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MY TELNO 200: FALL OF NETHERLANDS GOVERNMENT

## SUMMARY

1. THE NETHERLANDS GOVERNMENT WILL SUBMIT THEIR RESIGNATION TODAY AFTER FAILURE TO GET PARLIAMENTARY SUPPORT FOR THEIR PLANS FOR FINANCING A NEW ENVIRONMENT POLICY. UNLESS A NEW GOVERNMENT CAN BE PUT TOGETHER, THE PRESENT CABINET MAY REMAIN IN OFFICE AS A CARETAKER ADMINISTRATION UNTIL ELECTIONS IN SEPTEMBER.

## DETAIL

2. THE FALL OF THE LUBBERS CHRISTIAN DEMOCRAT (CDA)/LIBERAL(VVD) COALITION GOVERNMENT HAS FOLLOWED TWO DAYS OF GRADUALLY HARDENING POSITIONS OVER THE GOVERNMENT'S PROPOSALS FOR FINANCING THE NATIONAL ENVIRONMENT PLAN. LUBBERS HAD BROUGHT HIS CABINET AND HIS OWN CDA PARTY TO AGREE TO COMPROMISE PROPOSALS AT THE WEEKEND WITH THE GREATEST DIFFICULTY AND WAS UNWILLING TO REOPEN THE PACKAGE. THE VVD PARLIAMENTARY LEADERSHIP WERE ENCOURAGED BY THE PARTY CENTRAL AND REGIONAL ORGANISATION TO CONTINUE OPPOSITION TO TAX INCREASES DESPITE THE APPROVAL OF THE VVD MINISTERS IN CABINET.

3. BY YESTERDAY EVENING DIFFERENCES HAD BECOME IRRECONCILABLE. A VOTE OF NO CONFIDENCE WAS TABLED BY THE VVD PARLIAMENTARY PARTY LEADER, VOORHOEVE AND WITH THE OPPOSITION DUTCH LABOUR PARTY (PVDA) JOINING IN CRITICISM OF THE GOVERNMENT, LUBBERS INFORMED PARLIAMENT THAT HE WOULD SUBMIT HIS RESIGNATION TO THE QUEEN TODAY.

4. THIS DID NOT INVOLVE THE FORMAL DEFEAT OF THE GOVERNMENT IN A VOTE AND IT LEAVES OPEN THE THEORETICAL POSSIBILITY OF THE QUEEN INVITING LUBBERS TO TRY TO FORM A NEW GOVERNMENT. THE CHANCES OF HIS BEING ABLE TO DO SO LOOK REMOTE AND HE MAY WELL BE RELUCTANT TO TRY. IN THESE CURCUMSTANCES HE COULD BE ASKED TO CARRY ON WITH HIS PRESENT GOVERNMENT IN A CARETAKER ROLE UNTIL NEW ELECTIONS CAN BE ARRANGED. UNDER THE PROVISIONS OF THE CONSTITUTION WHICH REQUIRES TWO MONTHS FOR PREPARATIONS AND WITH THE SUMMER BREAK AHEAD, THE EXPECTATION IS THAT THESE WOULD NOT BE UNTIL SEPTEMBER. A CARETAKER GOVERNMENT WOULD BE ABLE TO CARRY ON BUSINESS BUT WOULD BE PRECLUDED FROM INTRODUCING

## NEW POLICY INITIATIVES.

5. THEIR POOR SHOWING IN RECENT PUBLIC OPINION POLLS AND A GROWING WISH TO DIFFERENTIATE THEIR OWN VIEWS FROM THOSE OF THE CDA MAY HAVE INFLUENCED VVD MPS TO BRING DOWN THE GOVERNMENT. THE VVD PARTY CHAIRMAN COMMENTED ON MONDAY EVENING THAT IF IT CAME TO DECIDING BETWEEN BRINGING DOWN THE GOVERNMENT OR CLARIFYING PARTY PRINCIPLES HE WOULD OPT FOR THE LATTER. THE VVD WILL HOPE TO BENEFIT FROM HAVING OPPOSED TAX INCREASES, BUT THEY RISK BEING OMITTED FROM THE NEXT GOVERNMENT. RECENT POLLS HAVE ALSO INDICATED THAT THE DUTCH LABOUR PARTY (PVDA) HAS OVERTAKEN THE CHRISTIAN DEMOCRATS AS THE PARTY WITH THE LARGEST SUPPORT. MANY CDA MPS BELIEVE THAT AN ELECTION WOULD SEE THE PVDA EMERGING AS THE STRONGEST PARTY IN PARLIAMENT WITH THE LIKELIHOOD THAT A LEFT CENTRE COALITION RATHER THAN A RIGHT CENTRAL COALITION MAY BE THE OUTCOME. BUT THE FIRST STEP, HOWEVER, WILL BE TO RESOLVE WHETHER OR NOT AN ALTERNATIVE GOVERNMENT CAN BE FORMED WITHOUT AN ELECTION.

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