

Freedom House: “No changes in Belarus”

The International Monetary Fund Forecasts Reduction of Gross Domestic Product and Shrinkage of Investments in Belarus

Opposition activist threatened to get job assignment in contaminated area

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Rocketing Prices in Belarus

All Men in Belarus to Provide Fingerprints

The population of Belarus has been staggered by a rocketing increase of prices after the devaluation of BRB up to 20% at the beginning of the year of 2009. Some foodstuffs, including cereals, fish, juices, tangerines and coffee became 30-60% more expensive.

Independent experts think that the dealers take into consideration such factors as the currency devaluation as well as the expectations of further economic troubles and the connected increased commercial risks, while forming new prices.



A Deputy Minister of Economy Uladzimier Adashkievich threatened the trading enterprises with auditing the reasonability of price-forming mechanisms they are adhering to nowadays. Still, independent economists believe that these efforts are just in vain. The experts forecast that the official inflation expectations for 2009 in the amount of 9-11% will be exceeded no less than thrice.

The expert community considers to be unreal the planned economic growth in the amount of 10-12% this year. The President of Belarus demands to hit the target, despite the crisis.

At the same time, even the Ministry of Economy officials have to admit that it will be highly problematic to meet the goal. The governmental agency proposed to forecast the growth of gross domestic product in the amount of 5% for the first quarter of 2009 and 7% for the first half year of 2009.

The forecasts, presented by the International Monetary Fund are even less optimistic. They amount to 1.4% for the present year and 2.3% for the year to come.

Belarus received the first installment of the IMF credit in the amount of USD 787.9 million last Wednesday. The IMF Executive Board had approved the “stand-by” credit agreement with Belarus for the term of 15 months in the amount of USD 2.46 billion.

At that, the International Monetary Fund approved an anti-crisis program, elaborated by the Belarusian government. It is considered to be “strong”. Also, the IMF experts treated the recent steps, taken by the Belarusian authorities, as “important and efficient”:

According to a statement, delivered by *Takatoshi Kato*, Deputy Managing Director of the International Monetary Fund, the most significant structural reforms, including liberalization of prices and salaries, will have to take place in the country, following the adjustment of the national currency rate.

Yuha Kakkonen, Deputy Director of the IMF’s European department has noted during his briefing in Washington D.C. that “the credit is aimed at supporting the economic program of Belarusian authorities,

directed to overcoming the financial problems, faced by Belarus.”

According to Mr. Kakkonen, “Belarus has come across serious economic problems, like many other countries in Eastern Europe. The global economic and financial crises reduced the demand for Belarusian export and limited the funds, received by the country. ... Import to Belarus exceeded export from the country during a period of rapid economic growth that resulted in the negative balance of foreign trade”.

However, independent experts are not sure if the Belarusian government will show enough political will to carry out the gradual system reforming of economy.

“The problem is that the International Monetary Fund gives the money, but the government doesn’t intend to cut the public expenses. The credit is given for holding an anti-crisis program. However, the program hasn’t been adopted yet. The draft... contains the efforts, taken a year and two years ago. It envisages saving the program of constructing agricultural townships and holding other inefficient programs that led Belarus to the present state”, an independent economist Yaraslau Ramanchuk noted in his interview to the Radio Liberty (RFE/RL).

Some experts believe that the government is unable to comply with its

social contract. It was the contract implementation, including a gradual increase of welfare and the relatively good social support that resulted in social stability and public loyalty to the regime in power during the recent years. The voters sacrificed a pretty large part of their civil rights and liberties for “vodka and cracklings”, political scientists believe. Presently, the stability has appeared under threat.

Experts draw attention to the fact the Belarus’ government and the official propaganda were keeping absolutely silent after the abrupt devaluation of BRB. It was a large PR blunder, committed by the state authorities. It was in the second decade of January 2009 only that the top-officials dared provide public explanations, regarding the issues of general concern.

At the same time, a wave of feverish demand led to disappearance of numerous commodities from the shelves of supermarkets and department stores. There appeared panic rumors about a new devaluation of BBR, about denomination as well as about a transfer to RUR in the near-time outlook.

Piotr Prapakovich, the President of National Bank of Belarus noted in his interview on January 12, 2009 that no new abrupt devaluations of BRB would be held.

Alaksandr Lukashenka visited the “Belkamunmash” plant in Miensk on January 13, 2009. It was enormously important for him to calm down the people.

The President confirmed that no other abrupt devaluations of BRB would take place in 2009. According to the head of state, the currency denomination will not be held in the near future either. Generally, the president didn’t exclude the possibility of holding the denomination. Still, he promised to tell about it three-four months in advance. Also, he disproved the rumors about the expected transfer to the Russian currency.

On the other hand, independent observers have noted that the political opposition reacted sluggishly and behind time to the shocking devaluation and its responsive consequences as well. It was very strange to see, as its strategy is grounded upon decisive actions at the time of crises.

Independent analysts treat skeptically the possibility of nominating the united oppositional candidate at the coming presidential election to be held either at the end of 2010 or at the beginning of 2011.

A former presidential candidate and the leader of the recently registered “Za Svabodu” movement Alaksandr Milinkievich stated at a press conference on January 14, 2009 that he

was going to run for presidency at the coming election. In his opinion, it would be perfect if democratic forces could nominate the united candidate. However, he noted that it would be extremely hard to do, as the democrats hadn’t formulated common criteria for selecting the candidate.

Independent analysts in their turn pay attention to disunity and unduly ambitions of opposition leaders.

A. Milinkevich predicts that a peculiar “triangle” may appear at the coming Presidential election. Most likely, it will include the top

bureaucracy representative (A. Lukashenka or his successor), a pro-Russian candidate and a representative of national-democrat pro-European forces.



At that, A. Milinkevich believes that the Kremlin will not support the present head of Belarus at the following election, RFE/RL reports.

According to independent analysts, the Belarusian officials are considering the lessons of the recent gas war between the Kremlin and Ukraine. It should be noted the state-owned media covered the conflict in a relatively well-balanced way this time.

(Pro-Russian interpretation was domineering in the past.)

The policy of economic blackmail on the part of Russia makes the Belarusian government play the role of a more active and independent political actor in the area, an independent observer Raman Yakauleuski believes. In particular, it is expected that the Belarusian government may feel like starting closer cooperation with Ukraine in the economic field. The ambassador of Ukraine in Belarus has noted recently that A.Lukashenka may pay an official visit to Kyiv shortly.

POLITICS

Freedom House: "No changes in Belarus"

Freedom House, a human rights watchdog organisation, has published the latest annual "Freedom in The World" report. And Belarus traditionally takes one of the last positions among 193 countries of the world as a "non-free" state, www.charter97.org reports.

For its rating the Freedom House annually analyzes the situation with political rights and civil liberties in different countries and divides

the countries into three groups: free, partially free and non-free. Belarus has been included into the group of non-free countries together with such former Soviet states as Azerbaijan, Kazakhstan, Russia, Tajikistan, Turkmenistan and Uzbekistan.

OFFICIALLY

The International Monetary Fund Forecasts Reduction of Gross Domestic Product and Shrinkage of Investments in Belarus

The Belarusian GDP is expected to drop by 1.4% this year. The index was 10.5% in 2008.

The forecast has been published by the International Monetary Fund in its press release on January 12, 2009.

Furthermore, the IMF believes that investments in our country will be reduced by 4.9%. They totalled 21.4% last year.

OPPOSITION

Opposition activist threatened to get job assignment in contaminated area

Aleh Pronski, an activist with the For Freedom movement, was today summoned to the first deputy chancellor of the Hrodna State Agrarian University, for a conversation regarding his civil activities, the European Radio for Belarus reports.

The photographs from an annual event to commemorate Kalinowski brothers in Swislach and a print-out about this action from www.dzida.org were shown to the opposition member.

The university official advised Pronski not to spoil his future and to stop his public activities. Otherwise, the five-year student could be assigned to the areas contaminated by the 1986 Chernobyl nuclear fall-out.

ECONOMY

IMF to Give a USD 2.5 Billion Credit to Belarus

The IMF Board of Directors has decided to allocate a \$2.5 billion credit to Belarus, the "Interfax" News Agency reports.

According to the IMF's decision, the first part of the credit (\$800 million) will be sent to Belarus in January 2009.



It is worth mentioning that Belarus asked the IMF for a credit in mid-October, explaining the request by the necessity of creating a safety pillow to avoid the negative influence of the global economic crisis on the Belarusian economy.

Rocketing Prices in Belarus

In spite of promises of the authorities not to raise prices, the Ministry of Economy has noted prices for food have increased by 30-60 per cent for 12 days of January 2009. Fish, fruit, and vegetables have especially grown in prices, www.charter97.org reports.

It should be noted that data of the Ministry of Economy are traditionally underestimated. Real prices are even higher.



So, according to official data, buckwheat groats have increased by 26.9 per cent, rice – by 20 per cent, peas – by 33.5 per cent, coffee – by 23 per cent, tea – by 27-29 per cent, vegetable oil – by 21.4 per cent, imported fish – by 44 per cent, fruit and vegetables – by 59.6 per cent (mandarins), apples have raised in price by 46 per cent, lemons – by 44.5 per cent.

SOCIETY

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The Ministry of Internal Affairs of Belarus has filed an application demanding to amend the law on dactylography, www.charter97.org informs.

The Ministry of Internal Affairs of Belarus filed application to the

Security Council and the Council of Ministers for amending article 1 of the law on State Dactylography, the Minister of Internal Affairs Uladzimir Navumau told at a press conference in Miensk on Thursday, Interfax reports.

“We will offer to amend the law, allowing to fingerprint not only draft-ees, but also persons subject to recall,” U. Navumau told.

According to the head of the interior ministry, these changes are needed to promote detection of Miensk blast. “In any country, law enforcement bodies don’t report about investigation, because it hinders their work,” the minister noted speaking about investigation of Miensk blast on July 4, 2008.

According to Navumau, “the investigation will undoubtedly be successful”.

It should be reminded that tens if not hundreds of thousand people – workers, clerks, students, and even schoolchildren, winners of chemistry contests, were fingerprinted after the blast in Miensk.



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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 fills this gap. The site allows to order weekly reception of news in English, Polish, Belarusian, Russian.