of universal education was adopted and the state set general standards to be met by public and private schools alike.

Questions/Discussion

In what sense was the mood of the Austrian Netherlands “reactionary” in the 18th century? The United Provinces?
Explain the causes of the Brabant rising against the Austrians in 1789. Did it have any connection with the beginning of the Revolution in France?

Why did the Dutch submit so readily to French domination? What were some of the consequences of Dutch collaboration?

Discuss and compare the historical status of Napoleon in the histories of Belgium and the Netherlands.
The United Netherlands

After Napoleon's defeat, the Allies brought the son of the last stadtholder back to the Netherlands to rule, not as stadtholder but as a sovereign prince – William I, King of the United Netherlands, under whom the northern and southern Netherlands would be rejoined. His kingdom was created by Britain for “the convenience of Europe,” but its creation was desired by neither the Dutch nor the Belgians. William himself actually hesitated to accept the royal title unless he understood that there had been a “popular” call for his return. He was sworn in before an “Assembly of Notables” in 1815, not crowned. The United Netherlands was a constitutional monarchy that had a written constitution providing for a centralized government and a national parliament, elected by very limited suffrage and, in which, the north and south had equal representation. It had dual capitals, the seat of government alternating between Amsterdam and Brussels. In practice, William circumvented parliament and typically governed by means of orders in council. The king was enabled to circumvent parliamentary control, in part, because his family’s wealth from its interests in the East Indies allowed him to live on his own.

In the reshaping of Europe at the Congress of Vienna (1815), the eastern third of Luxembourg was transferred to Prussia. The remainder was recognized as an independent grand-duchy in personal union with the king of the United Netherlands, although William I clearly treated the country as a province of his kingdom. Luxembourg, however, was formally a member of the German Confederation and the Zollverein, the German customs union. The great fortress of Luxembourg received a Prussian garrison that was quartered there until 1867.

Belgium and the Netherlands in the north were divided at this point by 250 years of history in which they had developed separately and differently in important areas – politically, economically, socially, and culturally. The northern Netherlands had a commercial and service-based economy that processed colonial goods for re-export. Domestic producers, including agriculture, were protected by restrictions on imports and colonial preferences. Belgium, by contrast, had an industrial economy whose export trade was oriented to competitive European markets. It was an emerging capitalist economy, eager to embrace free trade. Belgium produced food for the domestic market but relied on importing cheap food to feed its labor force. Belgian industry should have profited from exports to Dutch colonies, but the Dutch resisted intrusion into protected markets. The Dutch, worried about competition to their ports, also kept closed the Belgian port of Antwerp as it had been since the Eighty Years War.

Catholic and Protestant clergy alike opposed universal religious toleration and the secularization of education. The francophone elite there resented the recognition of Dutch as an official language in Flanders. Flemish-speakers in rural Flanders were reluctant to identify with the Dutch-speaking Protestant north. The Dutch clearly regarded Belgium as an extension of the Netherlands rather than as a partner. Belgians responded that, while the south accounted for two-thirds of the United Netherlands’ 5.5 million population, it shared equal representation with the north in the national parliament.
Smoldering grievances ignited in the streets of Brussels and Liege in 1830, inspired by the July Revolution in Paris. Elected officials set up a provisional government that cut Belgium’s ties with the United Netherlands. Those leading the movement for separation were urban, middle-class, and French-speaking but were drawn from both liberal and traditionalist camps. Dutch troops dispatched to suppress the rebellion were driven out of Brussels by the local militia, but the Dutch commander of the fortress at Antwerp turned its guns on that city. France intervened the following year when the Dutch army threatened to invade Belgium.

The National Congress, elected after the proclamation of independence, ratified a constitution early in 1831, and, in June, elected Prince Leopold of Saxe-Coburg (1790-1865) to be King of the Belgians. Leopold’s candidacy had been strongly promoted by Britain at a conference of the great powers in London that formally recognized Belgium’s independence. As Lord Palmeston advised the conferees, “If Belgium did not exist, we would have to invent it.” An Anglo-Belgian treaty of 1839 guaranteed Belgium’s “perpetual neutrality.”

William I refused to accept Belgium’s independence and the break up of the United Netherlands. His recognition of it in 1839 was accompanied by his abdication. Many in the Netherlands welcomed both the end of the union and the departure of William I.

Luxembourg sent delegates to the Belgian National Congress in 1830, but the Prussian garrison held the fortress for the Dutch king. In 1839, the grand-duchy was partitioned, the French-speaking western portion joining Belgium and the remaining portion of the grand-duchy in the east continuing in personal union with the king of the Netherlands. Grand-ducal Luxembourg was granted a liberal constitution, allowing for a deliberative legislature, in 1848.

Questions/Discussion

What were some of advantages and disadvantages for the Netherlands and for Belgium of the 15-year union?

Comment on Huizinga’s contention that historical continuity in the Netherlands, north and south, had been irrevocably broken during the years of the Dutch Revolt and could not be restored.

Interpret Palmeston’s dictum: “If Belgium did not exist, we would have to create it.”

The Netherlands in the Nineteenth Century

With the dissolution of the union with Belgium, the Netherlands experienced a resurgence of national sentiment, reflected in a literary revival, the ascendancy of liberal nationalism, and ferment within the Calvinist community. While fundamentalist orthodox Calvinists broke from the broad-based established Reformed Church, secularist liberals began redefining Dutch politics. Johan-Rudolf Thorbecke led the Liberal movement from 1849 to 1872 and
was prime minister during much of that period. He was also a leading force in adopting the liberal Constitution of 1849, which remains the Netherlands’ basic constitutional document. The constitution provided for the direct election of the Second Chamber, or lower house of the States-General, which became a deliberative assembly to which government ministers were responsible. It extended suffrage and lifted disabilities on Catholics that had been in force since the 17th century. The constitution also spelled out the responsibility of state to provide education under secular auspices.

The constitutional reform brought a dramatic shift from ministries appointed by the king without reference to the legislature to ministries that required the confidence of parliamentary majorities. Thorbecke’s governments were opposed by conservatives not reconciled to the new constitution and by orthodox Calvinists opposed to the extension of political rights to Catholics as well as by his personal rivals within the Liberal movement. His policies were supported by the Liberal mainstream, by moderate Calvinists, and by Catholics, who had very limited representation. The more the Liberals were able to extend suffrage, the greater were the number of Catholics who appeared on the voter rolls.

Representatives of the four “pillars,” or zuilen – Liberal, Protestant, Catholic, and Socialist, that dominated Dutch politics by the end of the century were not initially organized as political parties but as “clubs,” interest groups or associations of like-minded people. Thorbeke’s Liberal constituency was largely urban and middle-class, drawn from business, professional, and property-owning circles. Within their ranks were both libertarians and social liberals. Although secular in their political ideology, most Liberals were at least nominally members of the established Calvinist church. Secularism and liberal Protestantism were not incompatible.

Protestant political “clubs” were populist and claimed to represent the “small people” in the countryside. They attracted the support of orthodox Calvinists opposed to the secularism of the Liberals, and they allied themselves with conservatives against such Liberal initiatives as the re-establishment of the Catholic hierarchy. The first genuine political party was the Protestant Anti-Revolutionary Party founded by Abraham Kuyper in 1878. Kuyper proposed progressive social programs that prompted the party’s right-wing to bolt and form the Christian Historical Union. Their defection encouraged moderate Protestants to move from the Liberal to the Anti-Revolutionary Party.

The Catholics had no club or party until late in the 19th century. Although many were disenfranchised, they were a majority in some parts of the country and made up a large minority in the big cities. Those who could vote initially supported the Liberals because of the relief from disabilities they offered them in a Protestant-dominated system.

The trade union movement was established in the 1870-1880s by the separate pillars. The Catholic union was led by a priest, the Protestant union by a minister, and the socialist union by a former minister. The first socialist party was set up as the political arm of the socialist union in the 1890s. The socialist pillar was revolutionary, republican, and anti-clerical. In time, a struggle between social democrats and communists divided the movement.
The two biggest issues of the late-19th century were extension of the suffrage and control of education. The Liberals had sponsored reforms that extended voting rights to Catholics, the urban working-class, and Kuyper’s “small people,” all constituents of rival pillars. In 1887, the electorate was doubled in size, and, ultimately, the larger electorate worked to the disadvantage of the Liberals who had sponsored it.

The Constitution guaranteed freedom of education, but it recognized that the state, not the churches, had responsibility for inculcating “all Christian and Social virtues” in the schools. The Liberals wanted non-denominational secular education over which the state exercised a monopoly. The Protestants could not accept the idea of secular state-run schools teaching moral values, and the Catholics deserted the Liberals on the issue to support them.

After the 1887 election, the Anti-Revolutionaries and the Catholics formed a new government that enacted social legislation and provided subsidies to confessional schools, a system that continues in effect. The confessional parties regarded the Socialists as socially divisive because of their Marxist emphasis on the class struggle, but both maintained contact with them through the trade union movement. Socialists did not participate in government but their parliamentary support was accepted.

In 1896, the franchise was doubled again. Voting patterns were established that prevailed for the next 25 years. The Catholics regularly won 25-30% of the vote, the Protestant parties 20-25%, the Socialists 15-20%, and the Liberals, still the largest single party, 35-40%.

William II of Orange-Nassau, King of the Netherlands – and Grand Duke of Luxembourg – died in 1890 without leaving a male heir. Female succession was permitted in the Netherlands, where his daughter Wilhelmina succeeded to the throne, but not in Luxembourg at that time. Referring back to an 18th-century family pact, the Nassau Settlement, designed to meet such a circumstance, the head of another branch of the family, Adolph, Duke of Nassau-Weilburg and a Catholic, was designated as grand-duke and established a separate line of succession in Luxembourg.

**Belgium in the Nineteenth Century**

Political developments in Belgium after independence in 1830 paralleled those in the Netherlands. Politically effective Belgians identified with one of three “pillars,” or “spiritual families” – Liberal, Catholic, and Socialist – which also dictated social and professional associations. The Liberal party, founded in 1846, dominated Belgian politics until 1880s. Secular and anti-clerical, the Liberals favored a widened suffrage based on property qualifications and education, and also proposed to expand access to education in an exclusively state-supported school system. Representing a business-oriented urban middle-class constituency, they advocated an unimpeded market economy and free trade but also approved subsidies and public investment to support industrial development and infrastructure.
Catholic political organizations were approved by the hierarchy in the 1860s to lobby for a continuing Church role in education. A confessional political party was later established to promote Catholic education and to push for extension of voting rights, particularly to Dutch-speakers. Catholic politics had a very broad base, including support from all classes and in all regions of the country, although stronger in Flanders than in Wallonia. Catholic trade unions and business and agrarian associations supported the party, which, in turn, backed subsidies to protect smallholders and peasant farmers and public involvement in the economy to protect jobs and labor rights. The Catholic party was capable of winning parliamentary majorities from the mid-1880s until 1919 and led most coalition governments until 1999.

The Belgian Workers Party was organized in 1885 as an adjunct to the socialist trade union movement. It was a party of far left, stronger in Wallonia than in Flanders, radical rather than reformist, and called for public ownership and state intervention in the economy. The party proposed legislation for social welfare programs and employment security. The socialists cooperated with the Catholics in support on social reforms.

As in the Netherlands, extension of suffrage and reconciling the claims of secular and religious education were major issues. The Liberals were kept in power by middle-class electorate. Although the liberal constitutional reform of 1848 increased the voter rolls, smallholders, propertyless workers, and most of the Flemish countryside were largely excluded from them. Liberals were committed to further reforms that included the gradual expansion of the franchise in conjunction with the expansion of public education. The Catholics, who had organized initially to protect the role of the Church in education, campaigned for speedier enfranchisement to excluded classes. Enlarging the pool of voters invariably meant more Flemish and rural voters, which meant increased support for the Catholic party.

In office after 1884, Catholic-led governments extended suffrage to areas that further increased the party’s base of support. Those governments also denied the state a monopoly in education and guaranteed the Church’s continuing influence. The libertie subsidee (literally, subsidized “liberty”) gave state funding to social institutions, including schools and hospitals, operated by organs of the “spiritual families,” and entrusted them with responsibility for social welfare programs. The Church was the principal beneficiary of this policy. During a period of intense labor unrest and social strife, legislation was enacted regulating work-hours and child labor. In 1893, compulsory manhood suffrage was introduced, increasing the size of the electorate from 140,000 voters to 1.4 million in a single act. Plural voting (of up to three votes per person) was also allowed for those additionally qualified by education, taxable income and property, and family status. With the enfranchisement of rural and Flemish working-class masses, socially conscious Christian democrats, or Daenists (after the priest-politician Adolph Daens) gradually became the dominant faction within the Catholic “spiritual family,” although not initially with the support of the Belgian hierarchy. Between 1894 and 1914, the Catholic party held at least two-thirds of the seats in the national legislature. During the same period, the Socialists overtook the Liberals as the second largest party and became leader of the opposition. Catholic governments won grudging Socialist support for social reforms inspired by papal encyclicals on the rights of workers, but the Catholic party opposed what it considered the divisive class conscious politics espoused by
the Socialists – as well as by middle-class Liberals. The Liberals, despite their anti-clericalism, allied themselves with the Catholics on many issues and, with Catholic backing, were successful in having proportional representation adopted in 1899.

In Belgium, there was another issue – language rights – that overlapped the others and became the most persistent concern of successive governments and a recurrent irritant to relations between French- and Dutch-speakers within each “spiritual family.” Although public business was conducted in Dutch in many Flemish cities, including Brussels, French had been the language of administration and justice in Belgium since the 16th century. The reintroduction of Dutch as the official language in Flanders in 1823 after an absence of 300 years compromised Walloon allegiance to the United Netherlands. After independence, Dutch was again downgraded in Flanders, where its use was restricted in education and prohibited in the courts. The use of French was the vehicle for upward social mobility and professional advancement. The families of the numerous Flemish migrants to Wallonia became French-speaking Walloons in the second generation. A nationalist movement, the Flemish Meeting Party, was formed in 1862 to protest conditions in Flanders and also to lobby for recognition of the Dutch language in that region. Bilingualism was introduced in Flanders with limited success in 1873 and Standard Dutch approved as an official language in Belgium in 1898. In practice, however, French retained primacy of place in the national government. It was the only language of command in the armed forces until after World War I, and restrictions on the use of Dutch in courts of law remained in force into the 1920s. Brussels, seat of the French-speaking Belgian government, had also become by the turn-of-the-century a predominantly French-speaking city whose administration was conducted in French.

Not only had Dutch disappeared from council chambers and courts in Belgium, it had also been abandoned as a vehicle for the expression of higher culture in literature. The revival of Dutch as a literary language in Flanders was the mission of the Flemish cultural hero Guido Gezelle (1830-1899). Priest, teacher, and poet from Bruges, Gezelle demonstrated the lyric qualities of his mother tongue and taught a generation of Flemish writers to take pride expressing themselves in it.

Colonial Enterprises

The government of the Batavian Republic took over control of the assets of the corrupt and poorly managed East India Company in 1798. The company’s former territories, occupied by the British during the Napoleonic Wars, reverted to the Netherlands in 1815 as colonial possessions. The administration of Java, Sumatra, and the numerous island groups that comprised the Dutch East Indies was harsh and exploitative. (The excesses of Dutch colonialism in the East Indies were vividly described in the classic novel Max Havelaar (1860) by Edward Douwes Dekker, who published under the penname “Multatuli.”) In 1830, for example, the so-called “culture system” was imposed in an effort to graft an export-oriented agricultural economy on traditionally self-sufficient village communities. Land and labor were commandeered to produce commodities – coffee, sugar, indigo – that were delivered by farmers to the colonial government as taxes-in-kind for export to the
Netherlands. The system was successful financially but disrupted social institutions and the traditional economy. In 1870, it was abolished in favor of leasing large tracts of land to Dutch and foreign investors. By the end of the 19th century, the Dutch government had formally adopted an “ethical policy” that emphasized the Netherlands’ moral responsibility of guardianship over the welfare of its colonial subjects. The reforms devised in and directed from The Hague failed to meet the growing demands of Indonesian nationalists.

It is estimated that more than 300,000 West Africans were transported as slaves to Surinam and the Netherlands Antilles from the arrival of the West India Company after 1621 until the trade was ended in 1820. Slavery was not entirely abolished on the large plantations in Surinam that produced coffee, cocoa, cotton, and sugar until 1863. The plantation economy later depended on indentured labor brought from India. There was little development in Surinam, which became a colony directly ruled by the Dutch government in 1815, outside that which facilitated the production and export of plantation-based commodities. After the turn of the century, the focus of the economy shifted away from the plantations to rice-growing smallholders, many of them Javanese whose immigration continued until the onset of World War II. The Netherlands Antilles comprised six Caribbean islands, the largest of which, Curacao, had been taken from Spain in 1634. The Dutch islands, which had earlier prospered from the slave trade, plantation-grown sugar, and smuggling, declined during the 19th century. Economic revival occurred only after 1918 with the opening of large refinery in Curacao and, subsequently, in Aruba to handle crude from the Venezuelan oil fields.

Leopold II (1835-1909) determined that Belgium needed overseas colonies in order to compete for raw materials and markets with other major European industrial powers. Unable to engage the Belgian government in his colonial project, the king took a private initiative by sponsoring the Committee for the Study of the Upper Congo, an agency for colonialism cloaked as a scientific and philanthropic venture to explore and study a region that was still largely a blank space on the map. Between 1879 and 1884, Leopold’s agent, the explorer Henry Stanley, concluded treaties with chiefs on the right bank of the Congo that gave the committee sovereign status in the region. Congo Free State, established in the region by another of Leopold’s front organizations, the International Association of the Congo, received international recognition, including from the United States, as an independent sovereign state, a status confirmed at the Berlin Congress in 1885. Leopold extended the borders of the Congo Free State to Katanga to block claims made there by Cecil Rhodes, but he pledged to keep the region open to private traders from all countries. Local resistance was absent, but Belgian-led mercenaries fought and won military campaigns against Arab slave traders.

Leopold, who was a largely responsible for subsidizing the Congo Free State, soon appealed to the Belgian government to assume some of the financial burden. A solution was found in the regime domanial, a system by which land declared vacant by the free state became its property and the rubber and ivory collected there by Africans drafted for compulsory labor service became its property as well. This device netted Leopold and his associates enormous revenues but ended private trade in the region that the king had agreed to at the Berlin Congress.
The excesses committed in Leopold’s Congo Free State and the oppression of its people, extreme even by the standards of European colonialism in that day, would within a few years enrage international opinion and embarrass Belgium. In 1902, an international congress meeting in The Hague condemned the operation and demanded that the Belgian government assume responsibility for the Congo, which was formally annexed as a colony of Belgium in 1908 as Belgian Congo. Free trade was reintroduced and the corporation, whose profits had been available to Leopold to use at his own discretion, suppressed. Economic development became largely the responsibility of private investment by large enterprises. During the first quarter of the 20th century, Belgian Congo became one of the world’s leading sources of copper and diamonds. Belgian colonial policy was characterized by a high degree of administrative centralization and paternalism in dealing with subject peoples. Control was entirely in the hands of the Belgian government, exercised through the colonial affairs ministry in Brussels and responsible to the Belgian parliament.

Questions/Discussion

What were the social, economic, and political aims of liberalism in the Netherlands and Belgium in the 19th century?

Trace the origins of the “spiritual families” in Belgium and the “pillars” in the Netherlands. What were the effects of expanding suffrage on relative strength of the pillarized political parties?

Discuss the importance of education as a political issue in the Netherlands and Belgium.

Explain Leopold II’s motives in sponsoring colonialism in Africa.

World War I

At the Hague Conference in 1904, the Dutch government took an initiative to establish a multilateral regime in the form of an international court of justice capable of preventing a European war. Both the Netherlands and Belgium were neutrals, the latter’s neutrality guaranteed by treaty agreement with Britain and the other European powers. Dutch neutrality, however, was not guaranteed, and the Dutch recognized that their country could remain neutral in case of war only if all the great powers agreed to respect it. The Netherlands had an ambiguous relationship with Germany. On the one hand, the Dutch were fascinated with Germany’s prestige and influenced by its culture. Anti-British sentiment was also rife in the Netherlands as a result of the Anglo-Boer War in South Africa and sometimes translated into sympathy for Britain’s European rival. On the other hand, there existed a genuine fear of German intentions in the event of a European war. It was known, for example, that German plans for an attack on France, the so-called Schlieffen Plan, initially called for a swing through the southern Netherlands. Germany unilaterally proposed “neutral” status for the Netherlands, but the Dutch would agree to a German guarantee only if France ratified the agreement.
In August 1914, Germany invaded Belgium without a declaration of war. Britain honored its commitment under the 1839 guarantee of Belgian neutrality, referred to by the German foreign minister a “scrap of paper,” and joined its allies, France and Russia, in a declaration of war against Germany. The Belgian fortresses fell in the German onslaught and most of the country, including Brussels and Antwerp, was occupied, but the Belgian army remained in the field, under the command of King Albert I, and fought along side the Allies through the war.

The German administration of occupied territory was repressive by the standards of the time. A million Belgians fled as refugees, 700,000 to the Netherlands. Workers were deported and industrial plants were dismantled and shipped to Germany. The Germans tried to exploit differences between the Flemish and Walloon populations, largely without success, and backed down in front of demonstrations in Brussels protesting their proposed division of the country into separate zones of occupation. The Belgian people rallied behind the moral leadership of Cardinal Mercier, whose outspoken opposition to German policies made him the their spokesman. The population, however, was left destitute by the war and stalked by starvation. The American Commission for Relief in Belgium, expended nearly $1 billion in aid contributed to provide food and medical supplies in occupied territories, and its director, Herbert Hoover, concluded agreements with both Britain and Germany to allow their shipment and distribution to the needy Belgians.

Belgium was at the table with the victorious Allies at the Versailles Conference in 1919 but was never included in the inner circle with the United States and the other great powers. In compensation for the destruction inflicted on it during the war, Belgium was awarded reparations from Germany. Adjustments were made to the Belgo-German border that ceded Eupen and Malmedy to Belgium, which also received a mandate to Ruanda-Urundi (Rwanda and Burundi), former German colonies. Abandoning neutrality, Belgium entered into a military cooperation pact with France.

When executed in 1914, the Schleiffen Plan was modified, the sweep of its right flank tightened to enter Belgium just below the Dutch border. The Netherlands maintained its neutrality but allowed Germany to use Dutch rail lines in Limburg to transport troops. The Netherlands also had difficulties with the Allied blockade, which could not discriminate between goods intended for its domestic market or for Germany on ships headed to Dutch ports. When the Dutch granted asylum to the German Kaiser, Belgium requested the return of Dutch Flanders and Limburg – lost in the 17th century – in compensation. The claim remained outstanding through the 1930s. A treaty negotiated between Belgium and the Netherlands in 1925 to open the Scheldt to Belgian traffic was rejected by the Dutch parliament.

Luxembourg was occupied by the Germans from the opening days of the war until the Armistice in November 1918. The next year, the grand-duchess Marie Adelaide, accused of pro-German sentiments during the occupation, was compelled to abdicate in favor of her sister Charlotte. In a referendum held in 1919 in response to a claim advanced by Belgium to annex the grand-duchy, however, overwhelmingly expressed their desire to remain an independent country under the House of Nassau-Weilburg. In 1922, Belgium and...
Luxembourg established the Belgium-Luxembourg Economic Union, a precursor to BENELUX that linked trade and monetary policies.

Questions/Discussion

Contrast the bases of Dutch and Belgian neutrality on the even of World War I. Was Dutch neutrality compromised?

Discuss the logic political coalitions in the Netherlands and Belgium in the inter-war period.

The Inter-War Years

The Western Front had stretched across western Flanders from the coast near Nieuport, through Dixmunde and Ypres, to the Lys River during the entire four years of World War I and major battles were fought on that small corner of Belgian soil. Belgian had been devastated and its economy disrupted. The task of reconstruction was huge. In the first postwar election in Belgium in 1919, in which plural voting was abandoned, the Catholic party lost the absolute majority it had held since 1884. A voting pattern was established that endured for the next 20 years, the Catholics, still the largest party and strongest in Flanders, receiving 35-40% of the vote; the Socialists, strongest in Wallonia, winning 30-35%, and the Liberals and other smaller parties 25-30%. Governments, which averaged only 15 months in office during the period, were alternately Catholic-Liberal or Catholic-Socialist coalitions, always led by a Catholic prime minister. Extensive social reforms were adopted, services and benefits administered by agencies of the “spiritual families” financed under the libertie subsidente. Dutch was recognized as the only official language in Flanders, raising protests from French-speaking Belgians in that part of the country. The language controversy continued unabated and apparently defied solution. Francophone political movements and reactive Flemish movements arose that challenged parties representing the “spiritual families” in Wallonia and Flanders and that caused internal divisions in those parties. Exaggerated charges were made alleging Flemish collaboration with the Germans during the occupation. King Albert I, a war hero and national icon with whose monarchy both French- and Dutch-speaking Belgians could identify their common loyalty, was killed in a climbing accident in 1934 and was succeeded by his son Leopold III.

Following the 1918 election in the Netherlands, a Catholic-Protestant coalition government was formed, led by the C.J.M. Ruys de Beerenbrouck, the Netherlands’ first Catholic prime minister. He and the moderate Protestant Anti-Revolutionary leader Hendrikus Colijn would alternate in office throughout most of the inter-war period. Both men were deeply patriotic, Ruys de Beerenbrouck, an educator committed to social reform, and Colijn, a director of Royal Dutch Shell and editor of the newspaper De Standaard (who would die in a Nazi concentration camp). But the coalition was not easy to maintain. A Colijn-led government fell in 1925 when the conservative Christian Historical Union bolted the coalition in opposition to a proposal to open diplomatic relations with the Holy See. Thereafter, the confessional parties usually required the support of the Liberals to form governments, while the Social Democrats constituted the opposition. A parliamentary stalemate set in that
seemed to make elections irrelevant. In election after election, the Catholics took 30% of the vote, the two Protestant parties divided 25%, and the Social Democrats also won 25%, while the fragmented Liberals and minor parties collected the remainder. The Protestant parties were split and found it impossible to work with the Social Democrats, and the Catholics were never comfortable cooperating with the Liberals. The Social Democrats entered the Dutch government for the first time on the eve of war in August 1939.

The Great Depression hit Belgium and the Netherlands very hard. Unemployment in both countries in 1934 reached 40%. Social insurance programs introduced during the 1920s acted as a buffer and provided some relief, but authoritarian solutions found advocates, even within mainstream democratic parties of the left and right. The Communists had very little support in Belgium and seldom attracted more than 2% of the vote in Netherlands, in both countries a testimony to the strength of the democratic socialist and confessional trade union movements. Flemish nationalists, who, in 1939, won nearly 20% of the vote in Flanders, flirted with fascism but focused on promoting Flemishness.

Leon Degrelle’s Rexist party was francophone and fascist but portrayed itself as a “Belgian” rather than a regionalist movement. Opposed by the Church, Degrelle’s attempts at an alliance with Flemish nationalists failed as did Rexist efforts to win support at the polls. In the Netherlands, Anton Mussert’s National Socialists overtly emulated Hitler’s Nazis. Its candidates received 8% of the vote in local elections in 1935, the same result achieved by the Communists. The Dutch Nazis were thoroughly discredited in the eyes of the electorate, however, when it became obvious that Germany was rearming and posed a threat to the Netherlands.

**World War II**

Belgium and the Netherlands put trust in the efforts of the League of Nations to prevent war. Both countries cooperated in implementing proposals for disarmament, less enthusiastically with sanctions imposed by the League. Their democratic governments eyed with suspicion the challenge to democracy posed by Communists and domestic fascists and with growing concern rearmament by Nazi Germany. The Netherlands, ruler of an Asian empire, also confronted a threat posed by Japanese expansionist policies. While the Netherlands clung to a policy of traditional neutrality, Belgium, in 1936, repudiated its military cooperation pact with France and returned to neutrality for fear of being dragged in to a new European conflict. Belgium protested extension of the Maginot Line opposite its border as a provocation to Germany that would compromise its neutral status.

On May 11, 1940, Germany invaded the three Low Countries. The Netherlands fell after five days of fighting and the bombing of Rotterdam. The royal family fled into exile in England where Queen Wilhelmina appointed a Dutch government-in-exile. Her prime minister D.J. de Geer was removed from office in September, however, when it became known that he had attempted to negotiate a truce between Britain and Germany. His replacement Pieter Gerbrandy served throughout the war as head of the exiled government and also formed the first postwar Dutch government.
Belgium held out for 18 days during which its armed forces suffered 20,000 casualties. Leopold III refused to abandon his troops in the field and, after Belgium’s capitulation, was held in Germany until the end of the war as a hostage for the good behavior of his subjects. The king successfully negotiated the release of Belgian prisoners-of-war but was accused of collaborating more than was necessary to accommodate German demands. Socialist leader Achille van Acker formed a government-in-exile in London. The Allies obtained access to crucially important supplies of rubber and, eventually, uranium from the Belgian Congo.

The German occupation of the Low Countries during World War II was extremely repressive. Food shortages were severe and unrelieved. Labor conscription was imposed and workers transported to Germany. Luxembourg was annexed to the Reich and its citizens drafted to serve in the German army. Collaboration was significant in some segments of the population, including Flemish nationalists and the fascist followers of Mussert and Degrelle. Local Nazis were placed in positions of authority, trade unions dissolved, and the economies of the three countries integrated with Germany’s. Several thousand volunteers were recruited for Dutch and Belgian SS units. Thousands in the three countries were arrested and sent to concentration camps, where many died. Nine out of ten Dutch Jews perished in the Holocaust, and only 20,000 out of 90,000 Belgian Jews survived it.

Resistance movements were active from the start of the Nazi occupation and were increasingly effective in aiding the Allied war effort as the war continued. Dutch and Belgian units served with Allied forces throughout the war, and Dutch merchant ships sailed in Allied convoys. General strikes protesting the deportation of Dutch Jews and the retention of Dutch prisoners-of-war shut down the Netherlands in 1941 and 1943 were of symbolic value although ineffective in influencing German actions. A strike made at great risk by Dutch railway workers in 1944, however, slowed shipment of supplies and reinforcements to German forces during the Allied offensive in the Netherlands. The Low Countries were the theatre for heavy fighting in the last nine months of the war. Allied forces crossed into Belgium in September 1944. Operation Market-Garden, the failed attempt to open an early bridgehead into Germany, was conducted in the Arnhem-Nijmegen area in November, and the German offensive in the Ardennes region of Luxembourg and Belgium was halted during the Battle of Bulge in December 1944-January 1945. The Allies bombed targets in the Low Countries, and, late in the war, German V-bombs wreaked destruction on Antwerp. The Allied drive into Germany bypassed part of the Netherlands, which remained under German occupation until the end of the European war in May.

In December 1941, Japanese forces attacked the Dutch East Indies, which had been an important supplier of oil to Japan until an embargo was imposed earlier that year, defeated the Dutch naval units in the Java Sea, and completed their conquest of the islands by early spring 1942. No significant local resistance was made to the occupation, and Indonesian nationalists cooperated with the Japanese. Dutch civilians in the East Indies were imprisoned under harsh conditions for the duration of the war.

Questions/Discussion
Argue the case for and against the return of Leopold III after World War II.
The Postwar Recovery

By 1945, the productive capacity of the Dutch economy had reduced to nearly half of its 1940 level, 40% of housing had been damaged, and much of the transportation infrastructure destroyed. At the end of the war, starvation conditions existed in areas that had remained under German occupation, a consequence of deliberate deprivation of the population there. By contrast with the Netherlands, destruction of Belgium’s industrial plant was relatively limited, and the United States contributed substantial loans to construction in 1945-1947. By the summer of 1947, industrial production was 15% above prewar levels, and Belgium was, for a few years, the top producer of iron and steel in Europe. Antwerp became the chief port handling supplies for Allied forces advancing into Germany and, later, for occupation forces. Belgium also benefited from a dollar surplus derived from wartime exports from the Belgian Congo. Controlling inflation and contending with labor disputes stemming from demands for higher wages were among the most pressing problems faced by immediate postwar Belgian governments. Luxembourg’s industrial capacity had not been seriously impaired during the war. Problems arose, however, reintegrating manpower siphoned off by conscription into the German army and by deportation. Food and fuel shortages demanded making difficult choices in the allocation of available supplies. Price and wage controls and rationing were imposed in all three countries.

The economic recovery of the three countries in the immediate postwar years and the physical reconstruction of infrastructure depended, however, on material assistance from the United States. The European Recovery Program, better known as the Marshall Plan, was authorized by the United States Congress in December 1947 to fund a unified program for economic reconstruction. The Marshall Plan was administered by the United States in conjunction with the Organization of European Economic Cooperation (OEEC), established in 1948 by participating European governments working together to recommend and coordinate projects. Between 1948 and 1952, the United States disbursed more than $17 billion to provide the means for Europeans to rebuild their war-torn countries. Belgium, the Netherlands, and Luxembourg received more than $1 billion in assistance. In 1961, OEEC was replaced by the Organization for Economic Cooperation and Development (OECD) to assist member governments in formulating policies promoting economic and social welfare and harmonize assistance to developing countries, using experience gained earlier administering the Marshall Plan.

Belgium, the Netherlands, and Luxembourg were founding members of the United Nations (UN). Paul Henri Spaak was named first president of the UN General Assembly in 1945, and, later, while Belgian prime minister and foreign minister, served as president of the OEEC. In 1948, the three countries ratified the Benelux customs union, negotiated four years earlier by the governments-in-exile, and, in quick succession, entered into a series of agreements that established the basis for European economic and political integration and security during the Cold War. That same year the Benelux Three joined Britain and France in creating the Western European Union (WEU) and, the following year, became charter members of the North Atlantic Treaty Organization (NATO), of which Belgium’s Spaak and Dirk Stikker of the Netherlands were early secretaries-general.
In 1952, they joined France, Germany, and Italy in the European Coal and Steel Community (ECSC), the first of the “European Communities” intended to eliminate all barriers to trade in those products. The foreign ministers of ECSC member countries met under Spaak’s chairmanship in Messina in 1955 to consider an extension of economic integration. Their negotiations resulted in the Rome Treaties establishing the European Economic Community (EEC, commonly referred to as the “Common Market”) and the European Atomic Energy Community (EURATOM) that entered into force in 1958. Spaak is regarded as having been instrumental in locating the headquarters for the several communities in his country’s capital, Brussels. (See “European Union”)

Although the pillars remained in tact, Dutch political parties realigned after the war and postwar politics became more fluid than had been the case in the interwar period. The Labor Party (PvdA) replaced the prewar Social Democratic party. More moderate than its predecessor, the PvdA, won recruits from the ranks of left-wing social liberals and some Protestant and Catholic progressives, while retraining its base in the socialist trade union movement. The defection of the social liberals allowed the competing prewar Liberal State and Liberal Democratic parties to merge in the center-right People’s Party for Freedom and Democracy (VVD).

Postwar politics in Luxembourg returned to its prewar three-party pattern – liberals to the right, socialists to the left, and broadly based Christian democrats occupying the center of the spectrum – similar to that in Belgium and typical of the Low Countries. The Communists, however, had a relatively larger base of support in Luxembourg than in either Belgium or the Netherlands. Governments were formed either by the Christian Social People’s Party alone or by the “Social Christians” in coalition with the liberal Democratic Party. The pattern was broken only in 1974 when the Social Christians were defeated in elections and, for the first time since 1919, were out of government. The Social Christians regained power in 1979 and have led every government since that date. Pierre Werner was prime minister from 1959 to 1984, except for that four-year interval. When Werner stepped down, he was succeeded by Jacques Santer, who remained prime minister, leading a Social Christian-Socialist coalition government, until his appointment as president of the European Commission in 1995.

In Belgium, the Catholic party, dominant since 1884, was re-founded in 1945 as the Social Christian Party, which described itself as a “conservative” party in the Christian democratic tradition rather than as a specifically “Catholic” party that maintained formal ties to the Church. The Social Christians also enlisted individual members rather than, as the old party had, counting any member of a Catholic organization as automatically a party member. The Belgian Workers Party was reorganized as the Socialist Party, still strongly anticlerical and having its strongest backing in Wallonia. The Freedom and Progress Party succeeded the prewar Liberal Party. In the late 1940s, the three “spiritual families” commanded the support of 90% of the electorate. The Flemish nationalist movement, discredited by real and alleged collaboration with the Nazis, was revived only in 1960s by the moderate People’s Union (VU).
In all three countries, measures were taken after 1945 to prosecute collaborators and war profiteers. In Belgium, it was calculated that a bare 2% of the population had been active collaborators, but 75% of the 77,000 brought to trial were Flemish. Arthur Seyss-Inquart, Hitler’s notorious Reichskommissar in the Netherlands, was arrested, found guilty by a Dutch court of war crimes, and executed. It took some time to disarm former resistance fighters, many of whom were Communists who had joined the resistance after Germany invaded the Soviet Union in 1941 and who kept their weapons after the liberation.

Compulsory military service was reestablished to build up armed forces that were reequipped in large part by the United States after 1949 to fulfill their NATO responsibilities. Dutch and Belgian units served under UN command during Korean War. Dutch troops were also deployed to suppress the nationalists and to reassert Dutch rule in Indonesia, where the nationalists, led by Sukarno, had proclaimed independence for Indonesia in 1945 and established effective control in Java and Sumatra. The Dutch government proposed creation of a decentralized “United States of Indonesia,” comprised of 15 states, in partnership with the Netherlands. The nationalists conducted partisan warfare that Dutch forces were unable to contain on the main islands. Under pressure from the UN and the United States, the Dutch, in 1949, conceded sovereignty to a federal Indonesia in union with the Netherlands and withdrew Dutch and colonial troops. In 1954, Sukarno absorbed the federated states into the unitary Republic of Indonesia and unilaterally dissolved the union.

Questions/Discussion

Assess the importance of the U.S. role in the economic reconstruction of Belgium and the Netherlands in the immediate postwar period. Compare the economic situations of the two countries.

The Benelux Three took leading roles in the process of European integration. Explain why they were ideally suited to that task.

Dutch Politics, 1945-2002

The socialist PvdA and the Catholic People’s Party (KVP) won the largest share of the vote, about 30% each, in the four general elections held in the Netherlands between 1946 and 1956. Although together the three major confessional parties, Catholic and Protestant, received half the vote, governments formed during the period were either left-center PvdA-KVP coalitions led by a Labor prime minister, Willem Drees, or center-left KVP-PvdA coalitions headed by a Catholic prime minister, Louis Beel. These governments gradually expanded the welfare state and the role of the public sector in the economy.

A shift in coalition alignment occurred in 1959 when the KVP and PvdA broke on the issue of wage policy. While Labor backed higher pay hikes to meet inflation, the KVP argued that the increases themselves would spur inflation. Between 1959 and 1965, Catholic prime ministers led broad center-right coalition governments that included KVP together with the Protestant Anti-Revolutionaries (ARP) and Christian Historicals (CHU), sometimes joined by the VVD. The Catholic-Labor coalition was revived in 1965, but the government it
produced was short-lived, collapsing the following year when the KVP rejected PvdA demands for budget-busting increases in public expenditures.

The late 1960s was a watershed in Dutch politics. Typical of the political environment in much of Europe in that era, its center of gravity shifted to the left, and the PvdA, in particular, was radicalized in keeping with the times. Hans van Mierlo founded a new party, Democrats 66 (D66), that appealed immediately to a young and better-educated, social liberal constituency. Van Mierlo argued persuasively that the traditional pillars no longer represented social, economic, and political realities in the country. At the same time, the decline in support for the confessional parties that claimed to represent the Catholic and Protestant pillars mirrored the sharp decline in church attendance and formal affiliation with the churches. Likewise, the secular parties seemed no longer hostile or posed a threat to religious institutions, and they made gains at the expense of the confessional parties as Catholics and Protestants voted their various social and economic interests rather than support their pillars.

Twenty-four parties presented lists in the 1967 general election, 12 of which won seats in the Second Chamber under the Netherlands’ no-threshold system of proportional representation. Although both parties lost seats, the KVP and PvdA, retaining 79 seats out of 150 between them, remained, by far, the largest parties. Catholic Piet de Jong formed a center-right coalition government that included his party, ARP, CHU, and VVD. As support for the three main confessional parties continued to diminish, they formed an electoral alliance, the Christian Democratic Appeal (CDA), that presented candidates on a common list in the 1972 election. The alliance parties joined the PvdA, D66, and small leftist parties under Labor prime minister Joop den Uyl in a left-center coalition government. CDA cooperation with the left floundered in 1977 over the issue of land ownership and property taxes. CDA leader Andries van Agt would have preferred to continue in coalition with the PvdA but was rebuffed and agreed instead to lead a center-right coalition with the VVD. The relationship was a rocky one. The VVD demanded spending cuts opposed by the CDA, and the CDA resisted tax cuts proposed by the VVD.

The parties of the CDA formally merged as a united party in 1980 in anticipation of elections the next year. Despite – or, perhaps, because of gains made by the VVD in 1981, the CDA and PvdA put aside deep differences between their leaders to form the next government. But disagreement between the coalition partners on economic policy, employment schemes, taxation, defense spending, and cruise missile deployment quickly eroded any spirit of cooperation that may have existed, and the government fell within six weeks of its formation. It was succeeded by a CDA-VVD coalition, led by Rudd Lubbers, that governed the Netherlands ably for next eight years. Lubbers was a young and attractive political leader, the Jesuit-educated son of a wealthy Rotterdam family, who had risen quickly through the hierarchy of the old KVP. His center-right government introduced tax reforms and market-oriented economic programs that were tune with the Reagan-Thatcher decade, but compromises made in these areas by factions within the governing parties and divided personal loyalties placed strains on the coalition.
In 1988, after long and difficult negotiations between the two government parties – and between the government and the two parliamentary parties that required trade-offs by all sides, the government introduced a budget that made drastic reductions in spending for social entitlements to compensate for lowering taxes. However, the government significantly altered the enabling legislation in deference to opposition from the opposition PvdA, which, as the largest single party in the Second Chamber, held the largest number of seats on parliamentary committees. VVD members of parliament, who had been elected on a platform of welfare-state and tax reform, were outraged and felt betrayed by the government that they had supported and, especially, by the VVD members of that government.

The plot thickened the next year when environmental legislation that had been initiated by the VVD and had been a long time in preparation was introduced. The bill, consented to by VVD ministers in the government, included increased tax-at-pump on fuel. The VVD had carefully cultivated a “green” image, but VVD members of parliament had also campaigned on a platform in the last election that committed them not to agree to any new taxes. Finding the bill’s revenue provisions unacceptable, they voted as a bloc against the bill and, in effect, brought down the government in which their party participated.

In the general election that followed in 1990, the VVD gained seats but was left out of the next government. Lubbers succeeded in forming a CDA-PvdA coalition government, although both parties had lost seats. The CDA and PvdA suffered severe losses in local elections and, in the 1994 general election, were both clearly the losers, dropping 20 and 12 seats respectively. The PvdA slumped to 25% of the vote, the CDA to only 23%, together a loss of 40% of the votes received in the previous election. The CDA, reduced to 34 seats in the Second Chamber, was disregarded as a candidate for participation in the next government. Wim Kok, the moderate and very pragmatic leader of the PvdA, whose party was the second biggest loser in election, cobbled together, after three-months’ negotiations, a new government together with the two winners, the VVD and D66. The former had gained nine additional seats with 20% of the vote, the latter had picked up 12 with 16%. Hans van Mierlo, the founder of D66 who had campaigned to move Dutch politics beyond pillarization, was appointed foreign minister, entering the first government in more than 75 years to be formed without participation by a confessional party.

The CDA was tired, and the electorate was tired of the CDA. Lubbers had stepped down before the election from the leadership of the party that had been considered indispensable to forming any government, replaced by Eeclo Brinkman, who was colorless and not well known. Many of the party’s traditional constituency shifted their support in 1994 to the VVD, D66, or to the small, conservative Protestant parties. Among them, many elderly voters were lost when the CDA proposed reductions in pensions. Enthusiasm for its issues – for example, advocacy of “family values” -- had faded, and the party conceded to legislation further legitimizing euthanasia, drug use, abortion, gay rights, and different interpretations of “family.” To some observers, it appeared that the idea of Christian democracy as distinct from the socialist left and the liberal right was dead in the water.

The Lubbers government had decided to send Dutch troops to take part in the UN’s peacekeeping operations in Bosnia. Perceived as a commitment to defend human rights in a
war-torn corner of Europe, the decision was backed by very broad parliamentary approval. The Dutch military command was, at the time, reluctant to undertake the mission, but, in September 1994, on the Kok government’s watch, a 400-man battalion was deployed to Srebrenica, a UN-designated “safe area.” The unit was poorly trained and equipped to maintain a peace that did not, in fact, exist. Later the next year, shortly before it was scheduled to pull out, the Dutch garrison tasked to protect the city’s Muslim population was, in effect, taken hostage by the large, well-armed Serb force besieging Srebrenica that then proceeded to massacre more than 7000 of those who had sought refuge there. Amidst recriminations within the defense ministry and armed forces, investigations were immediately launched to determine responsibility for the tragedy. A parliamentary commission concluded subsequently that the Netherlands bore responsibility for the events surrounding the fall of Srebrenica. Dutch politicians, it found, had “failed” in their responsibilities by dispatching a force inadequately prepared and supported for the mission assigned to it in Bosnia. Dutch military commanders were also signaled out for criticism of their conduct of the operation. No blame was attached to the soldiers of the Dutch battalion.

The two larger coalition partners, the PvdA and VVD, gained eight and seven seats respectively in the 1998 general election, more than off-setting D66 losses. Kok’s government coalition had a comfortable parliamentary majority and won a clear mandate to continue in office. The Green Left doubled its share of the vote, but the VVD, which had a strong “green” plank in its own platform, vetoed its suggested participation in the government. It was clear during the campaign that the CDA did not want to take part in government, and its leader Jaap de Hoop Scheffer admitted that the party was “not ready” to return to office. The CDA managed to win only 18% of the vote, the total vote for confessional parties barely reaching 25%. The secular center-right received 35%, the socialist and “green” left 40%.

Kok formed a new PvdA-VVD-D66 government in only three days of bargaining. Frits Bolkestein, always considered too “Anglo-Saxon” and insufficiently “European,” was gradually eased out as VVD leader into “active exile” as an EU commissioner and was replaced by Hans Dijkstal, a less argumentative figure who enjoyed better relations with Kok than his predecessor. Van Mierlo resigned from the government and party leadership because of ill-health and was succeeded by Thom de Graaf. Kok II won high marks for its skillful handling of the economy.

D66, which had attracted under 10% of the vote in the last election, introduced legislation to adopt “direct democracy” in the form of initiatives, compulsory referenda, and recalls to veto acts of parliament, a long-standing objective of the party that van Mierlo had founded to decentralize authority in the Netherlands. The VVD had also signed on to the project in the two parties’ joint platform in 1998. The measure was accepted in the Second Chamber, but it was resisted in the First Chamber by a handful of VVD members and was defeated there by a single vote that deprived it of the two-thirds required for passage of a constitutional amendment. As a result, in May 1999, D66 withdrew from the government. Kok remained in office at the head of a PvdA-VVD caretaker government, planned for a new election in the autumn, but also kept open consultations with D66. A compromise was worked out that
allowed for enactment of legislation providing for non-binding “consultative” referenda, and D66 reentered the government.

In April 2002, only a month before the scheduled general election, the Kok government suddenly resigned. The Netherlands Institute for War Documentation, an academic research organization that it had tasked seven years earlier to investigate the conduct of the Srebrenica operation, had issued a report running into several thousand pages that detailed the flawed political decisions and military planning that had contributed to the disaster in Bosnia. The report sparked an acrimonious argument among ministers, many of whom were also in the cabinet in 1995, who denied or allocated blame. Jan Pronk, PvdA environment minister who had been minister for overseas development in 1995 and not directly involved in decisions bearing on Srebrenica, assumed a share of the blame as having been part of the government, and he resigned. Kok argued that the resignation of one minister unilaterally implicated the whole government collectively. The Kok government remained as a caretaker until a new government could be named after the May 2002 general election, but Kok himself stepped down as party leader and PvdA standard-bearer in the election in favor of Ad Melkert.

The 2002 election campaign focused on immigration and the integration of immigrants into Dutch society, questions of growing concern to the public that Dutch politicians had been reluctant to confront in the past. In a few months, Pym Fortuyn, a journalist and media personality, played on that concern to transform the local populist party, Liveable Rotterdam, that he founded to contest city elections into a national personalist party, List Pym Fortuyn (LPF), arguing that non-European immigrants threatened the liberal Dutch social values and cultural norms. Other parties scrambled to pick up on an issue that had struck a sensitive nerve in the country. Little more than a week before the May 15 vote, Fortuyn was assassinated ( – the first political assassination in the Netherlands since Johan de Witt was lynched by a mob in 1672.) To Fortuyn’s popular appeal across the country was now added a sympathy factor for the LPF after his death.

What followed on election day was a veritable “earthquake” in Dutch political history. With nearly 80% of the potential electorate voting, the LPF emerged as the second largest party, coming from nowhere to capture 17% of the vote and 26 seats in the Second Chamber. The CDA bounced back remarkably to reclaim by a large margin its position, lost in 1994, as the largest party, winning 28% of the vote that gave the party 43 seats. The government parties were devastated: The PvdA, VVD, and D66 lost half of the vote they had received in 1998, together garnering less than a 36% share. The LPF carried constituencies as diverse as the Rotterdam-Schiedam area, The Hague, Dordrecht, the Amsterdam-Haarlem area, Breda, Zwolle, and Flevoland. The PvdA kept constituencies in Amstertam, Utrecht, and in Friesland and Groningen. Otherwise, the CDA prevailed most other constituencies across the Netherlands. Part of the CDA’s success was attributed to a conservative backlash against the previous government’s permissive social policies. The CDA won back voters lost earlier to the VVD, while the LPF profited from defections among traditional PvdA voters, especially in working-class sections of Rotterdam.

CDA leader Jan Peter Balkenende was tapped to form a new government, coalition crafted through “quiet consensus” with the VVD to include the leaderless LPF that took office in
July. While the government ignored most of the LPF’s more radical legislative proposals, it quickly introduced popular measures to restrict immigration and to require Dutch language training for those applying for residence in the country. Balkenende, a Protestant who had worked earlier in his career for a Christian radio network, had opposed legislation loosening regulations on euthanasia and drug use and, during the campaign, had adopted a tough line on immigration. Dijkstra and Gerrit Zalm, the highly regarded finance minister in the previous government, retained positions in the new government. The LPF was a one-man band now led by incompetent nonentities who began to quarrel among themselves and with other members of the government no sooner than it had been formed. There was no certainty that the LPF’s parliamentary party would be disciplined enough to vote as a bloc, and some wondered if Fortuyn himself, a maverick by nature, would have wanted to be in government if he had lived. “The spirit of a dead man,” it was remarked, was “hardly a sound manifesto” for a political party. Peter Langendam, an LPF minister, embarrassed the government when he accused the left of being responsible for Fortuyn’s murder. Another LPF minister left office. The antics of the LPF in government cost it dearly in public opinion polls. Most analysts had given the unlikely three-party coalition no more than two years in office. That estimate proved to be optimistic. By October, Balkenende had reached the limits of his tolerance for the LPF. Regarding it as no longer workable, and tendered his government’s resignation to Queen Beatrix. A general election was set for January 22, 2003.

Belgian Politics, 1945-2002

In the first five years after the end of World War II, Belgium was governed by a grand coalition of the parties of the “spiritual families,” Socialist-led under Achille van Acker. The state assumed close oversight of the economy, and the groundwork was laid for the welfare state with enactment of the Social Pact. Voting rights were extended in 1948 to women to the evident advantage of the Social Christians, who governed alone from 1950 to 1954. With the exception of the years 1954-1958 and one brief period in the 1960s, leadership of Belgian governments, formed in varying coalitions with Liberals, Socialists, and “linguistic” parties would remain in the hands Social Christians until 1999 under a succession of Flemish prime ministers – among them Leo Tindemans, Gaston and Marc Eyskens, Wilfrid Martens, and Jean-Luc Dehaene. In election after election, the Social Christians and Socialists each received over 30% of the vote, the Liberals averaging 20%.

Belgium experienced a reorientation of its economy as postwar industrial growth was focused on Flanders. Easy access to the reopened port of Antwerp and a willing work force attracted private investment from abroad for “new” industries. Meanwhile, traditional heavy industry in Wallonia was becoming increasingly redundant, the victim of worn-out plant facilities, mines that were too expensive to operate profitably, and labor unrest. Flanders soon outstripped Wallonia in output and tax revenue produced as the region already had in population. For the Flemish, the policy of equalization of public investment in the two regions meant throwing taxes raised in Flanders down a dark hole to subsidize inefficient industries in Wallonia. For Walloons, selfish Flemish arguments about efficiency and cost effectiveness meant the destruction of Wallonia’s industrial job base. The debate split the “spiritual families” along linguistic lines.
Divisions between the two regions and their respective linguistic communities were also reflected in the debate over the royal question. Leopold III, who had chosen to remain with his troops rather than flee into exile in 1940, had been kept by the Germans first under house arrest at Laeken, the royal residence, then to the castle at Sigmaringen, where he spent of the war years, and, finally, to Austria, where the king was liberated by American forces. Not allowed by Prime Minister van Acker to return home, Leopold stayed an exile in Switzerland. His brother, Prince Charles, was named regent in Belgium. Those opposing Leopold’s return, including Socialist leaders van Acker and Paul-Henri Spaak, charged that the king’s authority had been compromised by his alleged collaboration with the Germans. The Socialists were joined in their opposition by the Liberals and the Communists, who had won 10% of the vote in first postwar election, and by a majority of public opinion in Wallonia and Brussels. The Social Christians and a majority of Flemish public opinion favored the king’s return. It was not uncommon for Walloons to denounce the Flemish generally as well as the king as collaborators. The debate was limited, however, to discussion of Leopold’s personal qualifications to be king and not – at least, by most of his opponents -- of the future of the monarchy.

A referendum was held in 1949 on the issue whether or not Leopold would return to Belgium and continue to reign as King of the Belgians. Leopold, whose cause was not helped by his abrasive personality, claimed he would feel justified in returning if the “yes” vote was 55%. Spaak set the figure acceptable for receiving him back at 67%. The results showed 57.68% of the country favoring the king’s return, but there was a great and telling disparity between the vote in the two regions and in Brussels that underscored divisions between Walloons and the Flemish that were even more striking that the division among the “spiritual families.” While 72% of voters in Flanders called for Leopold’s reinstatement, it was opposed by 58% in Wallonia and 52% in Brussels. Admitting that it was the mission of the monarchy to provide the symbol behind which the nation could unite, Leopold left it to the parliament to interpret the will of the Belgian as expressed in the referendum. In 1950, he abdicated, making way for his son Baudouin (Boudewijn) succeed him when he came of age the following year.

In 1952, parliament enacted an education reform proposed by the Social Christian government that formally recognized a system of Church-run “free” schools that received state support with few restrictions attached and operated parallel to the secularized state school system in which religious education was prohibited. In 1954, the new Socialist-Liberal government overturned the reform. The Socialists argued bluntly that the working class was not sufficiently sophisticated to be conscious of its socio-economic status because of the primacy of religion in the lives of many of them and that Church-run schools had been the principal means of pulling the working class into the Catholic pillar. Revocation of the education reform was, therefore, a means of attacking the opposition’s political base.

Catholics protested the move in massive, well-organized rallies across the country that drew hundreds of thousands participants. In 1958, the Social Christian-Liberal government won passage of the compromise School Pact that introduced a “market solution” to funding education. Schools, whether secular or religious, were thereafter funded according to the number of students enrolled in them. The School Pact was a clear victory for Catholics over
the secular parties and demonstrated the tremendous ability of the Church and its political
allies to mobilize public support.

The Belgian Congo was ruled by a highly centralized administration directed from Brussels.
Despite the introduction of elected municipal councils in 1957, demands for a greater
measure of local self-government were largely ignored. Protest against the slow pace of
change by political groups, based on ethnic ties, exploded when French colonies were
granted independence in 1958. In January 1959, Patrice Lumumba, leader of one of those
groups, the National Congolese Movement, openly called for independence amid violence
that broke out in Leopoldville. One year passed before the Belgian government called a
conference of leaders of rival groups in Brussels later to consider the future direction of the
colony. Under pressure from Congolese leaders, the government and conferees agreed to set
June 30, 1960 as the date for independence. The Independent Congo Republic was
proclaimed as scheduled, but conditions there rapidly disintegrated as rival leaders and
regional separatists struggled for control. A multilateral peacekeeping force was dispatched
by the UN Security Council as Belgian armed forces and settlers were withdrawn. The
colonial episode in Belgian history ended finally in 1962 when Ruanda-Urundi became
independent as the countries of Rwanda and Burundi.

In 1960, Gaston Eyskens’ center-right Social Christian-Liberal government introduced an
austerity budget package, or loi unique (single law), authorizing tax increases and decreased
public expenditures for social programs, as well as cuts in subsidies to the coal mines in
Wallonia. The package also included a five-year plan for industrial expansion that called for
greater labor flexibility. The Socialist trade union in Wallonia called a general strike to
protest the “loi inique” (“evil law”), and appealed to the Flemish unions to support the
action. The Catholic trade union, which accounted for more than half the union membership
in Flanders, refused to cooperate, and the strike failed, after a two-month work stoppage, to
win concessions from the government.

Walloon trade unionists saw the Flemish refusal as a betrayal of working-class interests, but
the issue developed into one less concerned with labor policy or the class struggle than with
rival regionalisms. Socialist labor leaders demanded the division of Belgium and autonomy
for their region, arguing that francophone Belgians could no longer trust an existing political
system in which “clerical, conservative Flanders can impose its will on socialist, progressive
Wallonia.” Their protests contributed directly to the creation of regionalist political parties in
Wallonia and in the Brussels area committed to protect and to promote francophone interests.
The francophone parties picked up the argument for a federal Belgium that had already been
advanced from the Flemish side by the People’s Union.

In 1961, a Social Christian-Socialist coalition government came to office committed to
reconciling differences between the two language communities and to solving the riddle of
Brussels – a predominantly French-speaking city whose suburbs were expanding into the
Dutch-speaking areas that surrounded it. In 1963, a revised language border and a bilingual
solution for Brussels and its suburbs was presented for parliamentary approval. One purpose
of both moves was to limit the further spread of francophone Brussels. The fixing of a
linguistic frontier brought complaints from both French- and Dutch-speaking localities that
now found themselves of the “wrong” side of the border. Much publicized among these was the French-speaking town of Fourons (Flemish, Voerens) that was transferred from the Walloon province of Liege to the Flemish province of Limburg when the border was adjusted. The political response to these efforts was the defeat of the government parties in the 1965 general election and substantial gains for the regionalist parties that indicated the radicalization of voters in both regions on the language issue.

Simmering tensions between French-speaking and Dutch-speaking faculties and students at the Catholic University of Louvain (Leuven), located in the Flemish part of Brabant, boiled over in 1968 in acrimonious campus demonstrations that turned to violence. (A pontifical university established in 1425, it was the oldest institution of higher learning in the Low Countries.) In effect, the francophone faculties were “expelled” from the university by their Flemish colleagues. A decision was made reluctantly by the Church hierarchy and approved by the government to recognize the separation, to divide the university’s assets, including its million-volume library, and to establish two new and distinct universities, Leuven, a Flemish university that retained the facilities in that city, and “New Louvain,” a francophone university located nearby but across the linguistic frontier in the Walloon part of Brabant. Both claimed 1425 as their date of founding.

Nineteen sixty-eight was a turning point in Belgian politics. Bad feeling between French- and Dutch-speakers within the ruling Social Christian Party over the Louvain/Leuven affair forced the resignation of the government. The regionalist parties were further strengthened in the election that followed. A four-month cabinet crisis ensued before Gaston Esykens was able to patch together a new government composed of divided Social Christians and the Socialists. Seven more governments would be formed in the next 12 years, and all fell as a direct result of disagreements over the language question. Provoked by the university crisis as well as differences over the platform in the general election, the Social Christian Party also split in two in 1968, and there would be thereafter two entirely separate Christian democratic parties, the Flemish CVP and the Walloon PSC. In 1972, the Liberals similarly shattered in three, separate parties being formed in Flanders, Wallonia, and Brussels, and the Socialists in 1978 broke along linguistic lines. The constellation of parties representing the “spiritual families” – Catholic, liberal, and socialist – now numbered seven, each of which would bargain separately for inclusion in government. The possibilities for including parties outside the “spiritual families” broadened to include regionalist parties, and the Communists were left as Belgium’s only bilingual party. The cabinet was divided equally between Walloons and Flemish, overlapping party affiliations, and dual ministries established, a practice formalized in the constitution in 1971.

That same year a giant step was taken toward devolution of responsibilities from the national government to sub-national authorities. A constitutional reform recognized three cultural communities – French, Dutch, and German – each of which had executive and legislative councils (elective after 1984) responsible for education, culture, and other language-related policies. The revisions to the constitution were a statement of intent indicating the direction that future reforms would take.
Leo Tindemans, a conservative Flemish Social Christian, formed a six-party coalition in 1977 that linked the four Social Christian and Socialist parties together with the Flemish VU and the Brussels francophones, the Democratic Front, determined to draft a solution to the language question, demands for regional autonomy, and the status of Brussels, which, by its very nature, would be both radical and a compromise among competing interests. The result was the *Community Pact* of 1977-1978, which embodied the agreements negotiated in *Egmont Pact* calling for a five-tier system of government that included the national government, three regional governments, three cultural communities, the provinces, and the communes. It was regarded as a masterpiece of political accommodation, but it failed approval. For unitarians, it sacrificed too much of national sovereignty; for federalists, devolution under the plan was inadequate; and, for regionalists, it failed to meet all of their demands. Tindemans, a “universalist” determined to reconcile national and regional interests, failed to carry his own party with him in an intense struggle for its soul with his rival, Wilfrid Martens, a federalist. The Socialist Party split, the government fell, and a general election was called.

The 1978 election was inconclusive, and, except that the VU lost votes in Flanders because of its support for the pact, there was little change in the relative strength of the major parties. The focus of the election, however, was not state reform but rather the economy and unemployment. After three-months of negotiations that tested various formulas for coalitions, Martens succeeded in forming a five-party government that included both Social Christian and Socialist parties and the Democratic Front. It was one of nine governments that Martens would lead between 1979 and 1992 that sometimes included a regionalist party.

The devolution of responsibility from the national government to the regions and communities intended in the Community Pact was implemented incrementally. In 1980, a constitutional reform modified previous agreements on devolution, opening the way for the creation of the Brussels “Capital Region” and the shift of fiscal responsibility to the three regions – Flanders, Wallonia, and Brussels in 1984 and negotiations leading to the comprehensive *St Michel Agreement* of 1992. But the period between the failure of the Egmont Pact and the agreement at St Michel was marked by continuous contention over the linguistic-regional divide that compromised the stability of successive Belgian governments. In 1981, for example, the government’s rejection of a demand by the Walloon Socialists, a coalition partner, to return Fourons to Liege led to its resignation and a general election. Jose Happart, the mayor of Fourons, became a symbol of francophone defiance of Flemish-led national governments and polled the largest single personal preference vote in the country in the 1984 election to the European Parliament.

Government formation became more difficult. After the 1987 general election, it took a hundred days to form Martens VII, a three-party Social Christian-Flemish Liberal coalition that lasted barely three months. Its successor, Martens VIII, was a broadly based, five-party coalition that included Social Christians, Socialists, and the VU and provided the two-thirds parliamentary needed to enact constitutional reforms. That government, which survived for more the three years, failed to produce the anticipated reforms and fell when the VU walked out to protest government approval of sales by “Walloon” arms-makers to a Middle Eastern buyer. Martens IX, which reprised the four-party Social Christian-Socialist coalition,
collapsed after four days in September 1991. Walloon ministers threatened to block a telecommunication contract for Flemish companies unless Flemish ministers approved use of proceeds from television licenses to increase pay for francophone teachers in Wallonia, who were out on strike and whose pay raise had been blocked in parliament by the Flemish parties because an equivalent raise had not been asked for teachers in Flanders. Such was the state of relations between Flemish and Walloon ministers that the one would not talk to Walloon journalists and the other refused to appear on television with Flemish colleagues. The king refused to accept Martens’ resignation because of the impossibility of forming a new government and asked him to carry on as a caretaker until the next general election.

The total Social Christian share of the vote in 1992 dropped six points to 25% nationally, the lowest since the modern party system based on the “spiritual families” had developed. Martens was personally discredited in the CVP because he conceded too much to the PSC, which won less than 7% of the vote. The Walloon Socialists were secure in their region despite the reaction to corruption in the party leadership, but both socialist parties campaigned on platforms that were more nationalistic and, therefore, more divergent than in earlier elections. The salient issue was neither devolution nor unemployment but concern about immigration by non-Europeans to Belgium. The xenophobic Flemish Bloc (VB), whose motto was “Fight Back,” overtook the moderate VU in Flanders, while even the Walloon Liberals campaigned to “Stop the Invasion.” But the election campaign was marked by indifference and disenchantment with the established parties. Twenty-five percent of voters were “undecided” only three days before the election. One consequence of voter apathy – and, perhaps, a “vote-for-Mickey-Mouse” reaction to compulsory voting – was the election of four candidates from the Van Rossem List, a personalist slate put up by a wealthy heroin addict, seeking parliamentary immunity from conviction on a narcotics indictment, who campaigned to abolish marriage and the monarchy – and to legalize drugs.

Jean-Luc Dehaene succeeded Martens, whose protégé he had been, as leader of the CVP. He was credited with having held the party together in 1987 but had stepped aside then for Martens. Dehaene had risen through the ranks of the Catholic trade union movement in Flanders and was regarded, depending on the task, as the CVP’s “carthorse” or its “bulldozer.” With “reluctance,” Dehaene agreed to form a four-party government of “losers” with the Social Christian and Socialists that was short of the two-thirds majority required to initiate constitutional reform. Supported by the Liberals and Greens, Dehaene pushed through approval of revisions to the constitution in 1993 based on the St Michel Agreement that provided for reform of the national legislature and the five-tier solution to the questions of devolution and language policy envisioned earlier in the Egmont Pact. Equalization of funding to the regions was ended. Regional debt was absorbed for one time by the national government, allowing regional governments to start business with a clean slate. Subsequent funding would be on the basis of tax revenues received from the regions and of outstanding need.

In 1993, King Baudouin died suddenly while on holiday in Spain. Often called the “only Belgian” and whose image transcended regional and linguistic differences in his realm, the passing of a beloved king was deeply mourned by his subjects. Baudouin was succeeded by his brother Albert.
Approval of the state reform – as far as it went – was confirmed in the 1995 general election. Dehaene formed a multi-party coalition that included Social Christians and Liberals. Guy Verhofstadt, leader of the Flemish Liberals who had been budget minister in the last Martens government, was named deputy prime minister. The government was forced to confront a public debt equal to 135% of GDP and demands from the regions, which started with a clean slate but were running up their own debt, and, particularly, from Wallonia for assistance for health and education.

Debt reduction was impressive but failed to lower ratio below 100%. Efforts were made to fine tune the state reform and, especially, to clarify relationships among the five tiers of government.

The 1999 general election was viewed as a turning point in Belgian political history. The results were close, but, for the first time in the 20th century, the Liberals outpolled the party representing the Christian pillar in Flanders, the former winning 14.3% of the vote and CVP 14.1%. The Socialist and regionalist parties lost votes as well as did the Social Christians, who were excluded both from the national and the regional governments, all now led by Liberals. Verhofstadt formed a six-party government that included Flemish and Walloon Liberals, Socialists, and Greens and provided a comfortable parliamentary majority.

Political allegiances were seen as being in transition, and adherence to a “spiritual family” could no longer be taken granted. Voters had become pragmatic and unpredictable. A large floating vote had emerged, and observers anticipated that voting patterns were likely to change from election to election in future. Furthermore, the leadership of the CVP, longer regarded as the natural party of government in Belgium, was exhausted. In the months following the elections, political parties splintered, merged, attempted to rearrange profiles, and changed their names.

The Verhofstadt government unveiled an economic stability program intended to balance the federal budget in 2002 and create a surplus by 2005. Rising regional debt complicated the calculations. The Lamberton Accords, meant to be the capstone on the process of devolution, were approved in 2001 for implementation in 2002. Appeals by the regions pending in court stalled imposition of the accords, which were certain to be an issue in the 2003 general election.

Questions/Discussion

Explain the importance of Christian democratic or confessional parties in the Benelux countries since 1945. Account for their apparent decline in the 1990s. What is likely to be their role in the current decade?

Outline the background to the “language question” in Belgium. Why is devolution regarded as an appropriate answer?
Give the rationale for *pillarization*. In what ways did it contribute to national unity? In what ways may it have detracted from national solidarity.

Account for the relative volatility of Dutch and Belgian politics in the 1990s.

What are the most important social and economic issues confronting the Benelux countries at the "turn-of-the-century"? Do they have political solutions?

**Suggested Reading**

See "Selective Bibliography".
POLITICS and GOVERNMENT

Politics and government in the Benelux countries today share many characteristics. They are constitutional monarchies based on the hereditary succession of the monarch. They are parliamentary democracies whose legislatures are elected by systems of proportional representation that encourage multi-party participation in the political process. Governments are responsible to parliamentary majorities and are invariably broadly-based coalitions. The Netherlands and Luxembourg are unitary states, however, while Belgium is the most decentralized country in Europe.

The NETHERLANDS

The Netherlands is a constitutional monarchy, whose king or queen have, since 1868, named only those governments that have majority support in the Second Chamber. During World War II, with the parliament suspended and many political leaders in prison or underground, Queen Wilhelmina signed or refused to sign decisions made by the government-in-exile based on her own judgment of what was needed. After the war, however, the monarch returned to being a purely symbolic head of state. The reigning monarch, Queen Beatrix, is greatly respected for her ability to walk the fine line of speaking out on moral issues without getting in the way of elected politicians or becoming ensnared in party disputes.

The cornerstone of Dutch government is the national legislature, the States-General (Staten-Generaal), which is composed of an upper house, the First Chamber (Eerste Kamer) and a more powerful lower house, the Second Chamber (Tweede Kamer). The 150 members of the Second Chamber are chosen directly by the voters in elections held no more than four years apart. The Second Chamber is called upon to handle between 250 and 300 bills in a typical 10-month parliamentary session.

There are about thirty standing committees in the Second Chamber, plus a number of other committees that make rulings on procedural matters. Committees in both chambers are formed so as to reflect party strengths in the chamber as a whole, but committee chairmanships are also spread among the political parties in accord with their parliamentary strength, regardless of whether or not the party participates in the governing coalition.

There may be as many as a dozen parties represented in the Second Chamber. Elected members of a party form a group (fractie) whose task is to coordinate the development of party positions on various issues. There has been a significant increase in party discipline in voting on legislative proposals. Surveys of Second Chamber members show that they view themselves primarily as representatives of their party’s voters and, consequently, feel bound to vote the party line under most circumstances. Party discipline is so great that few recorded votes are taken in the Second Chamber.
Legislation passed in the Second Chamber must also receive approval in the First Chamber, which is composed of 75 members elected to 4-year terms by the members of the Provincial States (state assemblies). Bicameralism came to the Netherlands in 1815 with establishment of the First Chamber as a body appointed by the monarch. The original purpose of the chamber was to guarantee the Belgian aristocracy a voice in government, when their provinces in the south were merged into the Kingdom of the United Netherlands. The composition of the First Chamber was transformed in 1848 when royal appointment was replaced with election of members by the Provincial States. The number of representatives allotted to each province is proportionate to their share of the national population. Consequently, the composition of the First Chamber does not differ in regional balance from that of the Second Chamber. The balance among parties, however, reflects the compositions of the states assemblies and may differ from that of the Second Chamber. (See Figure, “The Netherlands: Legislature and Government.”)

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<th>Provinces of the Netherlands</th>
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The First Chamber does not have the right either to initiate legislative proposals or to amend them. Consequently, the choices faced by the First Chamber are essentially either to accept the bill as it stands or to reject it entirely. As a result of its limited powers, the First Chamber does not subject legislation to the same exhaustive technical and partisan analysis that goes on in the Second Chamber. The First Chamber normally meets just one day per week, and 80 percent of its members pursue a career outside politics while serving as Senator. The upper chamber may be accused of unnecessary duplication of legislative scrutiny when it accepts a law as proposed and of undemocratic interference with the directly elected Second Chamber when it rejects a law. Even so, the First Chamber does on occasion reject major pieces of proposed legislation, such as a bill to liberalize abortion in 1976 and a bill to establish referenda in 1998.
The Dutch government (regering) is formally composed of the monarch and the ministers. In practice, the ministers alone exercise the prerogatives of government; they are known collectively as the ministerial council, or cabinet. The ministerial council is composed of fourteen members, including the minister-president (prime minister), twelve ministers who each head one of the bureaucratic departments, and one minister without portfolio whose task is to press for interdepartmental cooperation on assistance to third world countries. Postwar ministries attest to the issues of a densely populated and increasingly affluent country; for example, Housing and Space Planning (1945); Culture, Recreation, and Social Work (1952); and Public Health and Environmental Protection (1971).

The ministers were originally advisers to the monarch, who consulted them as seen fit. Today, the responsibilities of the ministerial council include negotiating treaties and naming judges, provincial governors and mayors. Most importantly, the ministerial council develops draft legislation to submit to the First and Second Chambers of the States General.

The ministerial council is led by the minister-president, who is head of government and usually the leader of the dominant party in the governing coalition. The minister-president chairs the ministerial council, sets its agenda, and determines its schedule of meetings. He also concludes the council’s deliberations on a given issue by formulating a resolution that will achieve consensus agreement among the ministers. The powers of the minister-president have grown by virtue of his role on the European Council, a body composed of EU heads of state that meets twice per year and sets the basic direction of EU policy. (See “Participation in EU Institutions.”)

Even so, the powers of the minister-president remain modest in comparison with the British prime minister or the German chancellor. As head of a coalition government, the Dutch minister-president cannot shuffle ministers with the impunity of a British prime minister, nor can he command a minister to follow a particular policy, as the German chancellor often can. The Dutch ministerial council meets in advance of European Council summits to determine what the minister-president may and may not agree to during the discussions. The power of the minister-president derives not from ability to command or to decide, but it stems rather from the ability to find policy formulations acceptable to all parties in the coalition and, ideally, all ministers in the cabinet. The successful minister-president must above all be skilled in the art of identifying compromise positions. As Ruud Lubbers, who served as minister-president in three governments between 1982 and 1994, described the job, “People often argue in order to get their way; I argue primarily to find solutions that others can agree with.” Unlike heads of government in most other parliamentary systems, the Dutch minister-president is still a “first among equals.”

Nearly all draft laws examined in the Second Chamber are developed in the bureaucratic departments and reviewed in the ministerial council before being formally submitted to the Second Chamber. Although the Second Chamber has the right to initiate legislative proposals on most topics, it does so only about a half dozen times per year. Fewer than one hundred chamber-initiated bills have passed since 1813, though the majority of that number has been passed in the last 30 years. Ninety-eight percent of all legislative proposals in the
Netherlands are initiated by the ministerial council, compared to an average of under 60% in other European parliamentary democracies. About 95% of the 250 to 300 bills submitted annually by ministers are ultimately passed, though many of them only after being amended.

Given the dominance of the ministerial council in developing legislation, the high point of Second Chamber influence on the government comes during negotiations leading to the cabinet formation. After an election for the Second Chamber, a specially appointed negotiator, the informateur, makes the rounds of party leaders to determine which parties might participate in the next ministerial council. The informateur gathers information about likely coalition prospects and drafts elements of a possible coalition policy platform. As soon as the informateur develops a sense of the desired composition of a majority cabinet and the main areas of policy agreement within that coalition, he submits his report to the monarch. Perhaps the most important part of that report is the nomination of a formateur, who will complete the government formation and, most likely, become its minister-president. Among the immediate tasks of the formateur are to develop further the governing program, to achieve agreement on the specific division of ministries between governing parties, and to develop a list of the individuals who will occupy those seats.

The division of ministerial portfolios among the governing parties is often a contentious point. Ministries must be fairly divided between coalition partners, taking account of those that are more and less powerful. Sometimes a party will insist on controlling a specific ministry, or insist that a rival party not control a particular ministry. The major economic portfolios of Finance, Economic Affairs, and Social Affairs are usually divided among coalition partners, as are the major international departments of Defense and Foreign Affairs. It is typical for the entire process of identifying a coalition that developing a governing program (regeerakkoord) and assigning specific ministries to the coalition parties to requires two to three months after an election.

The Dutch civil service is organized into departments, each led by a cabinet minister and, in the case of the larger departments, one or two state secretaries (junior ministers). Given that ministers and state secretaries cannot know all that goes on within the department, they must rely upon senior civil servants to anticipate decisions that are important or that may become politically sensitive, and to bring these to the minister for a final decision. Civil servants draft regulations and legislation for review by the ministerial council and approval by the Second and First Chambers.

Senior civil servants are nearly always careerists who have worked their way up the organizational ladder of their departments. There is relatively little recruitment from industry, political and social organizations, or academia. By the time they reach the highest levels of a department, then, it is typical for civil servants to have spent their entire careers immersed in the department’s work and perspectives. This is an effective strategy for maintaining an autonomous organizational culture within each department.

The Netherlands does not grant to its courts the power of judicial review. Statute law is, in effect, constitutional law. There is, however, an extensive consultation process before submission of a draft law to the Second Chamber, in which the Council of State (Raad van
State, established in 1531) offers advice on the constitutionality, technical legal quality, and likely effectiveness of proposed laws. Moreover, although statutes enacted by the legislature are not subject to judicial review, regulations promulgated by the civil service may be taken to court. Administrative courts hear over 50,000 cases per year.

The power of the courts to scrutinize governmental action is expanded still further by the constitutional provision that the judiciary may test laws against international treaties into which the country has entered, including the Treaty of Rome and the UN Human Rights Treaty. The courts may not declare a law invalid due to incompatibility with the Dutch constitution but they may do so on the grounds of incompatibility with international treaty obligations. Since the basic civil and political rights guaranteed in the Dutch constitution are all restated in similar terms in treaties to which the Netherlands is signatory, the power of testing laws against treaty obligations is a significant one. The Treaty of Rome and subsequent commitments to the EU have successfully been used as a means of attacking a number of laws and regulations related to equal pay for men and women, as well as equal benefits from the social insurance system.

Electoral System

Election campaigns are relatively short and inexpensive in the Netherlands. The official electoral campaign lasts for just 43 days and consists primarily of sending parliamentary candidates to contact voters in workplaces and shopping areas, while the party leader (lijsttrekker, or head of the party list) makes one major appearance designed to produce a daily sound-bite for the evening news. Each party receives an hour of radio time every week and seven hours of television time per year, more time being given during the six weeks of an election campaign. Recent elections have also featured debates among the leaders of the different parties.

Political Parties

Dutch political parties were traditionally categorized as being either secular or confessional (i.e., identified with a religious “confession,” or church) and represented one of the four pillars (zuilen): Socialist and Liberal in the “secular” camp, Protestant and Catholic in the “confessional” bloc. Although the pillars have lost most of their relevance, three major political parties trace their descent from this configuration.

Christian Democratic Appeal (Christen-Democratisch Appel – CDA) is a result of the 1980 merger of the Catholic People’s Party and two Protestant parties, the Anti-Revolutionary Party and the more conservative Christian Historical Union. The CDA occupies the broad center of the Dutch political spectrum and emerged, by far, as the largest party in the 2002 general election, attracting nearly 28% of the vote. That result, however, was considerably smaller than that which the three confessional parties, standing separately at the polls, could expect to receive 40 years ago. Party leader and Harry Potter look-alike Jan Peter Balkenende, a Protestant and a former economics professor, is largely credited with having
reversed the party’s decline in the polls. Two small conservative Protestant parties well to the right of the CDA commanded less than 5% of the vote.

The People’s Party for Freedom and Democracy (Volkspartij voor Vrijheid en Democratie – VVD), established in 1948, assimilated the members of older liberal parties. It espouses traditional European liberal values favoring free enterprise and individual initiative but also promotes social liberalism and supports the welfare state. Hans Dijkstal, who had led the VVD since 1998, was admired by some for his ability to broker compromises. For others, however, the VVD in government compromised principle with its PvdA partners more than was necessary and lost ground in 2002 as a consequence. Dijkstal was replaced as party leader by Gerrit Zalm, the popular finance minister credited with managing an unpopular government’s successful economic policy.

The Labor Party (Partij van de Arbeid – PvdA) is a social democratic party that was the product of a post-war merger of the old Socialist Party with left-wing confessional and social liberal groups. The PvdA, which led governments in the 1990s, was the biggest loser in the 2002 election that reduced its share of the vote to only 15%. Following the election, Wim Kok’s successor Ad Melkert, an unlikely leader acknowledged to be low on charisma, stepped down in favor of the telegenic, thirty-something Wouter Bos.

The program of Green Left (Groen Links – GL), led by Paul Rosenmöller, combines a mix of environmentalism and socialism. The Socialist Party (Socialische Partij – SP) competes for support on the far left of the political spectrum under the dynamic leadership of Jan Marijnissen. Together, in 2002, the three “socialist” parties received the votes of 28% of the electorate.

Democrats ’66 (Democraten ’66 – D’66) was founded (in 1966) with the distinct aim of supplanting obsolete pillar politics with programs addressing relevant issues. The party called for devolution of power from the highly centralized national government to local governments and backed enactment of legislation through popular referenda. It has been a party beloved of intellectuals and civil servants. Admitted to government in the 1990s, D’66 seemed itself to become less relevant and declined steadily at the polls as some of its objectives were accepted into the political mainstream. Party head Thom de Graaf is widely respected as a measured and rational politician has failed to reverse his party’s decline in popularity.

Liveable Netherlands (Leefbaar Nederland – LN) came on the national scene in 2000 as a right-wing populist protest movement that entered candidates successfully in local elections. LN focused on crime and the growing presence of unassimilated immigrants as issues ignored by the mainline parties. Pym Fortuyn split from the LN in 2001 to form the “Liveable Rotterdam” in his native city, where his personalist movement won a quarter of the vote in local elections. Fortuyn won support throughout the country and fielded a list of candidates nation-wide under the label List Pym Fortuyn (Lijst Pym Fortuyn – LPF) in the 2002 general election. Although Fortuyn was assassinated before the election, his personalist “list” emerged from it as the second largest “party” in the Second Chamber with 17% of the vote, pulling voters from the mainline parties and overshadowing the LN. Personal
animosities among politically inexperienced LPF ministers, dismissed by critics as “people of low breeding,” forced the resignation in October 2002 of the recently installed coalition government. The issues around which the LPF was formed remain salient, but prospects for its future as a coherent political party are dim.

The waning significance of pillar-based loyalties to parties has meant that voters are more likely to embrace such issues as strength of the economy and progress on the environment. Party leaders have also become more important as personifications of the party. Modern electoral campaigns are in large part contests between the party leaders who compete as potential prime ministers, thus personalizing party choice to an unprecedented degree. Development of the media-centered campaign—including televised debates between the major party leaders—also contribute to the growing prominence of the party leader as articulators of the party’s campaign themes. Voters have responded as never before to the appeals of particular leaders. These range from the youthful and “Kennedy-like” Hans Wiegel of the VVD in 1982, to the sober, hard-working, and slightly rumpled Christian Democrat Ruud Lubbers in 1986 and 1989, to the fatherly, moderate, inclusive Labor leader Wim Kok in 1994 and 1998, to the firebrand populist Pym Fortuyn in 2002. Each of these leaders led their parties to unprecedented electoral success by attracting support outside of the traditional constituency of that party.

Members of the Second Chamber are elected by proportional representation. Parties submit lists of candidates and the voter selects one of those lists. Each party then elects to the Second Chamber the number of nominees proportionate to the total number of votes received by the party. Since it requires only two-thirds of one percent of the vote to gain one of the 150 seats in the Second Chamber, the quota for entry of a new party is just under 60,000 votes nationwide. The electoral system makes challenges by new political parties exceptionally easy to mount.

For decades after the advent of universal suffrage in 1917, the societal organizations that made up the pillars did their part to strengthen the link between pillar loyalty and party support. It was not uncommon for the faithful to be reminded from the pulpit of their obligation to vote for the “correct” party, and these reminders were particularly forceful in Catholic churches across the country. Each pillar would support its associated political party, and each pillarized party would then be represented in the Second Chamber in proportion to its weight in the population. Party strengths varied only slightly between elections. For much of the twentieth century, the three major confessional parties could count on electoral support that closely and consistently reflected the relative strengths of each religious group in society. Similarly, secular members of the working class could be counted on to vote for the PvdA, and non-religious members of the middle class consistently supported the secular, conservative VVD.

With the decline in loyalty to the pillars, the Dutch electorate began to shift their loyalties from the traditional parties. By the mid-1960s, there was a growing pool of voters prepared to shop between the parties and to choose on the basis of issues presented in the campaign rather than on the grounds of long-standing sub-cultural commitments. The electorate was subject to three basic shifts in political orientation going on at more or less the same time:
secularization, de-confessionalization, and the decline of class conflict. Each of these trends weakened the responsiveness of the electorate to party appeals based on religion and class. Even as religious belief and social class were declining in their power to structure the vote, other issues were becoming more important to the Dutch electorate. Among the most important new issues are democratization of the political system, environmental protection, women’s rights, and control of immigration and reduction of crime. New political parties sought, in some cases with considerable success, to redirect people’s attention to issues that had tended to be neglected in a political system oriented to the defense of religious and class interests. The most dramatic recent example of this phenomenon is the List Pim Fortuyn, which won 17% of the votes and 26 seats in the Second Chamber in the elections of May 2002.

The Meaning of Pillarization

The Liberal reforms of the 19th century set the stage for the main lines of Dutch politics in the 20th century. (See “The Netherlands in the 19th Century.”) Threatened by Liberal policy to secularize education and by the rise of Catholic influence, Calvinist leaders began a campaign to organize popular support to protect Protestant privileges. The Calvinists mobilized as a means of revitalizing traditions of doctrinal strictness and religious fervor and also to restore the central role of Protestant belief in the nation’s governance. Catholic mobilization followed in a defensive vein, drawing on a history of discrimination to persuade Dutch Catholics, who constituted a large minority in the overall population of the Netherlands, of the necessity of retreating to a collectively organized isolation from the Protestant and secular majority. Socialist mobilization followed the same pattern, since, by the early part of the 20th century, it was obvious that a well-organized movement of the working class was seen as the only means of stemming the loss of its loyalty to the Catholic and Protestant trade unions.

By the end of the 19th century, Protestant, Catholic, liberal, and socialist associations had coalesced into four broad but ideologically integrated networks of social, professional, and political organizations. Referred to as the “pillars” of Dutch society, each was intended to replicate an entire sub-national society for adherents of a particular set of beliefs. Each group sponsored its own organizations that enabled members to conduct their lives separately from those in the other pillars. The Dutch people were, in effect, compartmentalized by choice into a series of parallel societies offered each group their own hospitals, schools, newspapers, labor unions, social insurance, business and professional associations, and political parties as well as scouts, hobby clubs, and sports teams and, eventually, radio and television programming. These organizations were legally recognized and received public financial support on an equal footing.

The most remarkable area of growth in pillarized organizations was in the mass media. By the 1950s, for example, the Catholic population of five million was served by the Roman Catholic Press Service that provided readers with 22 daily newspapers (two of them distributed nationally), another 22 weekly newspapers published in small towns, 270 weekly and monthly magazines, and 42 scholarly journals. Catholic, Protestant, and secular
journalists were each trained in their own schools. Pillarization of the print media made possible the classic Dutch story of the greengrocer who asks a customer if she prefers her vegetables wrapped in a Catholic, Protestant, or socialist newspaper. The tradition of pillarized control of the print media was extended to other mass media as they developed. Airtime on the radio frequencies was divided among associations created to produce and broadcast Catholic, Protestant, socialist, and “liberal” (or “general”) programming. After World War II, political leaders representing the pillars were able to squelch the demand for commercial television stations and, instead, extended the authority of the pillar radio associations to television as well.

The pillars completely structured social and political life in the Netherlands for the first two-thirds of the 20th century, but beginning in the 1960s their relevance began to wane. One reason for that was the pervasive secularization of Dutch society as a whole that leveled differences between the secular and confessional pillars and reduced the importance of projecting a religious identity outside of church. Democracy ’66 was founded on the idea that the pillars were anachronisms. Middle-class and working-class Catholics and Protestants might more readily identify politically, for example, with the VVD or PvdA and support their economic or social policies without seeming to compromise their religious beliefs. Church affiliations also declined sharply. Secular institutions and political parties were no longer threatening, and, by the late 1960s, Dutch Catholic bishops, for example, no longer pronounced that a good Catholic had to join the Association of Catholic Unions or vote for the Catholic Peoples Party.

The revolution in telecommunications also contributed to the erosion of the pillars. Cable and satellite dishes made the monopoly on broadcast time held by the pillars unfeasible. EU directives mandated that that national television markets could not be protected by governments of member countries. These changes made it impossible to continue the isolation of pillarized communities – or, for that matter, to keep viewers from watching Dutch television in preference to programming from other countries.

Even so, for most of the 20th century, political party loyalties in each pillar were so strong that election results varied little over the decades, other than the glacial shifts that occurred as Catholics, for example, became an increasingly larger part of the Dutch population. Arend Lijphart, the Dutch social scientist, has pointed out that the pillars brought a large measure of peace to a Dutch society whose deep religious, class, and ideological cleavages might otherwise have led to instability.

The Dutch Welfare State

The Netherlands has become widely known for being one of those countries that has a particularly extensive and generous welfare state. Although the economy is decidedly capitalist on the production side, with full rights of private property, the welfare system gives the distribution of incomes something of a “socialist” tinge. All people are expected to work to their capabilities, but incomes have been made partially independent of the job one does—or indeed whether one works at all.
Until the 1960s, the Netherlands was a welfare-state laggard in comparison with most western European countries. Rapid growth of the welfare state began only in the late 1950s. Once begun in earnest, though, it grew rapidly. By the mid-1960s the proportion of GDP spent on social welfare transfers in the Netherlands had outdistanced other European countries. Financing for new welfare state programs after World War II came primarily from payroll deductions paid into a series of “social funds” dedicated to each of the insurance programs—sickness, disability, retirement, unemployment, widows and orphans, and so forth. In the thirty years from 1946 to 1976, the Dutch welfare state expanded from the provision of minimum income relief to the poor to the guarantee of a minimum income as well as insurance against income loss due to sickness, disability, unemployment, death of the head of household, or retirement. At its peak, the welfare state sought to give all citizens the opportunity to participate fully in the society, regardless of the job they work at or whether they work at all.

The most consequential of the universal programs was the Worker’s Disability Act in 1967, which replaced existing accident and disability insurance for on-the-job injuries with a general guarantee of income replacement in the event of partial or full disability. Benefits were related to earnings, and for workers deemed completely disabled (i.e. unable to work at all), the benefit was equal to one’s last wage. The duration of the benefits was indefinite until one reached retirement age, at which point the benefit shifted from disability to the retirement program. The high water mark of the Dutch welfare state was reached when the Worker’s Disability Act was generalized from the labor force to the entire population. This 1976 extension in effect gave all individuals the right to an income for life if they were disabled, whether or not they had ever been part of the workforce.

Although the Dutch welfare state is quite extensive, its primary emphasis is on income maintenance rather than income redistribution. As a result of this emphasis on income replacement and minimum income guarantees, the percentage of people living in poverty in the Netherlands was in 1979 the lowest in the European Union. At the same time, the Netherlands has had a relatively small decline in income inequality during the postwar period.

By the mid-1970s, the Dutch welfare state was the largest in the world if measured by the yardstick of spending as a proportion of the national economic product. At its peak, over one-half of the Dutch GDP traveled through the public sector, and about half of that amount was collected for redistribution by social welfare agencies to the sick, the disabled, the elderly, or the unemployed. This is a far higher percentage than that found, for example, in Sweden and Denmark (45% of GDP), or the United States (25% of GDP).

In the process of implementing universal social insurance programs, however, the very logic of the welfare state began to change. During the 1970s, the idea spread that government should no longer provide simply for an economic minimum income, but rather for a social minimum income. The idea of the “social minimum” entered the Dutch welfare-state vocabulary, creating a gradual shift from the original concept of the welfare state to a new concept that might be called the “social welfare state.”
In the area of general income assistance, for example, there was an increasing concern that public assistance recipients should live in a way that mirrors broader social patterns, even if on a modest scale. For example, public assistance benefits were augmented in 1964 to include a vacation allowance; if the normal Dutch family took a vacation every year, then the logic of full social participation demanded that those on public assistance also have the means to take a vacation. Local governments also decided to offer a daily newspaper to those on public assistance, again with an eye to the conditions necessary for full social participation.

In 1970, this logic was carried still further by coupling public assistance to the net minimum wage. The minimum wage itself was set at 80 percent of the net average wage. This had the effect of maintaining a constant (and relatively modest) gap between public assistance and the lowest paid jobs, and between the lowest paid jobs and the average job. A further step in development of the social welfare state came in 1976, when sickness, disability, unemployment and retirement benefits were all tied both to the price index and to changes in the wages of private sector workers. As wages rose, so would social insurance payments. As prices rose, both wages and social insurance payments would be adjusted. In 1979, this automatic indexation was extended to those receiving public assistance benefits, completing the guarantee that all citizens would share in the increasing levels of prosperity. The minimum subsistence goals of poor relief under the welfare state were now completely abandoned in favor of the far more ambitious goal of making public assistance indistinguishable from a modest working wage.

The social welfare state rest not just on guarantees of a minimum income, but also on access to education, health care, cultural events, and quality options for leisure. This has led to an extensive policy of subsidizing social and cultural organizations ranging from ballet companies, theater groups, and orchestras to stamp collecting clubs, sport associations, and youth groups. Over 80% of the price of a theater ticket is paid by the government, as is 10% of the price of a movie ticket.

One of the most striking perspectives of the social welfare-state philosophy is its redefinition of the meaning of work. With a guaranteed right to a level of public assistance not far below the minimum wage (and a minimum wage that is itself pegged to remain not far below the average wage), the monetary incentive to work is significantly diminished. Under the social welfare state, work is a form of economic and social participation as well as a means of earning money. The quality of the work experience becomes more important; the monetary rewards of work less so. The social welfare state does not imply that work is an option one may or may not choose. But it does embody the belief that a person should have the opportunity to work at a job suitable to his or her own tastes and skills.

More recently, the Dutch government has pulled back from the welfare state programs designed in the 1960s and 1970s. Retrenchment of the welfare state began in 1981 with the installation of a center-right government determined to restore budgetary balance. The previous emphasis on citizen entitlements gave way to a new focus on economic efficiency.
Under the governments of Wim Kok (1994-2002), the language of welfare-state solidarity was supplemented by an emphasis on the need to maintain incentives for work.

**Overseas Territories**

The Netherlands Antilles (Curacao, Bonaire, Saba, St Maarten, and St Eustatius) and Aruba are self-governing overseas territories of the Kingdom of the Netherlands. The Dutch government retains responsibility for foreign affairs and defense. Queen Beatrix is represented in both territories by a governor-general who exercises executive authority in external affairs in consultation with the respective elected territorial governments. Executive authority in internal affairs, including control of police, communications, and fiscal and monetary affairs, in each territory is conducted a council of ministers, or government, responsible to the territorial legislature. The Netherlands Antilles has a 22-member legislature, the Estates (Staten), in which each of the five constituent islands in the territory is represented. Self government was achieved in 1954. Since 1977, each island has had a separate constitution for local affairs in addition to subscribing to the territorial constitution. Aruba separated from the Netherlands Antilles in 1980 out of concern for what its leaders considered the political dominance of Curacao. The Estates of Aruba consists of 21 members elected from constituencies on that island. A minister-plenipotentiary appointed by each government takes part in deliberations of the Dutch government when it discusses external affairs pertaining to the territories.

**Questions/Discussion**

Give some reasons why government formation requires many weeks of negotiations while usually no more than six weeks is needed for staging a general election.

The Netherlands is a unitary state. Describe the representational base for the First Chamber. Explain in party strengths in the First and Second Chambers.

Why are relations between ministers from a party in government and its parliamentary party in the fractie sometimes strained?

The traditional “pillars” are said to be in decline as frameworks for political participation. Speculate on the possibility of new “pillars” developing that reflect contemporary concerns, new ideologies, or emerging divisions in Dutch society. What might some of those “pillars” be?

**Suggested Reading**

Armand CLESSE and Herman van GUNSTEREN, eds. *The Vitality of the Netherlands.* Luxembourg: LiEIS, 1999.


Between 1970 and 2001, Belgium moved through a series of constitutional reforms from being a highly centralized unitary state to a decentralized federal state in which responsibilities have devolved from the national government to three regions and three linguistic communities. Government functions are delineated on five levels and carried out by five tiers of government:

- National
- Communities
- Regions
- Provinces
- Communes

The monarch is the head of state, in whom the country’s constitution vests executive authority. However, he does not properly represent the State, which is an apparatus of power, but the Country and its People, hence the title: *King of the Belgians*. He is not crowned but, on acceding to the throne, takes an oath before both houses of the legislature “to observe the Constitution and the laws of the Belgian people...” The king is nominally commander-in-chief of the armed forces. He is responsible for appointing the government on the advice of the parliamentary majority and legitimizing legislation with his signature. Of the king’s two roles, political and representative, the latter symbolic role is the more important. It is sometimes pointed out that the king is “the only Belgian.”

**Belgium: Tiers of Government**

<table>
<thead>
<tr>
<th>Level</th>
<th>Agencies of Government</th>
<th>Competence</th>
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<tr>
<td>NATIONAL</td>
<td>Prime Minister and Government</td>
<td>Foreign Affairs</td>
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<td></td>
<td>Chamber of Deputies and Senate</td>
<td>Defense</td>
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<td>Fiscal Policy (including tax collection)</td>
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<td>Post Office</td>
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<td>Pensions</td>
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<td>Judicial Appeals</td>
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<tr>
<td>COMMUNITIES</td>
<td>Cultural Councils for:</td>
<td>Education</td>
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<tr>
<td></td>
<td>Dutch-speaking Flanders (*) and Brussels</td>
<td>Cultural Affairs</td>
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<td></td>
<td>French-speaking Wallonia and Brussels</td>
<td>Language Rights</td>
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<td></td>
<td>German-speaking Eupen-Malmedy</td>
<td>Radio and TV</td>
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<td>Science Research</td>
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<td></td>
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<td>International relations in above areas</td>
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</table>
The government, headed by the premier (prime minister), is in effect the executive committee of the parliamentary majority to which it is responsible. Governments are by necessity multi-party coalitions in which parties representing both language groups participate. Until the present government was appointed, ministers, including the prime minister, were usually designated by party bosses. The same names often appeared in successive governments holding different offices. The current prime minister, Guy Verhofstadt, and the foreign minister, Louis Michel, are both leaders of their respective parties.

Belgium’s bicameral legislature was restructured as part of constitutional reforms in 1993. The Chamber of Representatives is composed of 150 members (reduced from 212) elected to a four-year term from party lists in 20 multi-member constituencies according to proportional representation. Voting is compulsory. Governments are formed by those parties capable of commanding the support of a majority in the lower chamber. Ministers must reply to questioning in the Chamber and are subject to votes of confidence. Governments may be removed by a vote of “constructive” no-confidence that requires the Chamber to propose an alternative majority.
The upper chamber, the Senate, has 71 members (reduced from 184). Forty Senators are chosen by electoral colleges elected by proportional representation from constituencies that combine several of those used to elect members to the lower chamber; 21 are appointed by the Community councils; and 10 are appointed by the Senate itself. Members of the royal family are ex officio senators.

Passage by the Chamber of Representatives alone is sufficient to enact legislation. The Senate, however, can intervene to demand a second reading in that body or can return bills to the lower chamber for amendment or clarification. It also exercises suspensory powers over legislation and can initiate legislation. The Senate has no role in government formation.

Constitutional changes have been proposed under the 2001 Lambermont Accords that would again restructure the legislative branch. Under these proposals, the 10 provinces, plus Brussels, will constitute 11 electoral constituencies, and the Chamber of Representatives will be increased in size to 200 members to accommodate 50 elected by the three cultural communities. A 5% threshold will be imposed to discourage fragmentation of parties. The Senate will become a “Chamber of Communities and Regions,” whose members will represent the regional governments and the cultural communities. The second reading of legislation, now conducted by the Senate, will be transferred to a committee of the lower chamber. The two-thirds majority needed in both chambers to alter the constitution in this way is not presently available. Introduction of the proposal will therefore be deferred until the next parliament, seated in 2003. If approved, the constitutional revision will not be effective until the election of the following parliament in 2007.

The first article of the Belgian constitution as amended in 1993 states that: “Belgium is a federal state that consists of communities and regions.” Belgian federalism is underlaid by the principle of subsidiarity, which dictates that anything that can be dealt with at a lower level must not be passed on to a higher political or administrative level.
The Institutions of Belgium

THE NATIONAL INSTITUTIONS
THE HOUSE OF REPRESENTATIVES, THE SENATE, THE KING

COMMUNITY LEVEL

THE GERMAN-SPEAKING COMMUNITY
THE FRENCH-SPEAKING COMMUNITY

REGIONAL LEVEL

THE WALLOON REGION
THE REGION OF BRUSSELS-CAPITAL

NATIONAL LEVEL

THE JOINT COMMUNITY COMMISSION

THE FLEMISH COMMUNITY

THE FLEMISH REGION

THE LANGUAGE REGIONS

GERMAN-SPEAKING REGION
FRENCH-SPEAKING REGION
BILINGUAL SPEAKING REGION
DUTCH-SPEAKING REGION
The national or Federal Government, retains responsibility in those areas that come within
the sphere of national interest as well as over everything that does not fall within the express
powers of the Communities and the Regions. Federal ministers are required to put their
ministries at the service of the regions when requested. Constitutionally, federal, community,
and regional authorities have equal status but exercise different competencies. The
Lambermont Accords, approved by the Chamber of Representatives in 2001, are intended to
fine-tune these relationships among the several tiers of government.

As introduced, three elected cultural councils were responsible for the administration of
education and cultural affairs and oversight of language rights in Dutch-speaking Flanders,
French-speaking Wallonia, and for the German-speaking population in the Walloon region.
The Flemish Community Council and French Community Council also had representatives
elected from bi-lingual Brussels.

Regional authorities were subsequently established for Flanders and Wallonia and in the
Brussels-Capital Region, each of which elects a regional legislature. Regional governments,
responsible to those legislatures, are composed of a council headed by a minister-president
(prime minister). Responsibility for most areas generally defined as “domestic” was
devolved from the national to the regional governments.

Belgian federalism is asymmetric. After creation of the regional authorities, the Flemish
Community Council merged with the Flanders Region, and today both are administered by a
single government and legislature. However, the French Community and the Walloon
Region remain separate. Following the reforms of 1993, however, the French Community
handed over a wide range of competencies to the Walloon and Brussels-Capital regions,
retaining culture, education, and the media.

The Brussels-Capital Region and French-speaking Brussels suburbs in the province of
Flemish Brabant present particularly complex and challenging situations. Language is the
defining characteristic of the Flemish and Walloon regions, and those regions are not bi-
lingual. French-speaking residents of the Flemish Region must specifically request
documents in French from the regional or municipal governments, which are required by law
to hold meetings and issue documents only in Dutch. Similar requirements pertain in
Wallonia for the exclusive use of French. The Flemish Region has designated “Language
Facility Municipalities” in six suburban communes on the language frontier outside the
capital region, where the French-speaking deputy governor of Flemish Brabant is responsible
for dealing with language disputes. Flemish authorities contend that that this arrangement
serves to facilitate French-speakers learning Dutch while retaining their own cultural identity.

All 19 communes in Brussels have a French-speaking majority, but each is required to
appoint a Dutch-speaking alderman to its executive. The Flemish Region and Community
handles Dutch-language education and cultural affairs in the Brussels Region. Members of
the Brussels-Capital legislature sit on the French Community Council in Wavre, provincial
capital of Walloon Brabant.
Belgium: Composition of Federal and Regional Parliaments and Community Councils

Federal Legislature
  Chamber of Representatives
    150 representatives elected from 20 constituencies

Senate
  71 senators
    40 directly elected senators
    25 from Dutch-speaking electoral college
    15 from French-speaking electoral college
    21 “community” senators appointed by Community councils
      10 from Flemish Community
      10 from French Community
      1 from German Community
      10 co-opted senators appointed by Senate
      6 appointed by Dutch-speaking caucus
      4 appointed by French-speaking caucus

Regional Parliament of Flanders/Flemish Community Council
  124 members
    118 from Flanders
    6 from Brussels (who exercise a double mandate in Brussels Council)

Regional Parliament of Wallonia
  75 members

Brussels Capital Council
  75 members
    65 French-speaking councilors
    10 Dutch-speaking councilors

French Community Council
  94 members
    75 from Wallonia
    19 from Brussels

German Community Council
  25 members
The ten provinces of Belgium are autonomous administrative institutions, but they are subordinate to the jurisdiction of federal, community, and regional authorities. Provincial legislative councils are directly elected and approve measures related to provincial competencies. Councils in each province elect a permanent delegation, chaired by a royal-appointed governor and responsible for day-to-day administration. In 1993, the bi-lingual province of Brabant was divided into Flemish Brabant and Walloon Brabant.

### Provinces of Belgium

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<thead>
<tr>
<th>Region</th>
<th>Province</th>
<th>Provinicial Capital</th>
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<tbody>
<tr>
<td>Flanders</td>
<td>Antwerp</td>
<td>Antwerp</td>
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<td>East Flanders</td>
<td>Ghent</td>
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<td>Flemish Brabant</td>
<td>Vilvoorde</td>
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<td>Limburg</td>
<td>Hasselt</td>
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<td></td>
<td>West Flanders</td>
<td>Bruges</td>
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<tr>
<td>Wallonia</td>
<td>Hainault</td>
<td>Mons</td>
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<td>Liège</td>
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<td>Luxembourg</td>
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<td>Namur</td>
<td>Namur</td>
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<tr>
<td></td>
<td>Walloon Brabant</td>
<td>Wavre</td>
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There are nearly 600 municipalities or *communes* in Belgium, compared to almost 3000 before their consolidation in 1975. Each commune elects a municipal council that, in turn, nominates the royal-appointed mayor and elects aldermen who serve as the municipal executive. The choice of the mayor typically reflects the political orientation of the council majority. The Flemish Region has proposed direct election of mayors in Flanders after ratification of the Lambermont Accords. Critics are concerned that this plan would usher in debilitating cohabitation situations in local government. Appeals have been launched by both the French and Flemish communities challenging the constitutionality of the Lambermont Accords. Decisions on their appeals will not be made until after the next election in 2003. If the appeals are upheld, observers believe that prospects for stable regional government, especially in Brussels, could be adversely affected.

The Belgian judiciary is independent of the government and legislature, and enjoys a reputation for integrity and professionalism. The Court of Cassation is the highest court in the judicial system. It is the final court of appeal and decides constitutional questions.
Political Parties

For most of the 20th century, Belgians identified themselves with one of three “spiritual families” – Catholic, socialist, or liberal – that determined political affiliation expressed in Christian democratic, social democratic, and liberal parties. The first was “confessional,” maintaining close ties to the Church and supporting its role in social affairs, especially education. It was broadly based, appealing from the center of the political spectrum to active Catholics of all classes, particularly in Flanders, with platforms that were socially progressive, culturally conservative, and politically democratic. Socialist and liberal parties were secular and often anti-clerical. The former considered itself a workers’ movement of the left and had its strongest support in the socialist trade unions in competition with Catholic unions. It sanctioned state intervention in the economy and advocated the introduction of the social welfare state. On these issues and others, the socialist left was closer to the Catholic center than to the liberals, who occupied the right side of the political spectrum. Liberal support was based in an urban, middle-class constituency that favored democratic reforms in a context unfettered by confessional privilege or socialist ideology. Although supporting social reforms as well, liberals would limit state intervention in the market economy. Both secular “families” supported state control of education and both were far stronger in Wallonia than in Flanders.

The “spiritual families” overlapped the language divide and, to some extent, were able to contain nationalist and regionalists movements within their established parties. Affiliation with a “family” often dictated social institutions and professional associations to which one belonged, similar to the Dutch pillars. Distinctly nationalist or regionalist parties never achieved “family” status despite their electoral successes nor have the environmentalist parties.

In the late 1960s and the 1970s, each of the three parties – Social Christian, Socialist, and Liberal -- divided along language lines. In place of three large parties, there were thereafter seven political parties (the Liberals split in three – Walloon, Flemish, and Bruxellois). These were not language-designated wings of the same party, but entirely separate political parties. Since 1994, a further realignment of political parties has occurred, and the process appears to be on-going. Existing parties have splintered and merged, been re-named or become extinct. On major social and economic issues, there is general, if sometimes qualified, agreement among political parties. (This condition does not extend, however, to regional and language issues.) The secular parties are no longer hostile to the Church, and practicing Catholics are confident that the role of Church, for example in education, is secure. Rather than referring to a “spiritual family” for direction, voters are likely to consider pocketbook issues, personality of the leadership, alienation from parties in office, and regional interests. Region is the most important determinant of political affiliation. But the parties identified with “spiritual families” still polled nearly two-thirds of the vote in the 1999 election.

The Flemish Liberals and Democrats (Vlaamse Liberalen en Democraten – VLD) emerged from the 1999 general election the largest of 11 parties winning seats in Chamber of Representatives – by two-tenths of one percent and one seat over the Flemish Christian People’s Party. Only rarely since the 19th century had a liberal party outpolled a Catholic
party. Party leader, now Prime Minister Guy Verhofstadt, took control of the Flemish Liberal party while still in his 20s, changed its name, and refurbished its image. He was an admirer of Margaret Thatcher and Ronald Reagan. In office, he has spoken approvingly of Tony Blair’s “Third Way” position. Adopting the strategy of the francophone liberals, the VLD has reached out to confessional and nationalist voters. A Christian democratic faction formally merged with the VLD in 2002.

Verhostadt’s liberal counterpart in Wallonia, Foreign Minister Louis Michel, leads the newly amalgated Reform Movement (Mouvement Reformateur – MR) in succession to the Liberal Reform Party and its common-slate electoral allies, the Democratic Front, the Brussels liberal party, and the Christian democratic Citizens’ Movement.

The Socialist Party (Parti Socialiste – PS) concentrated on regional politics in Wallonia, where it traditionally was the largest party, during long periods of Catholic-Liberal coalition government. The party is led by the popular Elio Di Rupo. Although never in a leading position in the region, the Socialist Party, subsequently renamed the Socialist Party-Another Way (Socialistische Partij-Anders – SP.A), in Flanders held its own in successive elections and increased its share of the Flemish vote in 1999.

The Christian democratic parties suffered defeat at the polls and loss of prestige in the 1999. The Christian People’s Party came second to the VLD in Flanders and surrendered the leadership position in national politics that it had maintained for decades. In an effort to sharpen its regionalist credentials, the party has changed its name to Christian Democratic and Flemish (Christen-Democratisch en Vlaams – CDV), following the general election. A faction left the CDV to form a new party, New Christian Democrats, which, in turn, joined the VLD. More radical changes occurred within the ranks of the francophone Christian democrats. The Christian Social Party in Wallonia morphed into the Humanist Democratic Center (Centre Democratique Humaniste – CDH), allowing that the party was no longer exclusively Christian. The Citizens’ Movement, a Christian democratic party centered in Brussels, merged formally with francophone liberals in the Reform Movement.

Belgium has some of the most comprehensive laws in Europe to protect the environment. These laws lay responsibility on producers instead of consumers, and impose prohibition rather than regulation. “Green” parties have had a major impact on national legislation but are divided along linguistic lines, Ecolo from Wallonia and Agalev from Flanders.

The People’s Union (Volksunie – VU) was a moderate Flemish nationalist party and an early standard-bearer for separatism that contributed to setting up a federal system in Belgium. However, the VU’s moderation and the accommodations that the party made in government weakened its nationalist profile and eroded its voter base. Nationalist support passed in successive elections to the Flemish Bloc (Vlaams Blok – VB), a pugnacious right-wing separatist party that has pronounced xenophobic tendencies. Party leader Philip Dewinter claims that the VB is no longer concerned with state reform to increase regional autonomy within a federal Belgium. The VB instead calls for an independent Flanders within a federal Europe and has preempted the use of many of the symbols of Flemish identity. It opposes further in-migration to Flanders and proposes repatriation of foreigners already residing
The VU, which shared electoral slates with the social liberal ID21, broke apart following its poor showing in the 1999 general election. The conservative wing of the VU re-formed as the New Flemish Alliance (Nieuw-Vlaamse Alliantie – NVA), which took over VU seats in the Chamber of Representatives. The NVA, led by Geert Bourgeois, stands to attract some voters from the VLD who are fed up with Verhofstadt for “selling out” Flanders in the Lambermont Accords, but who are unwilling to vote for an extremist VB. A left-wing faction of the VU, together with the remnants of ID21, formed a new social liberal party, Spirit, whose leadership expressed solidarity with the SP.A and suggested running on a common slate with the Flemish Socialists.

The National Front (Front National – FN) is the xenophobic francophone counterpart of the VB and claims an affinity with the French party of the same name.

**Issues**

The six parties that formed a coalition government in 1999 under Guy Verhofstadt had won collectively 57% of the total vote in the general election that year and enjoyed a 19-seat majority in the Chamber of Representatives. Political debate since then has involved not so much opposition from the opposition CDV and its francophone counterpart as it has conflicts of interest among the coalition partners.

The Lambermont Accords, approved in 2001 and intended for implementation before the 2003 election, have been challenged in court by both the Flemish and Walloon communities, which, in turn, put pressure on government parties from both sides of the linguistic frontier to modify the agreement. Tension within the coalition on this issue increases the prospect of destabilizing it prior to the next election.

The government proposes tougher measures on crime and immigration. In 2000, for example, Belgium dropped out of the Schengen Agreement temporarily in order to close its borders to stop further immigration while measures were being taken to round up illegals already in the country. The government acted under pressure to take action to head off extreme right-wing exploitation of those issues.

The government’s Stabilization Program, introduced in 2000, which aimed at balancing the budget by 2002 and creating surpluses thereafter, fell behind schedule. The government must also deal with high public debt and regional demands for additional expenditure on health care and education. Difficulties in balancing the need to increase revenue and to attract investment have also divided government parties. Liberals are committed to hard-nosed fiscal consolidation. The Socialist and “Green” parties proposed introduction of new capital gains taxes, while the Liberal parties point out that the absence of these taxes has attracted direct
investment to Belgium. The parties recognize the necessity of action to increase labor force participation, which in Belgium is well below the EU average. They also agree generally on various means of attack – reduction of employer contributions to social benefits, corporate tax reform to favor small business, and, more contentiously, modification of wage indexation.

The coalition turned down proposals by Ecolo transport minister Isabelle Durant for far-reaching restructuring of the Belgian railway system, including greatly reduced fares to encourage ridership and double-decker cars to improve capacity. The “Green” parties were isolated in support of her proposals.

Controversial legislation that also split the coalition was introduced in 2002 to extend voting privileges in local elections to resident non-EU citizens. The measure was proposed by the Socialist and “Green” parties, with the support of opposition CDH. It was opposed, however, by the VLD with support from the CDV, neither party being willing to risk tarnishing its nationalist image. The MR was also opposed, as party leader Louis Michel sought to avoid a split that might endanger government stability in the run-up to the 2003 election.

Public approval of the Verhofstadt government declined from 47% in 2001 to 40% in mid-2002. Approval was markedly lower in Flanders that in Wallonia and Brussels. Meanwhile, support for the six government parties remained collectively above 50% in Flanders, and 75% in Wallonia and Brussels.

Questions/Discussion

Discuss and evaluate Belgium’s devolved five-tier system of government. What is the relevance of the federal government?

In the light of the discussion suggested above, comment on the assertion that Belgium is an example of “extreme federalism.”

Why is the growth of the Brussels suburbs such a problem?

How typically are government ministers, including the prime minister, selected?

Demonstrate the rationale for bicameralism in Belgian legislature.

What are some of the positive and negative aspects of compulsory voting?

Account for the rise of the Flemish Liberals and the decline of the Flemish Social Christians in the late 1990s.

On a case by case basis, what is the relevance in the changes in the names of political parties and the internal realignment of parties across “spiritual families” after the 1998 general election?
Suggested Reading


Luxembourg is a constitutional monarchy in which effective political power is exercised by three branches of government. The Government, including the prime minister and cabinet, is responsible to the majority in the Chamber of Deputies, Luxembourg’s unicameral legislature. The 60-member Chamber is elected to a maximum five-year term by proportional representation within four electoral districts, and exercises an independence of action rare in European parliamentary systems. Both the Government and the Chamber propose legislative initiatives. The third source of authority is the Council of State, which fulfils some of the functions of an upper chamber. It is composed of 21 councilors appointed by the Grand Duke on the recommendation of the Government and Chamber. The Council is called upon to offer an opinion on the constitutionality of all legislation before it is submitted to the Chamber for a vote.

The Grand Duke exercises executive authority within limits imposed by the constitution. The monarch’s responsibilities include representing Luxembourg as head of state, appointing the Government on the advice of the Chamber, and signing legislation into law.

Luxembourg is a unitary state in which jurisdiction for local administration is vested in 118 communes, each of which has an elected council that in turn elects the mayor.

Political Parties

Luxembourg’s three largest political parties follow the pattern of the Belgian “spiritual families” – Christian democratic, social democratic, and liberal democratic. Two parties of the center-right are regarded as “bourgeois,” and one party of the center-left is traditionally regarded as a “workers” party. Two are secular parties, one is confessional.

The Christian Social People’s Party ( Chrëschtlich Sozial Vollekspartei – CSV) is Luxembourg’s Christian democratic party. It is the largest political party and is regarded as the natural party of government. No government can be formed without its participation, and most twentieth-century governments were led by it. The CSV retained the support of 30% of the electorate in the June 1999 general election.

Identified traditionally as a confessional party, the CSV has a close though informal relationship with the Roman Catholic Church in Luxembourg and has a long history of protecting the prerogatives of the Church in education and social affairs. Situated in the broad center of the political spectrum, the CSV attracts votes from all classes and can govern with either the social democratic left or the liberal right.

The CSV favors a strong market economy capable of supporting an extensive social welfare state. It is supported by the Catholic trade union movement as well as by professional and
business associations. In office continuously for many years, the CSV exercises patronage, for example, in public utilities employment.

The CSV benefits from a large and well-articulated party organization. Advancement within the “spiritual family” is, in fact, often a family affair. The CSV is led by Jean-Claude Juncker, who became prime minister in 1995 at the age of 40 in succession to Jacques Santer.

The Democratic Party (Demokratesch Partei – DP) is a secular, liberal party, associated in Luxembourg with the moderate political right. It combines concern for social liberalism with fiscal conservatism. Traditionally a strong advocate of the market as a directing force in the economy, it is cautious about state intervention and seeks to restrain public expenditures. Based on the support of an urban middle-class constituency, the DP averages 20% of the vote in general elections but often commands a larger share in local elections. It is a business-friendly party that has the confidence of employers associations and of professionals. The party has also gained increasing support from public-sector employees. The DP is led by Lydie Polfer, who was for 18 years mayor of the city of Luxembourg and who is more popular in public opinion than is her party as a whole.

The Socialist Workers’ Party (Lëtzebergesch Sozialistesch Arbechterpartei – LSAP) is a moderate, reformist social democratic party. It has formal ties to the socialist trade union movement, with whose support it can normally expect to win a quarter of the vote in general elections. The LSAP also receives significant electoral support from the middle-class. The party has been seen lacking in leadership since the retirement of its long-time chief, Jacques Poos, in 1999.

The LSAP was the junior partner in a governing coalition with the CSV for 15 years (1984-1999), and this has cost the party an independent identity and profile. Before the last election, the only distinction between it and the confessional CSV was the secular LSAP’s demand for a formal separation between the Church and state. This issue was of minor interest to most voters, and the result was a loss of four parliamentary seats that drove the LSAP into opposition.

The Left (Dei Lenk/La Gauche – DL) is a democratic socialist movement that has assimilated former communists and other leftist currents. It sometimes poaches on the left wing of the LSAP. Although its electoral strength is minimal, the DL exercises some influence in socialist labor unions.

The Green (Dei Greng – DG) is Luxembourg’s environmentalist party. It is also committed to a broad range of liberal social and life-style issues. The DG platform appeals to many young voters and to those disenchanted with the established “spiritual families.” However, support for the party seems to have peaked at under 10% of the electorate.

Symptomatic of the rise of single-issue politics, the Action Committee for Democracy and Pension Justice (Aktiounskomitee fir Demokratie an Rentengerechtigkeet – ADR) polled more than 10% of the vote in 1999. The “Committee” began life as a pressure group
composed of private-sector workers demanding pensions comparable to those of public-sector employees.

**Issues**

The loss, in the “earthquake” 1999 general election, of six of the 38 seats held by the governing parties brought to an end the 15-year CSV-LSAP alliance in CSV-led coalition governments. The liberal DP was the main beneficiary of voter dissatisfaction, gaining three seats and replacing a weary LSAP in a center-right coalition with the CSV that governs with a four-seat parliamentary majority. DP leader Lydie Polfer was named deputy prime minister and appointed foreign minister in the new government. Relations between the government parties are sensitive.

Issues confronting the government include: pensions, harmonization of banking regulations with EU norms, and transportation. The previous government reduced state pensions for public-sector employees to two-thirds of salary at the time of retirement. In a reform that satisfied no one, legislation made public sector and private sector pensions equivalent. The ADR had campaigned to raise private-sector pensions to the previous public-sector level of five-sixths of one's last salary. The DP also backed the public-sector employees in their bid to preserve pensions at the higher rate. The government parties have suffered in the opinion polls on this issue.

Prime Minister Juncker has continued to press for further reform of the welfare state to cope with a population that is aging. He has emphasized the need for Luxembourg’s population to double by mid-century in order to sustain economic growth and to maintain the welfare state. But Luxembourg also has a critical need for increased public investment in social infrastructure and transportation if the country is to accommodate a population of 800,000. Though Luxembourg has a reasonably high birthrate by contemporary European standards, most population growth is projected to come through immigration.

The DP torpedoed plans for a rapid rail transit system proposed by the previous government to bring cross-border commuters to Luxembourg. The environmentalist party DG backed the proposal, as did Luxembourg Railways. Retail establishments in the city of Luxembourg, where Polfer had been mayor, were worried that construction would disrupt business and prevent customers from shopping by automobile.

Despite its commitment to European integration, Luxembourg protects its “niche of sovereignty” in the financial services sector and resists imposition of a “coexistence model” for exchange of banking information. Juncker admits that diversification of the financial services sector has mitigated the need for banking secrecy. Even so, the government is determined not to give up policies that are in violation of EU norms. Ninety percent of the EU’s offshore fund assets are managed in Luxembourg.
Questions/Discussion

What are some of the likely factors contributing to tension between the coalition partners in the sitting Luxembourg government?

Are there advantages to having an appointed upper chamber responsible for reviewing legislation approved by an elected lower chamber?

Suggested Reading

BELGIUM

Belgium is Europe’s most intensively industrialized country, although today the service sector is over twice as large as manufacturing in share of GDP (services, 67.1% of GDP, industry 24.7%, and agriculture 1.3%). Belgium's “social market” economy is advanced and is regarded as the most “open” in Europe. Belgium, with a GDP in 2000 of 244 billion euro (2.9% of EU GDP) and a population of 10.2 million (2.7% of EU population) is also one of Europe’s wealthiest countries. With a per capita GDP of 23,921 Euro in 2000, the Belgium figure amounts to about 80% of the United States level, a figure exceeding the EU average of 70%.

Following a period of steady growth in the late 1990s, the Belgian economy in 2001 experienced its sharpest downturn since the oil shock of 1973-1974. Growth dipped that year to less than 1%. Only a slight improvement was registered in 2002, as private consumption remained sluggish. Inflation fluctuated between 2 and 3%.

Exports comprise over 75% of GDP (import ca.73%), a figure standing in contrast to its principal trading partners -- The Netherlands at 50% and Germany and France at 25%. Services comprise an increasing portion, but trade related to goods still amounts to ca. 70% of exports. Chemicals, machinery (including armaments), and transport equipment each account for about 20% of total exports, 75% of which is directed to EU countries. Belgium remains an important producer of steel. Food items and beverages also constitute a small but important niche sector for domestic and export markets.

Belgium is blessed with excellent infrastructure that links it to trade partners and to world markets beyond Europe. The ports of Antwerp, which is one of the three largest ports in the EU in terms of volume handled, and also Zeebrugge and Ostend and the river port of Ghent utilize state of the art facilities. Antwerp is a general cargo port but also handles bulk goods such as ore and oil. The petrochemical industry and automotive companies are among its best customers. Zeebrugge specializes in container transport and is an unloading berth for shipments of natural gas. It is also an important fishing port. Ferries to England and other passenger ships operate out of Ostend. Ghent connects to the North Sea from the West Scheldt by way of the Ghent-Terneuzen Canal and can accommodate ocean-going vessels. Inland navigation on an intricate system of canals connected to river routes helps Belgium retain its position in freight transport.

Belgium is also the core of a European rail and road transport system that consists of a diversified network of high-quality connections with France and beyond to Britain in the west, the Dutch Randstad to the east, and the Ruhrgebiet in Germany. The rail network is one of the densest in Europe. Although Sabena, the national flag carrier, has gone out of business, the international airport at Brussels still serves an estimated 15 million passengers annually. Traffic intensity on highways has almost doubled since 1980.
Belgian interest rates are low, both short- and long-term. The continuing fall of long-term interest rates in the late 1990s helped stimulate private investment, particularly in the construction industry.

Belgium’s debt ratio reached of 135% of GDP in 1993. Fulfilling the fiscal convergence criterion for monetary union set out in the Maastricht Treaty became an overriding priority for the Belgian government, which also determined to eliminate the snowball effect of interest charges on public debt. An immediate goal was set to reduce annual budget deficits to a maximum 3% of GDP. A medium-term goal was also adopted of achieving a balanced budget targeted by means of rigorous economies in public spending and tax reform. Belgium succeeded in meeting this convergence criterion in 2001 and the progressive reduction of the budget deficit continued in 2002. The debt ratio remains over 100% of GDP.

Given the very high level of public debt, fiscal consolidation remains a major priority of the Belgian government. The Stability Program for 2002-2005 aims at creating a budget surplus while improving critical services such as rail transportation. Tax reforms and the opening of previously protected markets, included in the program, are touted as incentives for attracting greater foreign investment in Belgium.

Responsibility for the country’s economy, outside that part of it managed by the EU, has devolved, like most other aspects of Belgian society, to the regions. Flanders is one of the most prosperous regions in Europe. Prominent economic sectors are technology intensive, including the electronic, metallurgical, chemical, and textile industries. Three major automotive companies – Ford, General Motors, and Volvo – have assembly plants in Flanders, taking advantage of the port of Antwerp. Trade, including diamonds and services, supplies two-thirds of Flanders’ GDP. Despite large corporate investment, the backbone of the Flemish economy is located in small- and medium-sized enterprises.

Historically, Wallonia’s economy has relied on the exploitation and processing of its natural resources – iron and coal, stone and timber, and water. The steel industry, the manufacture of metallic, textile, and glass products, and ore extraction remain the economic bedrock of the major industrial centers of Liege and Charleroi. Converted and modernized production facilities have found opportunities for development in electronics -- including computers, telecommunications, and aeronautical equipment -- as well as chemicals, pharmaceuticals, and ceramics. Some older Wallonian industries have become redundant. Two-thirds of Wallonia is eligible for EU aid for the revitalization of those areas.

Regional budgets, which began with a clean slate at the time of devolution in 1993, have tended to generate deficits. Education and health services in Wallonia were under-funded as a result of lower than anticipated revenues. The revenue short fall was even more acute in Flanders, where the budget was kept in balance by reducing services rather than by raising regional taxes.

Unemployment was apparently stuck at an intractable rate of 7% in 2002. The salient cause has been the economy’s inability to create new jobs over the long-term.
Labor costs, a large part of which consist of benefits, are high. Even mild inflationary pressure triggers indexed wage increases. The working-age population, including an increasingly larger proportion of women and young people, increased in size in the 1990s, leading to an increased discrepancy between supply and demand on the labor market. Generous unemployment compensation rather than under-demand for labor may also contribute to protracted joblessness. Worker productivity is among the highest in the industrialized countries, due in part to the continued prominence of industry. However, the rate of labor force participation in Belgium is one of the lowest in the EU.

Collective bargaining is mandated by law. Trade unions and the employers’ organization conduct industry-wide negotiations or “social consultations” on wage and benefit packages. Agreements are automatically modified in accordance with wage indexation.

**LUXEMBOURG**

At ca. $44,000 (Purchasing Power Parity) in 2002, Luxembourg has the highest per capita income among EU member countries. Indeed, according to OECD figures for 2002, the country had the highest GDP per capita in the world. Per capita GDP at 125% of the United States level. The Luxembourg economy averaged 5% annual growth in the late 1990s, peaking at 7.5% in 2000. Growth dipped sharply in 2001 but rebounded to a projected rate in excess of 4% in 2002. The recovery was credited to the short-term impact of tax reductions on private consumption.

A liberal tax framework, encouraging private domestic and foreign investment, and large public investment in infrastructure, education, and services are credited with fueling dynamic growth. Recent budgets have succeeded in providing for expansionary public spending combined with tax reduction while maintaining budget surpluses. Expenditures increased in the late 1990s at a rate of 10% annually. Revenues from buoyant domestic demand and high growth have been sufficient to sustain the social welfare system, including substantial pension increases.

Heavy industry is of paramount importance to the economy, and, despite the faster growth of service industries, still accounts for the largest portion of GDP. Steel provides 25% of export income, and all manufactured goods close to 65%. Plant utilization is greater than 90%.

Financial services are responsible for 40% of GDP, and companies supplying business services report growth rates of more than 20% annually, the highest of any sector of the economy. Funds managed by Luxembourg financial institutions account for 20% of the EU’s market share. This sector grew from virtually nil after the then-EC allowed funds based in one country to be sold throughout the Community in 1985. The number of funds domiciled in Luxembourg by 1987 had doubled to 800 by 1990 and doubled again to over 1600 by 2000, listing more than $700 billion in assets and annual profits of $3 billion.
Luxembourg has established “niches of sovereignty” in areas such as pension fund management. Enabling legislation has allowed institutions to bypass some difficulties in fund management encountered by other EU countries. Luxembourg-managed funds cater openly to German and other European investors anxious to avoid paying withholding taxes at home. Luxembourg has resisted moves for greater transparency in banking transactions and opposes exchanges of banking information based on a “coexistence model” in the name of protecting the privacy of individual investors. The government has expressed its determination to defend Luxembourg’s existing regulatory framework in the face of EU insistence on eliminating banking secrecy.

There are concerns in Luxembourg that the financial service sector has grown too large too quickly, and that the country’s economy risks becoming overly dependent upon it. The government proposed encouraging Internet banking and entrance into the mortgage bond market to reduce dependence on traditional banking houses. Mergers, consolidations, and closures during the 1990s sharply reduced the number of banks in operation.

Luxembourg benefits from a skilled, multilingual workforce, including an estimated 90,000 who cross the border on a daily basis from neighboring France, Belgium, and Germany. The “Luxembourg Model” describes the interaction between the government and its “social” or “corporate” partners. Government, unions and employers associations are responsible for negotiating wage and benefit packages. Industry-wide collective agreements automatically link wages increases to inflation, which, despite wage indexing, has been negligible.

Job growth lags at under 5% annually, however. Among other causes, labor laws make redundancies very expensive for employers. Firms, therefore, are reluctant to hire new employees if there is a prospect of future lay-offs. While registered unemployment has been low at 2-3%, a significant portion of it consists of long-term unemployed.

The NETHERLANDS

The Netherlands has just 0.3% of the world’s population but enjoys 3.4% of the world economic product with a GDP of $434 billion in 2002. This performance is made possible largely by the emphasis on trade within the Dutch economy. Two-thirds of Dutch GDP is exported, and the value of imports is 62% of GDP. Dutch multinationals such as Philips, Royal Dutch Shell, Heineken, AKZO-Nobel, and Unilever give the country a significant presence in the international economy. And Dutch firms have always maintained a relatively large share of their investment and employment outside of the country. Increased capital mobility and the integration of the European market have made it ever easier for Dutch business leaders to view their domestic operations as but one piece of an international puzzle of production and distribution. The Dutch economy is structured as a piece of a larger whole.

Dutch exposure to the international economic system is magnified by its lack of natural resources (other than natural gas). Broadly speaking, the Netherlands imports unfinished
goods, adds value to them, and then re-exports the products. The country tends to have a trade deficit with exporters of raw materials, including the United States.

The Dutch reliance on trade goes back to antiquity, but was particularly pronounced in the “golden age,” when the country was the world's leading maritime power. The 17th century economy was founded on trade, shipping, finance, and agriculture. The lack of raw materials in the country meant that Dutch investors who became involved in industrial production sent their capital abroad. By 1850, Belgium, which had been industrialized earlier, had five times as many railroad lines and steam-powered industrial enterprises as the Netherlands.

Late in the 19th century, however, the Netherlands did enter a period of rapid industrialization, centered on shipbuilding, the manufacture of engines and vehicles, food processing, and chemicals. An international butter dealer, Antoon Jürgens, bought the patent in 1871 for a product he named “margarine,” and was soon employing thousands of workers. A bit later, in 1890, the Philips brothers began to make light bulbs in the town of Eindhoven.

Because of its reliance on international trade, the depression of the 1930s hit the Netherlands even harder than it did most other countries. Unemployment averaged 25% between 1932 and 1939, with as much as one-third of the labor force out of work. The Dutch economy was also hard hit in the 1970s when its industrial base became non-competitive on international markets. In 1970, 5% of all Dutch industrial jobs were in shipbuilding. By the mid-1980s, the last of the major shipbuilding yards collapsed, unable to compete with costs that were 50% lower in Japan. Similarly, the number of textile and clothing manufacturing jobs was reduced from 60,000 to 20,000 between 1968 and 1978. The coalmining sector was completely eliminated.

The fastest growth sectors in the Dutch economy in the 1960s and 1970s were technologically advanced, capital intensive, and relatively light in the use of labor to produce value. These include such industries as chemicals, metallurgy, electronics, and oil refining. At the same time, between 1963 and 1980, the share of the labor force in traditional industries declined substantially as firms responded to escalating labor costs by moving their low-skilled industrial jobs abroad. By 1980, there were only 40% as many jobs in low-technology industrial sectors as in high-technology sectors. The industrial share of the labor force fell from 36% in the early 1970s to 27% in 1987.

This structural transformation has moved the Dutch economy into the services sector, with the remaining manufacturing activities becoming ever more capital-intensive and high value-added. Services now make up over 70% of the Dutch economy. Traditional economic activities, such as dairy farming, have increased in scale and become significantly more capital-intensive. The largest half dozen Dutch firms, which together account for over a quarter of all employment, have more employees outside of the Netherlands as they do within the country.

Although the strategy of rapidly escalating minimum and median wages is good for economic transformation and productivity, those with less education and those who work in declining industries pay the price with high rates of unemployment. Since 46% of the
unemployed in the early 1980s had only an elementary school education, the strategy of forcing high-technology industrial growth was bound to create a significant problem of structural unemployment due to the mismatch between the needs of the economy and the training of the unemployed.

Unemployment, both official and disguised, became an increasing burden on the Dutch economy through the 1970s and 1980s. The generous Dutch welfare state could be paid for when the number of income earners exceeded the number of benefit recipients by a factor of eight to one, as was the case in 1960. By 1983, there were only 2.2 workers paying into the social funds for each benefit recipient. As the earner/recipient ratio became less favorable, a financial crunch loomed on the horizon. Nearly one-sixth of the labor force claimed disability benefits in the early 1990s, a rate nearly three times that of the United States. Unemployment peaked at 16% in the early 1980s, and a growing army of workers over the age of fifty took early retirement. As a consequence, the government deficit ballooned, resulting in a doubling of public debt between 1970 and 1987. In the mid-1980s, only 52% of the population between 15 and 64 was employed.

The fight against unemployment (and against abuse of disability benefits) became the centerpiece of Dutch economic policy in the 1990s. Doctors have been required since 1993 not only to indicate the extent of disability but also whether the individual is capable of seeking alternative work. All disability beneficiaries are now reexamined periodically to ascertain that they remain unable to work; when the program was originally designed it was assumed that one remained disabled indefinitely. The maximum benefit has also been reduced from 80% to 70% of the last earned wage, making disability benefits equivalent to unemployment benefits. The duration of disability benefits has also been limited.

Even more important than reform of the disability program have been efforts to make the labor market more flexible. Since the early 1980s, unions and employer organizations have agreed to couple wage moderation with employment growth aided by increased flexibility in labor markets and an aggressive strategy of publicly funded job training. The success of these agreements has become known as the “Dutch model” or the polder model. Real wages grew in the Netherlands at a rate of just 1.5% per year between 1984 and 1990, and, during the 1990s, real wages grew at a rate less than 1%. Between 1982 and 1996, the Netherlands experienced 1.6% job growth per year, the same as the American rate of job creation and four times the rate elsewhere in Europe. In 1994, there were still 500,000 unemployed in the Netherlands; by 2002, however, that number was down to 170,000. This was less than half the average unemployment rate elsewhere in the European Union.

Job growth in the Netherlands during the 1990s was largely in the services sector. Moreover, a startling number of the new jobs are part-time or temporary. By 1996, 37% of all jobs in the Netherlands were part-time, more than double the rate of part-time work in neighboring economies. About three-quarters of Dutch women in the labor force work part-time, the highest rate of part-time work in the OECD countries. An additional 3.5% of the labor force works in temp jobs, also a rate substantially higher than neighboring countries. This changing profile of the labor force represents a fundamental break from the previous emphasis on high skill/high wage jobs in the Dutch economy. The average real wage in the
Netherlands compared to that of France, Germany, and Italy peaked in 1976 and has been declining since then.

In 2002, the Dutch job-creation machine began to run out of steam, and unemployment increased for the first time in a decade. Economic growth, which had run at 3.5 to 4% for a decade, slipped back to 1%. Under wage pressure from a labor force at full employment, inflation doubled in 1991 to four percent from the two percent levels that had been maintained during the 1990s. Having put so many Dutch people into the labor force over the last decade, the current challenge is to find ways to increase productivity in order to meet rising aspirations without increasing unemployment and inflation.

Questions/Discussion

Define and discuss the “Polder Model.”

How has geography affected economic development in the Benelux countries?

Discuss the historical differences in the Belgian and Dutch economies and explain divergence in their development.

Account for the growth of the Flemish economy in the latter half of the 20th century and differentiate economic priorities in Flanders and Wallonia.

What are the outstanding effects of labor policy on employment in each of the Benelux Three?

Assess the importance of the financial service sector to the Luxembourg economy.

Comment of the proposition: “The Benelux countries were historically preconditioned for globalization.”

Suggested Reading


APPENDICES

BELGIUM: Legislature and Government

Chamber of Representatives (150 seats, elected to 4 year term in June 1999)

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Senate (40 seats, elected to 4 year term, 31 indirectly elected in June 1999)

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Head of Government since 1999: Prime Minister Guy Verhofstadt (Flemish Liberal and Democrat)
## LUXEMBOURG: Legislature and Government

Chamber of Deputies (60 seats, elected to 5 year term in June 1999)

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<td>Others</td>
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Head of Government since 1994: Prime Minister Jean-Claude Juncker (Christian Social)
THE NETHERLANDS: Legislature and Government

Second Chamber (150 seats, elected to 4 year term May 2002)

<table>
<thead>
<tr>
<th>Party</th>
<th>% Vote</th>
<th>Seats</th>
</tr>
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<tbody>
<tr>
<td>Christian Democratic Appeal</td>
<td>27.9</td>
<td>43</td>
</tr>
<tr>
<td>List Pym Fortuyn</td>
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<td>26</td>
</tr>
<tr>
<td>People’s Party for Freedom and Democracy</td>
<td>15.4</td>
<td>24</td>
</tr>
<tr>
<td>Labor Party</td>
<td>15.1</td>
<td>23</td>
</tr>
<tr>
<td>Green Left</td>
<td>7.0</td>
<td>10</td>
</tr>
<tr>
<td>Socialist Party</td>
<td>5.9</td>
<td>9</td>
</tr>
<tr>
<td>Democrats 66</td>
<td>5.1</td>
<td>7</td>
</tr>
<tr>
<td>Christian Union</td>
<td>2.5</td>
<td>4</td>
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<tr>
<td>Political Reformed Party</td>
<td>1.7</td>
<td>2</td>
</tr>
<tr>
<td>Liveable Netherlands</td>
<td>1.6</td>
<td>2</td>
</tr>
<tr>
<td>Others</td>
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</table>

First Chamber (75 seats, elected to 4-year term by provincial councilors in March 1999)

<table>
<thead>
<tr>
<th>Party</th>
<th>% Vote</th>
<th>Seats</th>
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</thead>
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<tr>
<td>Christian Democratic Appeal</td>
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<tr>
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<tr>
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<tr>
<td>Independent (joined Liveable Netherlands)</td>
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Head of Government: Prime Minister Jan Peter Balkenende (Christian Democratic Appeal)
SOVEREIGNS of the Low Countries since 1815

Kingdom of the United Netherlands
William I of Orange-Nassau 1815-1839

Kingdom of Belgium (Kings of the Belgians)
Leopold I of Saxe-Coburg 1831-1865
Leopold II 1865-1909
Albert I 1909-1934
Leopold III 1934-1950
Baudouin/Boudewijn 1950-1992
Albert II 1992-
Heir Apparent: Crown Prince Phillip, Count of Flanders

Kingdom of the Netherlands
William I of Orange-Nassau 1815-1840
William II 1840-1849
William III 1849-1890
Wilhelmina 1890-1948
Juliana 1948-1980
Beatrix 1980-
Heir Apparent: Crown Prince William-Alexander, Prince of Orange-Nassau

Grand Duchy of Luxembourg
William I of Orange-Nassau 1815-1840
William II 1840-1849
William III 1849-1890
Adolph of Nassau-Weilburg 1890-1905
William IV 1905-1912
Marie-Adelaide 1912-1919
Charlotte 1919-1964
Jean 1964-2000
Henri 2000-
Heir Apparent: Crown Prince William, hereditary Grand Duke of Luxembourg
SELECTIVE BIBLIOGRAPHY

General


**History**

The Medieval Period


The Golden Age


Modern History


Politics and Foreign Policy


**Geography**


**Economics**


**Language and Literature**


**Articles**


**Web Sites**

Belgium
www.belgium.fgov.be
www.diplobel.be

Luxembourg
www.resttena.lu/luxembourg/lux_welcome.html

The Netherlands
www.bz.minbuza.nl
www.nbt.nl

European Union
http://europa.eu.int
www.eurunion.org

United States Department of State
www.state.gov for “Background Notes”
Newspapers
www.FT.com (Financial Times)
www.yahoo.com/news/newspapers

Videos

Antonia’s Line (Dutch: Netherlands/Flanders)
Ciske the Rat (Dutch: Netherlands)
Daens (Dutch and French: Belgium)
The Discovery of Heaven (Dutch: Netherlands)
For a Lost Soldier (Dutch: Netherlands)
Rembrandt – 1659 (Dutch: Netherlands)
Soldier of Orange (Dutch: Netherlands)
The Vanishing (Dutch: Netherlands)
The Wall (French and Dutch: Belgium)
## ADDENDUM

### The Netherlands: Elections to the Second Chamber. January 22, 2003

<table>
<thead>
<tr>
<th>Party</th>
<th>%</th>
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<th>+/-2002</th>
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<td>Labor Party</td>
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<td>Socialist Party</td>
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