

Alaksandr Lukashenka May Be Invited to the EU Summit in Brussels

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Belarus has to take significant steps in order to liberalize the economy and “de-bureaucratize the whole system”. This objective was set by the President Lukashenka during a working meeting with the government on October 30, 2008. At that he emphasized that generally the process was to be completed till January 1, 2009.

In particular, the Head of State noted that the rules of registration of enterprises had to be simplified. Among other he suggested that the industrial and service enterprises could be registered on the base of corresponding applications from their founders only. Moreover, Lukashenka requested the government to stop excessive control over the citizens’ income.



Experts believe that the government has decided to begin the authoritarian modernization. It will include the hastened process of privatization of state enterprises, the ameliorated investment climate, and the tendency towards application of new technologies. At the same time, Lukashenka doesn’t say a single word about the possibility of implementing reforms in the political field.

However, the European Union is waiting for these very steps towards democratization, the insurance of human rights and civil liberties in the country. Lukashenka may be invited to the EU summit in the first half year 2009, provided the political reforms are started till then. The Czech Foreign Ministry’s official representative Susanna Opletalova

delivered this intention in her interview to the “EUobserver” publication from Belgium. The Czech Republic will hold the official leadership in the European Union since 2009.

At the same time, the United Democratic Forces of Belarus leaders passed their “road map” proposals on the conditions for

normalization of relations between the European Union and Belarus to the EP members during a meeting in Vilnius on November 28, 2008.

The United Civil Party leader Anatol Liabiedzka noted that the United Democratic Forces had four main proposals to the Belarusian government, the BelaPAN News Agency reports. They include:

- the change of Election legislation;
- the insurance of equal working conditions for the media as well as the guaranteed access of opposition to the state media;
- creation of conditions for normal work and activity of political parties in the country;
- extraction of articles that enable prosecution for civil and political activity from the Criminal Code of Belarus.

The UDF leadership has decided to form an initiative group on collecting signatures for changes in the Election legislation till November 10, 2008.

At the same time, the financial and economic situation in the country is becoming more and more complicated.

There have appeared information leaks in the media that the Tractor Factory and the Automobile Plant are facing difficulties with selling their production. According to the Radio Liberty/Radio Free Europe report, the costs for MAZ and BelAZ total from dozens to hundreds of thousand USD. Nearly in 90% of cases such sale contracts are credited. As soon as the bank crediting in Russia, in Ukraine and other countries that purchase the Belarusian production is decreasing, the export of tractors and dump-trucks has already fallen down by 50%. Consequently, the issue of cutting down a working week at the strategic enterprises is seriously considered nowadays.



The “Belnaftakhim” concern that presented a highly demanded production in Europe and brought large

currency income to Belarus is facing the fall of export capacities and the abrupt complication with selling a number of main products.

Some foreign consumers of petrochemical products are canceling the preliminary set contracts, the Belarus’ Minister of Economy Mikalai Zaichanka stated on October 28, 2008.

An independent economist Yaraslau Ramanchuk believes that the global financial crisis has already had its negative impact on Belarus, as “the enterprises and investors are amending their investment plans. The Belarusian enterprises get fewer orders and, consequently, their warehouses get overloaded with the commodities”. The expert forecasts that Belarus may suffer a lot from the second wave of the crisis.

It is evident nowadays that a number of important macroeconomic indicators have already broken the annual forecasts. Thus, the Minister of Economy had to acknowledge on October 28, 2008 that the inflation would amount to 14% in 2008. Initially, the government was planning to hold it within the margins of 6-8%. The negative balance of foreign trade amounted to USD 2.1 billion for the period from January 01 till August 31, 2008. The annual forecast totaled USD 1.4 billion.

The Belarusian government has to take immediate efforts in order to minimize the negative impact of the global crisis. Thus, there have been signed credit agreements with the Chinese “Eksimbank” that totaled USD 390 million recently. Also, the government reached an agreement on getting a credit from Russia for the amount of USD 2 billion and requested USD 2 billion of stabilization credit from the International Monetary Fund. A special mission from the International Monetary Fund is holding negotiations, regarding the conditions for issuing the credit, in Minsk these days.

The National Bank of Belarus representatives state that the credit is required for creating “an airbag” for banks. The Belarusian side informed the International Monetary Fund about its intention to hold a number of economic reforms that envisage the partial sale of assets of state enterprises, the British Financial Times reports. The newspaper correspondents stress that the banking system in Belarus is not well-developed. Consequently, it has slightly suffered from the financial and credit crisis. Still, the perspective of recession in the US and the EU economies may cause negative influence upon the Belarusian export.

In spite of all, the Belarusian governmental foreign policy is still based

upon the principle of maneuvering between Russia and the West.

Following Lukashenka’s initiative, he had a meeting with the President of Russia Dmitry Medvedev in Moscow on October 25, 2008. The guest drew the host’s attention to the fact that nearly a half of gold and foreign currency reserves of Belarus is kept in RUR. According to Lukashenka, the quota of Russian rubles was purposefully increased with the aim of cutting dependence from USD, so far as the United States had declared introduction of economic sanctions in relation to Belarus.



Presently, the Belarusian government has decided to appeal to the principles of unionism, requesting financial support and economic preferences from the Kremlin and at the same time trying to arrange a flow of credits and investments from the West.

However, independent experts conclude that Lukashenka and Medvedev

didn't manage to reach agreements on a range of highly important issues. In particular, Alexander Surikov, the Ambassador of Russia in Belarus stated in a couple of days after the meeting that the cost of natural gas for Belarus would amount to approximately USD 200 per 1,000 cubical meters in the year to come. (The sum of USD 140 has already been included in the Belarusian budget for 2009.)

Also, the Kremlin rigidly stipulated the conditions of issuing a credit in the amount of USD 2 billion for Belarus. (The first installment in the amount of USD 1 billion is expected this year.) In particular, most probably, the Russian government discussed the simplified access of Russian companies to the Belarusian market, participation of Russian capital in privatization of Belarusian enterprises as well as the possible use of RUR for calculations in bilateral economic relations.

Independent experts add that unofficially the Kremlin might have pre-conditioned the credit with the admittance of Abkhazian and South Ossetian independence by Belarus. However, as soon as such a step may frustrate the present normalization of relations with the West, Lukashenka has dared procrastinate as long as possible.



POLITICS

Alaksandr Lukashenka May Be Invited to the EU Summit in Brussels

The President of Belarus Alaksandr Lukashenka may be invited to a summit of the European Union in Brussels in 2009, RIA Novosti with a reference to the Belgian media reports.

This opportunity was declared by Tomas Pojar, a Deputy Minister of Foreign Affairs of the Czech Republic during his one-day working visit to Belarus on October 24, 2008. According to him, the Czech Republic will get the EU leadership from France on rotation basis on January 1, 2009. Consequently, the Czech government may regard the possibility of inviting the President of Belarus to take part in the EU summit to be held in the format "27 plus 6" (the EU members plus Georgia, Armenia, Azerbajdzhan, Ukraine, Moldova and Belarus) in the year to come.

It should be reminded that the EU member states' Foreign Ministers suspended a visa ban to Alaksandr Lukashenka and 35 Belarusian officials for half a year. The President

of Belarus had been included in the "black list" in April 2006, the BelaPAN News Agency reports.

OFFICIALY

The "Pocket" Chamber's Speaker Elected in Belarus

Uladzimir Andreychanka, the Head of Vitsiebsk Regional Executive Committee, elected to the Chamber of Representatives in Hlybokaye constituency has been granted the Speaker's position at the Chamber of Representatives by the majority of votes.

107 MPs from among 109 existing voted for Andreychanka by secret vote.

The new leadership of the Belarusian Chamber of Representatives has been formed today. Also, the MPs formed standing committees and decided upon the members of these bodies.



OPPOSITION

"The Case of 14" Carried On

The Belarusian democratic civil community is urging the regime to release a young activist Alaksandr Barazhenka from jail.

He has been prosecuted in the framework of the so-called Case of 14.

A number of democratic activists were accused of taking part in the private entrepreneurs' meeting in January 2008. Alaksandr Barazhenka wasn't summoned to court as he was studying in Poland at the moment. He came to visit his parents later on and couldn't leave Belarus afterwards, as their appeared a corresponding ban at the border. He addressed to the police on October 27th. Consequently, he was arrested within the Case of 14.

Presently, Alaksandr Barazhenka is being kept behind bars in a legal investigation police department on Valadarski street.

It should be reminded that a former political prisoner Andrei Kim used to be sentenced to 1.5 years of colony within the criminal case.



ECONOMY

The Global Financial Crisis Creates Problems to Belarusian Exporters

Large industrial enterprises in Belarus are facing problems, connected by the current financial crisis, the Charter'97 Web-site reports.



The list of the enterprises includes “Belaruskaliy”, Miensk Tractor Plant and Miensk Automobile Factory. The workers at these enterprises are afraid of delays with getting their salaries. Also, they are scared of possible compulsory leaves without payments.

SOCIETY

Heart Transplantation Plans in Belarus

The Belarusian surgeons are preparing for the first heart transplantation in the national history.

A Doctor of Medicine and a Professor Viachaslau Yanushka from Mahilou Regional Hospital noted that an operation of the kind might take place this year.

He added that two groups of Belarusian cardio-surgeons are preparing for such operations in Berlin and Prague. However, he emphasized that there hadn't been reached understanding of transplantation process in the Belarusian society and that additional explanatory work had to be carried out in this field.



CULTURE

The Belarusian Language Society Preparing for the Second Nation-wide Dictation

The Belarusian Language Association named after Francysk Skaryna has declared the start of preparations for the 2nd Nation-wide Dictation in the Belarusian language.



The future action will be dedicated to the International Mother tongue Day, celebrated on February 21st.

It should be mentioned that according to the latest census in 1999, more than 80% of Belarusians regarded the Belarusian language as their mother tongue. Still, only around 36% of respondents told that they used the Belarusian language in their everyday lives. Awkwardly, the statistics do not worry the Belarusian governmental officials, whose anti-national language policy has been dragged from the gloomy Soviet times.



EUROPEAN RADIO FOR BELARUS



There are various sites devoted to events in Belarus, which are, however, little known in Western Europe, and among people dealing with politics towards Belarus who do not understand the Russian or Belarusian languages.

The site [belarus-live](http://belarus-live.eu) fills this gap. The site allows to order weekly reception of news in English, Polish, Belarusian, Russian.