

In this issue:

EDITORIAL

Putin Doctrine: Immediate Threat to Belarus - p. 2

FROM THE PUBLISHER — p. 3

FEATURES

An Unexpected Honor and Award — p. 3
Ivonka Survilla: Lukashenka Started Speaking
About Independence to Improve His Rating — p. 4
Belarus Receives Assurances ...— p. 5
The Disappeared and the Council of Europe— p. 6
Václav Havel - in Defense of Jakub Kolas
Humanities Lyceum — p. 6

BELARUS' FORUM

Belarusian Currency: Problems and Perspectives — p. 7 Opposition Forms a New Pro-European Alliance — p. 8 DZIADY and Kurapaty Unite the Opposition — p. 8

THOUGHTS and OBSERVATIONS

The Third Wave - p. 9

Is Lukashenka Winning Back Hearts and Minds? - p.11

CULTURE & SOCIETY

Lyceum Battles in Courts — p.13

Belarus: Scenario of Reform — p.14

Belarusian President Turns on Former Ally — p.15

CHRONICLE - p. 16

BELARUSIANS ABROAD

Belarus Represented in the World Book Fair — p. 21 Belarusica at the AAASS Convention — p. 22

ECONOMY

Economic The Exchange Rate Policy for Belarus — p. 23
EU Aid Misuse Fears — p. 24
Minsk Wants Compensation from Moscow
for Abandoning National Currency — p. 25
Performance Anxiety:
Lukashenka Demands 10 Percent Growth — p. 26
Belarusian Weapons Exports:
A Possible Source of Laundered Funds? — p. 27

The Sad State of Agriculture - p. 30



Putin Doctrine: Immediate Threat to Belarus

While the United States has been preoccupied with Afghanistan, Iraq, North Korea and the Middle East, Putin has succeeded in having a series of his bold imperialist initiatives put into action.

Starting five centuries ago, and continuing today, Russia has been a classical example of an expanding empire. It started when an obscure principality of Moscow (Muscovy) freed itself from Mongolian control. By the end of the 15th century Moscow declared itself the "Third Rome" and, under the guise of spreading Orthodox Christianity, embarked on a program known as the "collecting of all 'Russian' lands." But each time the empire expanded, there were new borders and new enemies behind them, calling for further expansion in the name of creating secure borders. In the process it grew into an empire, tsarist and later communist, stretching from the Pacific in the east to the Berlin Wall in the west by the end of the 20th century. Belarus was made part of the empire piecemeal — the last chunk annexed in 1795.

Over the years, the ruling elite and the Russian people came to believe that their mission was to rule the world. Communism seemed like an ideal doctrine to this end – one world state, no more borders, and the Russians in charge. Khruschev was very blunt about it. While visiting the U.S., he told an audience, "we will bury you [capitalism]."

It seemed the Russian expansion was unstoppable. But then came the Soviet incursion into Afganistan, where the Russians got their noses blooded, followed by the collapse of the Soviet Union in 1991. Russians, inculcated with the belief as the future world rulers, felt they had been cheated by the outside world. They just couldn't picture themselves as something lesser than a world power. They wanted the old empire restored. Integration of Belarus with Russia, conceived by Presidents Yeltsin and Lukashenka, was the first step in that direction. But the process has turned out to be cumbersome, with no end in sight.

More breakup aftershocks, the Chechen uprising and the search for a strong leader to replace Yeltsin, brought Vladimir Putin to the fore – in 1999 as prime minister and as president in 2000. With him came the new authoritarianism, having more in common with the old empire than with a democratic state.

To save the empire, Putin hit the Chechens hard. To restart the process of rebuilding the empire, he found it expedient to use Belarus as a stepping stone. Rather than labor over a union of two states, he proposed straight incorporation of Belarus into the Russian Federation. Lukashenka, intent on retaining his power, balked, insisting that Belarus retain its independence and sovereignty in the new union. To cow Belarus into compliance with his plan, Putin switched to the use of economic coercion. He let the Russian gas companies put pressure on Belarus and set January 1, 2005, as target date for adopting the Russian ruble as its currency. To

push his initiative further, on September 19 in Yalta, the Russian president pressured the leaders of Ukraine, Belarus and Kazakhstan into signing a far-reaching economic treaty providing for a "single economic space." None of the three wanted to lose their sovereignty but they knew they had not much of a choice, being dependent economically on Russia.

The Putin doctrine. On October 9, Putin and his defense minister, Sergei Ivanov, told a press conference that Moscow reserves the right to settle, with military force if necessary, any disputes in its neighboring states, and to maintain oil and gas pipelines running "even in those parts of the system," said Putin, "that are beyond Russia's borders." Herein lies the danger to Belarus. There is currently a heated dispute between Russia and Belarus over who owns the gas pipelines running across Belarus. Russia insists it owns the pipelines. In addition, Russia has two strategically important military bases in Belarus operated by its military. Lukashenka is unpredictable – he may cave in if the Russians threaten the use of force on the Belarusian territory.

The Putin doctrine is also dangerous for democracy in Russia itself. The December 7 elections to the State Duma should serve as a wake up call to the West. The pro-Putin majority in the new Duma consists of zealous imperialists of all stripes.

This dramatic deterioration of democracy in Russia calls for a review of West's own policy toward Russia. Russia is fast mowing towards neo-imperialism abroad and authoritarian control at home. Mr. Putin should be told that his government's undemocratic behavior and Russia's appetite for the "near abroad" will not be tolerated and will result in the exclusion of Russia from the company of Western democracies

As regards Belarus, Mr. Putin should be reminded of the December 1994 CSCE Summit memorandum signed in Budapest, in which Russia, along with the U.S. and the U.K., in paragraph 1, reaffirmed their commitment "to respect the independence and sovereignty and the existing borders of the Republic of Belarus." And in paragraph 3 they reaffirmed their commitment "to refrain from economic coercion ...to secure advantages of any kind." (See page 5 for the full text of the memorandum.)

Russia's ongoing attempts to annex Belarus and the use of severe economic pressure and the threat of military force to this end call into question the sincerity of Russia's commitment. Paragraph 6 of the memorandum calls for consultation "in the event a situation arises which raises a question concerning these commitments." We would like to see the U.S. and the U.K. tell Mr. Putin that Russia's use of any form of force to incorporate Belarus into the Russian Federation is unacceptable.

For the record, the memoranda were signed in conjunction with Belarus' accession to the Nuclear Non-Proliferation Treaty (NPT). Simultaneously, identical memoranda were signed on behalf of Ukraine and Kazakhstan. Incidentally, these are the same three countries that Putin coerced into the signing of the economic treaty in September this year, clearly undermining the spirit of the Budapest memorandums.

Joe Arciuch Editor-at-Large

From the Publisher

This is the last issue of our 15th year of publication. Please send in your subscription for the next year. Any additional donations allow us to distribute this respected publication to government officials, legislators, as well as to major libraries in many countries.

The distinguished list of larger donors has recently been joined by Irene Kalada-Smirnou.

Belarus Democracy Act of 2003

The U.S. House of Representatives has passed a version of this bill in its last session. In order for this bill to become a law it needs to be passed by the U.S. Senate in the upcoming session, which starts on 20 January 2004. A number of influential Senators have already become cosponsors of this bill, known as S.700 Belarus Democracy Act of 2003. However, more cosponsors are needed in order to ensure its passage.

Write and phone your Senators, again if necessary, and urge them to become cosponsors of this important bill.

THE NEED FOR DEMOCRACY IN BELARUS IS NOW GREATER THAN EVER!

NEW BOOKS

Biełaruski j Biełarusaviedny Druk na Emihracyji (Belarusian and Belarus-rel ated Publishing in the West)

by Dr. Vitaut and Mrs. Zora **Kipel** Library of Congress Control Number: 00 093473 Published by the Belarusian Institute of Arts and Sciences.

New York, 2003

Language: Belarusian

This 582-page volume contains information on all books and periodicals published in the 19th and 20th centuries by the Belarusian diaspora in Western countries. It refers to 422 periodicals alone

Mr. Edward Kasinec, the chairman of the Slavic and Baltic Division of the New York Public Library in his introductory article to this book wrote the following:

"This bibliographical guide contains upwards of 5,000 titles, the majority of which are now accessible to the readers in the Division. The collection has been housed in 168 archival boxes under the Belarusian classmark of *QM 99 – 5211 and 5212...

This collection is an international resource, closely related to the other internationally significant collections of the New York Public Library, namely our Russian, Polish, Ukrainian, Lithuanian and Latvian holdings. The Belarusian collections of the Library are especially dear to the tens of thousands of New Yorkers of Jewish descent, many of whose ancestors emigrated to New York from the pale of settlement located in the North-South-Western territory of the former Russian Empire.

FEATURES

An Unexpected Honor and Award

The address by Andrej Dynko, the editor-in-chief of Nasa Niva, delivered at the occasion of receiving the monetary portion of the Hanno R. Ellenbogen Citizenship Award in Prague on October 17, 2003.

Dear Friends!

It is a great honor for us to receive this award; and a double honor to receive it from the hands of Vaclav Havel, a man who exemplified moral conduct, for the people who renewed the publication of *Nasa Niva*, and for millions of inhabitants of Central and Eastern Europe.

When I read the E-mail message, informing that Vaclav Havel was awarded Hanno R. Ellenbogen Citizenship Award, and that he decided to dedicate it to *Nasa Niva*, at first I didn't believe it. The message suggested enticingly: "Please let us know as soon as possible, if you are willing to receive this award. You may come to Prague later. See details in the attached file."

It seemed as if it was another computer virus - a personalized one, designed to destroy my computer. O boy! I thought - what an insidious approach. So, I deleted the attachment without opening it. Only the next day, after my Czech friends congratulated me, did I realize that it was really serious and very pleasant.

All this seems funny, but how it reflects the situation in Belarus. Belarusians feel forgotten, and don't expect any help from Europe. It is an old story, called the tragedy of Central Euope by Milan Kundera in his time. While they are fighting for their culture, democracy and independence, my friends believe they are fighting for Europe, and many of them are are ready to sacrifice their lives for Belarus and Europe. Meanwhile Europe is looking at our country, as an

outsider with an almost unconcealed indifference.



From left to right: Andrej Dynko, Vaclav Havel, F.W. DeKlerk, Madeleine Albright See CHRONICLE on p. 17

The award is being transferred to *Nasa Niva*, but actually it is for the entire Belarusian independent media, for the existing and closed newspapers and radio stations. It also a sign of respect for the entire Belarusian national movement, belated but noble, so ardently enamored of freedom and Europe.

In the 1990s Belarus faced the necessity of building a nation and state, democracy and a market economy, all at the same time - too many challenges for a young country, frightened by the Chernobyl catastrophe.

I accept this award as a manifestation of faith in Belarus and in the Belarusian democratic opposition. The award is delivered at the time, when my faith and that of my friends and that of other friends of freedom inside and outside of Belarus is being severely tested by the burden of doubts and misfortunes.

Mr. Havel, I thank you for your faith in us.

Source: Nasa Niva, November 6, 2003

Ivonka Survilla: "Lukashenka Started to Speak about Independence to Improve his Rating"

An interview with the President of the Rada of the Belarusian Democratic Republic

Interviewed by Kiryl Paznyak

The incumbent authorities in Belarus regard the Byelorussian Soviet Socialist Republic (BSSR) as the prototype of the contemporary Republic of Belarus. At the

same time, their opposition believes that the true beginning of the present-day Belarus is the Belarusian Democratic Republic (BNR). It was established on the debris of the Russian Empire on March 25, 1918. Now this day is celebrated each year by the Belarusian opposition as Freedom Day. But the BNR lived just for a few months. The Bolsheviks replaced it with the BSSR.

Yet the BNR is still alive - abroad. It has all state trappings, ranging from its flag to formal leadership. Belarusian-Canadian Ivonka Survilla was reelected as President of the BNR Rada, at Rada's recent session in New York. In the following interview with *Naviny.by*, she speaks about what the BNR used to be, what it is and what it can be in Belarusian politics.

Q: Few people in Belarus know about the activities of the BNR Rada and about the BNR as such. Your contacts are limited mostly to political and cultural elites in Belarus and Belarusian people living abroad. Do you think it is a problem that the BNR lacks communication with Belarusians in Belarus?

A: Yes, it is really a problem. For decades, people in Belarus did not know about the BNR, about the fight for the independence of Belarus, as well as about many other events of the country's history, which were not in line with the interests of Russia. And it is hard for people, especially older ones, to admit that they have been victims of lies all their lives. That is why after the breakup of the Soviet Union, some cultural elites and young people were alone who started to look for the truth.

The BNR Rada is trying to keep in contact with all people in Belarus and abroad. And if people in the country know so little about the BNR, it is because the authorities do what they can to keep people uninformed. And it is a pity, because such situation is beneficial to those who want to leave our people without freedom and a better future.

Q: Could you tell our readers about the Rada's future plans? Is it going to continue like it worked before or will there be any changes in tactics and strategy?

A: Belarus now has three main problems: Russia, Lukashenka and the lack of solidarity within the democratic opposition. All of them are in the spotlight of the BNR's attention. At its last session near New York in the end of October, the Rada decided to expand cooperation with the democratic opposition in Belarus, although we have good contacts with a certain part of it already now. One more objective is to stir Belarusians abroad to levels of greater activity. The largest part of the Rada members and activists are citizens of the USA, Canada and European countries. and they all can exert certain influence on their governments and parliaments.

Q: What is your attitude to the policy of the Belarusian government? Does Lukashenka really deserve support of his recent statements defending Belarus' independence as the country's highest priority in negotiations with Russia?

Belarus now has three

main problems: Russia,

Lukashenka and the lack

of solidarity within the

democratic opposition

A: The policy of the Belarusian authorities is not to the advantage of the country's independence. This is where our attitude stems from. If Lukashenka were really concerned about the independence of Belarus and not about his personal interests, he would not be so scornful of anything that is ethnically

Belarusian. He would not try to reanimate this union with Russia, which was signed a couple of years ago with Boris Yeltsin. This is an absolutely absurd idea, because Belarus has suffered from Russia's imperial ambitions for centuries. Lukashenka has started to speak about independence now to improve his rating. He is just making use of opinion polls, which reveal that the Belarusian people want to be independent.

Q: Do you think the BNR Rada can influence political processes in Belarus? Is there a possibility that the Rada's activities can become real politics in Belarus, if a democratically minded, patriotic government comes to power in the country?



Ivonka Survilla, President of the BNR Rada

A: The Rada is ready to cooperate with all patriotic forces in Belarus, and we hope that there will come a time when the Rada will hand over its powers to a patriotic government that would be democratically elected by the people.

As for the Rada's activities becoming real politics in Belarus, we have been protecting the interests of the Belarusian people from 1918 up to the present time. I believe that our fight for freedom is the most valuable contribution to the domestic political processes in Belarus. When patriotic forces come to power in Belarus, we will protect the interest of both the Belarusian people and their free independent state. There are people of different professions and skills among us. The present-time history knows a lot of examples of such governments in exile. Look at the recent history of Lithuania and Latvia, for example. A part of the Rada members would be able to give their experience directly to Belarus, while other could lobby Belarusian interests abroad to draw investments for the normal development of the country.

Still, the Rada's main objective in the political process in Belarus is to make efforts ensuring that the country remains an independent state.

Q: Do you think that one part of the Belarusian opposition exaggerates the role of the West in democratization of Belarus, while the other part pins too many hopes on Russia?

A: Yes, this is my opinion as well. Moscow backs Lukashenka in all international organizations, and he is still the president of Belarus-only thanks to Russia. But democracy cannot come from a country that lacks democracy itself.

On the other hand, the West can encourage the development of Belarus, the way it is done in Poland and the Baltic states. But the West can help only after it sees that the Belarusian people are ready to become a part of the family of democratic nations, that they do not support dictatorship in the country and, that they want to be in power in the country.

Source: Charter'97 Press Center, 28 November, 2003

Belarus Receives Assurances from the U.S., Great Britain and Russia to Respect Its Independence, Sovereignty and Territorial Integrity

By Joe Price

The 52-nation Conference on Security and Cooperation in Europe (CSCE) held a summit in Budapest on December 5-6, 1994

For Belarus, the summit is important in that Presidents Bill Clinton, Boris Yeltsin, Aleksander Lukashenka and Prime Minister John Major signed a memorandum of security assurances in which the United States, Russia and the United Kingdom reaffirm their commitment to respect the independence, sovereignty and territorial integrity of Belarus. The added significance to Belarus is that Russia has signed the memorandum to abide by the commitment.

Following is an excerpt from the memorandum relating to Belarus:

Following is the text of the memorandum on security assurances signed by the U.S., Belarus, Russia and the United Kingdom.

The United States of America, the Russian Federation, the United Kingdom of Great Britain and Northern Ireland, the Republic of Belarus,

Welcoming the accession of the Republic of Belarus to the Treaty on the Non-Proliferation of Nuclear Weapons as a nonnuclear-weapon state,

Taking into account the commitment of the Republic of Belarus to eliminate all nuclear weapons from its territory within a specified period of time.

Noting the changes in the worldwide security situation. including the end of the Cold War which have brought about conditions for deep reductions in nuclear forces.

Confirm the following:

- 1. The United States of America, the Russian Federation and the United Kingdom of Great Britain and Northern Ireland reaffirm their commitment to the Republic of Belarus in accordance with the principles of the CSCE Final Act, to respect the independence and sovereignty and the existing borders of the Republic of Belarus.
- 2. The United States of America. the Russian Federation and the United Kingdom of Great Britain and Northern Ireland reaffirm their obligation to refrain from the threat of use of force against the territorial integrity or political independence of the Republic of Belarus and that none of their weapons will ever be used against the Republic of Belarus except in self-defense or otherwise in accordance with the Charter of the United Nations
- 3.The United States of America, the Russian Federation and the United Kingdom of Great Britain and Northern Ireland reaffirm their commitment to the Republic of Belarus, in accordance with the Principles of the CSCE Final Act, to refrain from economic coercion designed to subordinate to their own interest the exercise by the Republic of Belarus of the rights inherent in its sovereignty and thus to secure advantages of any kind.

4. The United States of America, the Russian Federation and the United Kingdom of Great Britain and Northern Ireland reaffirm their commitment to seek immediate United Nations Security Council action to provide assistance to the Republic of Belarus, as a non- nuclear-weapon state party to the Treaty on the Non-Proliferation of Nuclear Weapons, if the Republic of Belarus should become a victim of an act of aggression or an object of a threat of aggression in which nuclear weapons are used.

5. The United States of America, the Russian Federation and the United Kingdom of Great Britain and Northern Ireland reaffirm in the case of the Republic of Belarus their commitment not to use nuclear weapons against any non-nuclear-weapon state party to the Treaty on the Non-Proliferation of Nuclear Weapons, except in the case of an attack on themselves, their territories or dependent territories, their armed forces, or their all1es, by such a state in association or alliance with a nuclear-weapon state.

6. The United States of America, the Republic of Belarus, the Russian Federation, and the United Kingdom of Great Britain and Northern Ireland will consult in the event a situation arises which raises a question concerning these commitments.

This Memorandum will come into effect upon signature.

Signed in four copies having equal validity in the English. Belarusian and Russian languages.

The Disappeared and the Council of Europe

The Parliamentary Assembly of the Council of Europe has been concerned for over two years by the disappearances of opposition figures Yury Zakharanka, Viktar Hanchar, Anatol Krasouski, and TV cameraman Dzmitry Zavadzki. In September 2002 the Committee on Legal Affairs and Human Rights established an Ad Hoc Sub-Committee under the chairmanship of Serguei Kovalev, a respected Russian human rights activist, to clarify the circumstances of these disappearances. It heard statements by the family members of the disappeared, as well as by Mr. Alkayev, the former head of the Minsk prison and currently a political asylee in Germany, and has reviewed a number of documents.

After the Belarusian authorities turned down the request of the Ad Hoc Sub-Committee to hold hearings in Minsk, having as well refused to issue a visa to Mr. Kovalev, Christos Pourgourides of Cyprus was appointed as Rapporteur on this issue. He was in Minsk November 5-8, 2003 in order to meet with and interview various persons in Belarus's government and security organs who might have knowledge regarding the disappearances. Despite official promises that he would have access to these persons, Mr Pourgourides was only able to meet with a few. His request for an additional meeting in Minsk in December was denied, apparently after the Belarusian side managed to obtain the first draft of the Memorandum, the contents of which displeased the Belarusian President.

Mr. Pourgourides has prepared an introductory memorandum which includes the following preliminary conclusions:

For now, I have come to the preliminary conclusion that a proper investigation of the disappearances has not been carried out by the competent Belarusian authorities. On the contrary, the interviews I conducted in Minsk, in conjunction with Mr Alkayev's deposition before the Ad hoc Sub-Committee and the documents or copies thereof that are in my possession, have led me to believe that steps were taken at the highest level of the State actively to cover up the true background of the disappearances, and to suspect that senior officials of the State may themselves be involved in these disappearances.

The complete text of the Memorandum is available on our Web site: www.belarusianreview.org

Vaclav Havel - in Defense of Jakub Kolas Humanities Lyceum

Vaclav Havel, former president of the Czech Republic, came out in defense of the students of the closed independent Belarusian-language school who are now forced to attend classes in private homes. The school's parent-teacher association received this letter from Mr. Havel:

Dear members of the Parents association:

I am very grateful for the trust in me that you have expressed in your letter.

Believe me, I am well informed about the situation in Belarus from the official as well as from unofficial sources. I know about the pressure of the current political regime on conscientious citizens, about the consequent russification and destruction of Belarusian-language schools, and about the liquidation of the Jakub Kolas Lyceum. I am greatly outraged by it; this is violence directed against your national identity.



Former Czech President Vaclav Havel

I belong to a people that several times in its history was on the verge of disappearance, because enemies - domestic and foreign - directed their hate against our elite, faith, culture and education. The Czech people found strength and were fortunate to overcome all these obstacles - al-

though often at the cost to their pride in their civil development. I do not doubt that Belarusians too will be able to find a way to preserve their national identity in unfavorable times, resisting the present official authority.

As you know, about a year ago the Czech Foreign Ministry refused to issue an entrance visa to Alaksandr Lukashenka. At that time around fifty of the most influential politicians from around the world were shaking hands in Prague. I agreed with this decision of the Czech Foreign Ministry and believe that it represented the most effective way for the international community to act in such cases.

Believe me, your situation does not cease to disturb me. I will use every occasion to inform about it those of moral authority and those now in power in Europe.

In conclusion please transmit my cordial greetings to those who are defending democracy and assure of my support all those who fight to preserve Belarusian national consciousness.

Yours, Vaclay Havel.

BELARUS' FORUM

Belarusian Currency: Problems and Perspectives

— was the title of the international economic conference held in Miensk on November 30, 2003. It was attended by leading economists of the country — both the representatives of independent research centers as well as those employed by the government.

The event took place due to efforts of the Center "Supolnasc" (Togetherness) and the Konrad Adenauer Fund; it became the next link in the series of monthly economic round tables, staged by the Belarusian Popular Front (BPF) since 2001.

Vincuk Viacorka, chairman of the BPF, remarked in his welcoming address: "Due to the acutely topical nature of the conference theme the meting hall is crowded today. I cannot but recall that it was the BPF that at the end of 1980s first spoke up of the necessity of introducing a Belarusian national currency; back then few considered this idea realistic. Yet today Belarusian currency is a reality - we know its history. Today Belarusian money faces new challenges in the form of proposed new currency unions.

... Economics is a humanitarian science: it studies man and his constant need to choose - under conditions of temptation and hope, threat and opportunity. In assessing the currency union proposals one should consider not only the bare economic factors, but also their context: human and national values, and even the choice of systems. Therefore, today's discussion will be an emotional one. However, I appeal to the participants to speak, as the Romans taught: sine ira et studio, 'without anger nor bias,' but in thinking only about welfare of Belarus and its people."

The discussion was moderated by the economist Valery Daskievic, who stressed in his lecture the possible effects of currency integration on enterprises and family households in Belarus.

German participants, Profs. Elke Thiel and Oda Von Breitenstein spoke about the issues of transition to the euro in Germany, and Poland (in the future). Financial and credit trends in Belarus and perspectives of a currency integration were covered in lectures by the department managers of the National Bank, Alaksandar Labanau and Jury Ulaskin. The ex-chairman of the National Bank, Prof. Stanislau Bahdankievic presented: "Are there alternatives? National interests"

Lectures by Garegin Vardevanian (Economic Research Institute of the Ministry of Economics) and Uladzimir Usoski (Center for Economic and Social Research at the European Humanities University) provoked heated polemics. They enumerated the threats to the economy and state-hood of Belarus, that might result from the transition to the currency of the eastern neighbor.

Mr. Viacorka stated after the conference: "It became clear that all leading Belarusian economists - representing state as well as non-state structures - are in favor of deep reforms, necessary for saving our economy. We also discovered that there exists a split between our professionals. Some of them - a minority - feel that a transition to the Russian ruble might help the reforms, while admitting that such a transition is not likely in the near future. However, most of the professionals, regardless of their official status support the strengthening of the Belarusian national currency as the basic instrument for implementation of the reforms, and as the basic attribute of Belarus' statehood. The argument goes: Let us save and strengthen the Belarusian monetary unit, and then begin discussing crossing the next bridge into the euro zone. I will echo the participants of the discussion: it is absolutely incorrect to compare a transition to the currency of a foreign country (Russian ruble) with the participation in the creation of a common currency

Source: BPF Press group, Dec. 2, 2003

NEW BOOKS

Historical Works)

by Jan Stankievič ISBN 985-6599-77-6 Published by Encyclopedics, Miensk, 2003 Language: Belarusian

The 776 -page volume contains articles and publications written by Dr. Jan Stankievič in the period 1930 through 1976 - dealing with various topics of Belarus' history.

Dr. Jan Stankievič (1891-1976) is also known for his thorough research of the Belarusian language. Most of his works were published in Western Belarus and the U.S.A., and during the Soviet era were not accessible to most Belarusian readers

Winter 2003

BELARUSIAN REVIEW

7

Opposition Forms New Pro-European Alliance

By Jan Maksymiuk

Mikalay Statkevich, leader of the Belarusian Social Democratic Party (National Assembly), announced in Minsk on 1 November the formation of a new opposition coalition that will seek closer ties with the European Union, Belapan and RFE/RL's Belarusian Service reported.

The European Coalition Free Belarus, as the new formation is called, in addition to Statkevich's party will include the Belarusian Women's Party Hope, the Youth Front, the Free Belarus bloc based on the Charter-97 opposition group, and some 20 other organizations.

"The goal of this coalition is very noble -- to give a European future to our people," Statkevich told journalists. "We realize that this is a colossal task, and we are looking for supporters of this idea. We are not looking for enemies, this is not a coalition directed against anybody. We will win if people who formerly took different positions support the idea of a common Europe."

Statkevich stressed that the European Coalition Free Belarus should not be perceived as a political rival of another opposition alliance composed of five political parties: the United Civic Party, the Belarusian Popular Front, the Belarusian Party of Labor, the Belarusian Social Democratic Assembly, and the Belarusian Party of Communists. "We are in favor of unification of all democratic forces. We believe that today we have created the foundation for building a single democratic alliance," he said. Statkevich said the new coalition will seek to create "pro-European" election block during election campaigns in Belarus.

Source: RFE/RL Poland, Belarus and Ukraine Report, Novmber 4, 2003



Andrej Sannikau, Mikalaj Statkievic

DZIADY and Kurapaty Unite the Opposition

From the Belarus Miscellany Web site, www.belarus-misc.org:

November 2 — Remembrance Day Dziady (Forefathers), a traditional holiday.

The day for commemorating ancestors with a special family meal, dates from pre-Christian times and was later associated with Christianity's All Souls' Day. In some areas of Belarus, *Dziedy* was commemorated several times during the year. Until 1997, it was an official holiday observed with a day o'f from work. For possible reasons for the change in the status of the holiday, see the following:

Since the Belarusian Declaration of Sovereignty in July, 1990, *Dziady* became an occasion for patriotic demonstrations emphasizing the victims and heroes of the historical past. Such observances were led by the Belarusian Popular Front (BPF) and other groups and included marches to Kurapaty, a site near Minsk where mass executions took place during the Stalinist era of the USSR.

It has been 15 years, since the traditional autumn Remembrance Day *Dziady* has been linked with honoring the victims of political represions and fighters for Belarus' freedom. On October 30, 1988 youth organizations *Tutejsyja* and *Talaka* staged a march to the infamous Kurapaty grove. Communist authorities did not sanction the march and tried to stop it using violence and tear gas, but in vain, as the historic commemoration did take place. In a requiem mass, held near Kurapaty, people were addressed by the writer Uladzimier Arlou and the politician Zianon Pazniak. The march made a great impression on Belarusian society, causing it to join, by the thousands, the newly-established Popular Front movement.

This year's commemoration and the march to Kurapatv was officially organized on November 2nd by the Conservative Christian Party of BPF. It was joined by practically all Belarusian national forces: the BPF party, the Belarusian Social-Democratic party (National Assembly), members of the Young Front, Belarusian Freedom party, Charter 97 and many unaffiliated Belarusian activists — Dr. Hienadz Hrusavy, chairman of the *Children of Chernobyl* Fund, Dr. Uladzimier Kolas, representing the National Humanities Lyceum , and others. Altogether over 500 people participated in the march.

The commemoration meeting took place on a hill, dubbed the "Kurapaty Golgotha." The marchers heard speeches by deputy leaders of the Conservative Christian party, Juras Bielenki and Uladzimier Papkou, the chairman of the Belarusian Language Society Aleh Trusau, and the chairman of the BPF party Vincuk Viacorka.

Sources: BPF Press center, *Nasa Niva* from Nov. 7, 2003, November issue of the newspaper *Bielarus* (New York).

Thoughts and Observations

The Third Wave,

or the regime's current tactics in dealing with independent NGOs

By Uladzimier Rouda

The regime's 2003 campaign to liquidate the most active NGOs in Belarus is the third such campaign since President Lukashenka's consolidation of power. In each of the successive waves, the regime employed specific tactics in order to achieve the desired results, but nonetheless after each of them, there was a rise in the activity of democratic NGOs, and a marked improvement in their internal development. The regime failed to foresee that its drastic and illegal actions would produce such undesired results.

The first wave which started in 1997, was directed against organizations the regime viewed as the most threatening to its rule. The Belarusian Soros Fund which had provided the greatest financial support toward the creation of a civil society, was the regime's first victim. Its Executive Director was deported, and after criminal proceedings were initiated against it, the organization terminated its activity in Belarus. In order to further frighten the whole NGO movement, the regime started criminal prosecution against the charitable organization Children of Chernobyl, and against the East-West Center of Strategic Initiatives.

However, instead of the peaceful acquiescence, the regime faced resistance through the formation in February 1997 of the Assembly of Pro-Democratic Belarusian Non-Governmental Associations. The Assembly grouped together organizations interested in maintaining Belarus's independence, in supporting democratic market reforms, in encouraging respect for human rights , and promoting integration of Belarus into the European community of free nations. Within a year the number of Assembly members grew from 250 to 500, and by 1998 the Assembly was active in all regions of the country. Such growth confirmed the fact that the NGO leadership had realized, that in order to defend their independent status, they needed to coordinate their activities.

The second and even more forceful wave of repression against the NGOs began in January 1999 with Lukashenka's signing of the infamous Presidential Decree No.2. The decree called for re-registration of all NGOs, of political parties, and of the labor unions. A Commission was formed within the Presidential Administration in violation of the Constitution to deal with all new registrations and re-registrations. The organizations which failed the re-registration process were forbidden by this decree from continuing their activity. The Republic of Belarus thus joined the ranks of the undemocratic states, where permission is required in order to form civic organizations, as opposed to the democracies, where newly established organizations need only to inform the authorities of their existence. The banning of unregistered organizations, or their ability to function, is a violation of the citizens' right to organize and to form associations, enshrined in the Universal Declaration of Human Rights.

The NGO Assembly reacted to the decree by starting a campaign in support of NGOs: S.O.S. Third Sector. It followed an earlier 1996 Slovakian example against an authoritarian regime. The S.O.S. campaign in Belarus consisted of three basic elements. The most important, was the legal assistance provided to the provincial NGOs, in particular, in their registration and re-registration processes. To that end, the Assembly Executive Bureau published a guidebook and helped to organize thirty regional visits by teams of lawyers. Informing foreign human rights groups of the situation in Belarus, and asking them to write protest letters directed to the Presidential Administration, was the second aspect of the S.O.S. campaign. Finally, the lawvers connected with various Assembly organizations, and primarily those from the Independent Society of Legal Research, assisted in initiating court cases in defense of various NGOs, regardless of their affiliation, against illegal actions taken by the authorities.

The results of this campaign soon became evident. While the total number of NGOs fell from 2500 to 1300, the most active NGOs were saved, and the regime stopped short of initiating massive repressions against unregistered NGOs. By the end of 1999, the Assembly numbered 700 members, of which one third, while not officially registered, were nevertheless, quite active. In the end, the democratic organizations, having survived the pressure, had worked out effective mechanisms of interactive solidarity, strengthened their ties with their foreign partners, and became better prepared to participate in various common projects.

The third wave of official repression against Belarusian NGOs began in April of 2003. Simultaneous court actions were started against four large and influential organizations. These were the Agency for Regional Development "Varuta" of Baranavichy, the Oblast Civic Association "Ratusha" of Horadnia, the Oblast Civic Association "Civic Initiatives" of Homiel, and the "Christian Social Union of Youth". They were followed by court actions against the "Legal Assistance to the Populace", the "Independent Society of Legal Research", the Human Rights Center "Viasna", the "Association of Young Entrepreneurs", the Republic-wide Charitable Civic Association "The Helping Hand", and a number of others. The Ministry of Justice also called for the liquidation of the Republic-wide Civic Association "Women's response", and the Civic Association "Belarusian Foundation Cassiopea".

If one were to add to these the closing of the Center "Viezha" from Brest, and of the following youth organizations: "Hart" of Homiel, "Kontur" of Viciebsk, "The Association of Belarusian Students", "The Youth Information Center", "The AHP Youth", and the loss of an official status by the largest youth organization "Malady Front", which were accomplished just prior to 2003, the conclusion that a new wave of repressions against the NGOs has taken place, is inescapable.

There is a similarity between the repressions of the first and the third waves. They were both directed against the most effective NGOs, and particularly against those that in 1997 opposed the regime during the so-called "Constitu-

tional Referendum", and those that opposed the fraudulent presidential re-election of Lukashenka in 2001. The regime was using the services of the Justice Ministry and the subservient courts to exact its revenge on its opponents. However, in the 2003 third wave, the regime's actions were, by comparison, ridiculously absurd.

For example, the previously mentioned "Varuta" was liquidated for having used in its name the word 'organization', rather than the officially approved 'association'. "Ratusha" was liquidated for publishing without a special license, costing approximately \$1,500, a prohibitive sum for a Belarusian non-profit NGO. The Youth Christian Social Union was liquidated for accepting members from an un-

registered organization and for adding to its name the words –Young Democrats. The use of unapproved stationery was the reason for liquidating the "Civic Initiatives".

Politically motivated revenge was clearly the reason for liquidating the "Legal Assistance to the Populace",

and the Human Rights Center "Viasna". Among their alleged crimes was the participation of the first in court cases dealing with the disappeared political figures, and the second, "Viasna", for helping to organize independent observers during the last presidential election. A classical example of political revenge was the closing of the "Independent Center of Legal Research." Its lawyers were particularly active in helping the NGOs to register and to re-register in 1999. The revenge came four years later. For defending the Horadnia based "Ratusha", the Minsk registered lawyers' group was charged with 'practicing outside of their territory'. Additional 'compromising material' were their articles in an unregistered publication, where they gave advice on how to prepare for 'financial inspections'. These articles were viewed by the judges 'as creating obstacles for governmental bodies in conducting inspections'.

Alongside the widespread official liquidation of authentic NGOs, came decree calling for the formation of GoNGO (Governmental Non-Governmental Organization). President Lukashenka signed in August 2003 Decree No. 335 on the formation of "The State-Civic Associations of the Republic" that will 'perform tasks important to the State', while being funded by the Government. The pro-Presidential "Belarusian Republic's Youth Union", the Pioneers, the official Journalists' Union fall into this category, as well as various other remnants of former Soviet civic organizations. The formation of such state-civic organizations is now viewed in the world as a trademark of totalitarian or authoritarian political systems. The 57th U.N. General Assembly considered the formation of Governmental NGOs as damaging to the establishment of truly non-Governmental organizations.

The current anti-NGO campaign has adopted a tactic of issuing administrative warnings to a broad range of NGOs. Since the receipt of two or more warnings for minor infractions can result in an automatic liquidation, many NGOs exist under a suspension threat, which tends to paralyze their activity. The Ministry of Justice issued 121 written

warnings in 2002 to political parties and NGOs. The number issued in 2003 will undoubtedly be much greater.

Finally, when new organizations are founded by persons known for their oppositional, or simply civic activity, the authorities refuse to register them. Such was the fate of the Association of Civic Organizations "Asambleja" (The Assembly) last October.

The combination of the above mentioned tactics, i.e. liquidations, formal warnings and the refusal to register, can be used at an appropriate time to block the activity of the most effective organizations by making them subject to criminal prosecution as 'un-registered entities'. For instance, such an appropriate time could be prior to a con-

Politically motivated

revenge was the reason

for liquidation...

templated referendum that would extend the President's term in office. All these actions by the government can be viewed as ingredients of an undeclared war against the NGOs.

On 29 April, 2003 at a meeting of members of the Assembly of

Belarusian Democratic NGOs it was decided to start a campaign named 'Our Solidarity'. An initiative group was formed, composed of major Minsk and regional NGOs. The declared goals of the campaign were the demonstration of solidarity with NGOs threatened with liquidation, and the counseling of other NGOs on how to avoid forced liquidation.

One of the first actions undertaken by 'Our Solidarity' was the organization in May, 2003 of open public hearings dealing with the NGO problem. Representatives of the authorities and interested citizens were invited to attend the hearings. As might have been expected, the government was only minimally represented. The head of the Department of Civic Associations at the Justice Ministry M. Sukhinin came with a related official. They defended the Ministry actions, including the inspections, as being strictly in accordance with the current laws, and not at all in response to political orders of the Presidential Administration, as claimed by the NGO representatives. Nonetheless, the public hearings demonstrated once again to the NGOs the degree of subservience by the governmental officials and institutions to the President, even if such orders are against the law and in violation of the Constitution.

Whereas in 1999 the S.O.S. campaign focused on providing legal consultations to the greatest possible number of NGOs, Our Solidarity campaign chose as its main activity defending the affected NGOs in court. Thus, while realizing the futility of mounting a defense in a court system that lacks any measure of independence, the courtroom defenses served as a demonstration of the degree of solidarity and mutual support within the NGO community. Our Solidarity also took the following steps this summer by informing foreign governments and NGOs about the repressions taking place in Belarus: Twenty organization leaders signed a declaration addressed to foreign Parliamentarians, fourteen NGOs addressed a protest note to the President of Belarus, the Prime Minister, the Minister of Education against the closing of the National Humanities

CULTURE and SOCIETY

Lyceum Battles in Court, Intellectuals Plan Congress

Compiled by Catherine A. Fitzpatrick

An independent Belarusian academy, closed by authorities before the start of the school year, is still refusing to bow to pressure from the government to disperse children to state schools (see "Belarusian Parents Struggle for Independent School," "RFE/RL (Un)Civil Societies," 7 August 2003). Parents and teachers of 120 pupils at the National Humanities Lyceum, named after Jakub Kolas, a 20th century Belarusian poet, are meeting in private homes now that a Catholic church and the Union of Writers, which had initially promised meeting space, were harassed by officials into reneging on their offers. Uladzimir Kolas, principal of the school, told "RFE/RL (Un)Civil Societies" in an interview this week that several parents who are lawyers are continuing efforts to sue the government for its unjustified closure of the school, citing laws guaranteeing the right to education in one's native language, and stressing that Belarusian is an official language of Belarus, alongside the Russian language. The Kolas Lyceum was the only high school remaining in Belarus where classes were taught in Belarusian

The school's lawyers first approached a regional court with the suit, but the judge refused to accept it. Next, they tried a district court and were also rebuffed; now they are trying to get the case reviewed at the Supreme Court. Parents say that the government's claim that the school's building needs urgent repairs - along with replacing the school's director - were motivated by purely ideological considerations. The lyceum, once accredited by the Education Ministry as a school within the state system, began to fall into disfavor with the government earlier this year, as President Alyaksandr Lukashenka launched a new ideology training program in the schools and began to bring previously indepen-

dent-minded schools into line, firing Education Ministry officials in the process and installing more loyal enforcers. "Before, there were professionals in the ministry, people who had moral principles, but now, there are people who are simply prepared to do what they are told," laments Kolas.

"Officially, the school is nowhere," says Kolas about his life's work, because authorities have closed the building for construction and dismissed him from his post, after first attempting to impose another educator who did not speak Belarusian. Yet the students are not giving up. Each one had passed a stiff entrance examination for the privilege of studying in an institution with higher educational standards than most state schools, and their families do not want to back down on their bid for a higher education of their

choice. The school's reputation for excellence attracted even the children of government officials, says Kolas, noting that for him, the ultimate irony came when the press secretary of the prime minister who signed the decree to close the school also wished to continue to send his child to the independent school. The prime minister himself lost his post in one of the purges of government leadership, which has been the hallmark of the Lukashenka regime.

The children at the school, ranging from 13-17 years of age, come from various walks of life. Some are the offspring of prominent opposition leaders from groups such as the Belarusian Popular Front or Charter 97, but others are from ordinary working-class parents or even officials. All had come to appreciate not only the instruction in the Belarusian language, but courses in history, culture, and philosophy that stressed national and European traditions rather than the Soviet-style methods of education. The school has functioned for 14 years and has repaired the building as needed, often at the expense and time of parents at the school. The sudden claim that urgent reconstruction was needed was a specious one, says Kolas, and added that other schools have also faced difficulties, including the International Humanities School, whose courses in Jewish studies were disliked by the Orthodox Church.

President Lukashenka's vision of a state ideology that will permeate schools and other aspects of public life is rooted in what he terms the "values of Eastern Slavonic civilization." These appear to be an amalgam of old com-

munist nostrums and nationalistic themes that actually are a hollow form of the kind of genuine Belarusian identity sought by the lyceum and other cultural preservation efforts. In this belief system, Belarus can even cast itself as the keeper of values that Russia ostensibly is no longer capable of maintaining, says Kolas. Naturally, Russians aren't happy to hear this characterization, and it adds to the strain in Belarusian-Russian relations.

This new "Belarusification" is a mutated form of nationalism, a state ideology that is mainly designed to keep the existing leadership in power, not strengthen the true sovereignty and culture of Belarus. "The

Eastern Slavonic values' concept mainly appeals to those on the margins of society without a national consciousness," says Kolas, such as Russian speakers in the former Soviet republics whose standard of living has fallen and who now find themselves a minority in Russia's "near abroad." Kolas says he believes that Lukashenka has ambitions, with the help of the Belarusian secret service (KGB), to spread this ideology through the former republics of the USSR by linking up with their old soulmates in other security services in the region.

While Kolas, a filmmaker by profession, intends to keep pressing for his school to remain functioning, he has also become active in broader causes to try to save his country from Lukashenka's major assault on civil society. Nongovernmental groups, parties, trade unions, independent



Uladzimir Kolas

newspapers, and religious bodies have all been hounded or closed in recent years. Kolas has been a force behind the creation of the All-Belarusian Intelligentsia Congress, an organization of 700 intellectuals formed to try to address the major issues for the nation and the parliamentary elections in 2004, and has been chosen as the chair of its council of 50 members. Among those who strive to keep alive the cause of the late Vasil Bykau, the celebrated national writer of Belarus, are Ales Pashkevich, a writer, Ales Marachkin, a painter, Radzim Haretsky, a geologist, and Ryhor Baradulin, a poet. Kolas notes that in Minsk, pollsters say some 70 percent of respondents oppose Lukashenka, yet only 15 percent of them support existing opposition parties. He says he believes that other forms of organization are needed outside the parties in order to capture the 55 percent who are looking for alternatives. "The idea is not to lose this very important chance" represented by the elections, says Kolas, and to keep the focus not so much on opposition duels over party lists but on across-the-board issues like changes in the electoral law to make it possible for representatives of the opposition parties to obtain seats on the Electoral Commission.

Asked about the popularity of Lukashenka and the conventional wisdom that even in a fair election, rural residents would vote for the former collective farm chairman, Kolas commented, "In fact, nobody really knows how they vote, because the opposition does not sit on the election commissions." Results are falsified, monitors are not given access to polling stations, and journalists are not allowed to run exit polls, Kolas says. There is also the difficulty of the lack of a viable free media to learn of alternative candidates and their platforms, he noted, saying that local cable stations who wanted to keep their licenses would not stray into coverage of opposition leaders.

At first, some members of the parliament controlled by Lukashenka, the National Assembly, attempted to help the lyceum and also appeared willing to mount some kind of credible opposition to the president as he passed one after another restrictive law or decree. But now that effort appears to have collapsed, says Kolas, and patriots were not going to wait for it to regroup, given the very real threat that Lukashenka is increasingly rumored to be planning another referendum or parliamentary maneuver to grant himself a third term. Kolas and his colleagues plan to convene their congress in March and believe the authorities will not attempt to stop them.

Kolas says he does not believe that Russia will move to get rid of Lukashenka any time soon, regardless of the Kremlin's professed unhappiness with his policies. Still, much the balance hangs on Russia's behavior toward Belarus, especially if, under the guise of conceding Western concerns about Lukashenka, Moscow were to attempt to install a "Chekist," or figure with the kind of KGB background for which President Vladimir Putin is known. It seems a dangerous moment for Belarus, because neighboring countries, who have provided some modicum of support for Belarusian opposition and cultural initiatives, are preoccupied with joining Europe and also are not eager to annoy Russia, especially when West European leaders are reaching a understanding with Moscow.

Source: RFE/RL (Un)Civil Societies, Nov. 20, 2003

BOOK REVIEW

Belarus: Scenario of Reform

By Veronika Dziadok

This book was compiled by a team of Belarusian politologists and economists, assisted by foreign experts. The curators for the project were Ales Ancipienka, the director of the *Belarusian Kalegium*, and Valer Bulhakau, editor-in-chief of the magazine ARCHE.

The described scenario may be used by any government, regardless of political orientation. The initial position of the authors is the necessity of integrating Belarus into Europe. The suggested reforms should lead Belarus to conformity with the minimal requirements, applied by the European Union to the candidate countries. Reforms apply to all spheres of life. For instance, the compilers consider the ideal political order to be a parliamentary-presidential republic, where the premier and the cabinet of ministers are responsible only to the parliament. The latter should be transformed into *Sojm* from the present *Palata* (Chamber).

The scenario also foresees the introduction of local self-government, a reform of the elected legislature, changes in the judicial system (justices of peace replacing people's representatives), and the abolition of investigatory divisions of the Ministry of Interior, the KGB, the office of public prosecutor, and the department of financial investigations. A private law practice sector is recommended. KGB should be renamed National Security Service and the militia rolled into existing police departments.

The reforms in the realm of economy include: privatization, ensuring the practice of free enterprise, transition to market pricing, making possible the development of small and medium size businesses, tax reform, and the restructuring of industry including allowing investment and ownership of heavy industry by foreign companies.

In the social sphere: transition to a social insurance system by developing pension funds and medical insurance. For instance, hospitals should be transformed into joint-stock companies, controlled by workers' collectives. Polyclinics will be made to operate on a payment basis. A system of family-based medical assistance will be introduced and people will be able to choose their own doctors.

Valer Bulhakau remarked that the scenario is designed with a long-term perspective. Ales Ancipienka warned: the later the reforms are introduced, the more expensive they will be.

The book also represents an attempt to summarize nation-building and reformist thinking, that has been developed since the beginning of 1990s. It analyzes platforms of political parties and election programs of presidential candidates. The process of compiling the book lasted one year, with participation of politologists Uladzimier Mackievic and Vital Silicki, former Constitutional Court judge Michail Pastuchou, economists Uladzimier Kalupajeu, Michas Zaleski, and many others.

Source: Nasa Niva, November 6, 2003.

Belarusian President Turns on Former Ally

MINSK, Belarus -- International Students Day was not a good one for the head of the country's biggest university.

By Alex Kudrycki

On 17 November, Alyaksandr Kazulin was sacked from his post as rector of Belarusian State University (BSU)--for the second time in his career.

During his two terms as rector, Kazulin established a number of profitable enterprises linked to the university. On 13 November, however, the two top managers of Unidragmet BSU were arrested, providing the ostensible reason for Kazulin's ouster.

Unidragmet enjoys the Belarusian monopoly on extracting precious metals from metal waste. Established in 1999, the company is the largest under the BSU umbrella, employing 150 BSU scientists. It is the major supplier of gold bullion to the nation's gold reserves. Last year the firm produced more than \$4.25 million worth of gold.

Prosecutors allege that Unidragmet general director Georgi Korzun and his deputy Vyachaslau Sannikau contracted with an unnamed German company to extract gold from a shipment of waste metal and return it to Belarus in the form of finished bars. However, they said, the Germans withheld 35 kilograms of extracted gold worth about \$300,000, sold it and divided the money with Korzun and Sannikau.

On 14 November, the state-owned media relayed information from the public prosecutor's office that Kazulin was being sought for questioning in connection with the case. The rector's whereabouts were not known, prosecutors said.

"We have questions Alexander Kazulin must answer," Salaudi Magamadov, senior justice advisor to the public prosecutor, told the BelTA news agency.

The next day journalists easily found Kazulin, who was out of Minsk on a short vacation. He called the information about his disappearance a planned action aimed at discrediting him.

Kazulin appeared to answer investigators' questions on the morning of 17 November — a date celebrated as International Students Day in many countries since the Nazis closed all Czech universities on 17 November 1939. He was then charged with abuse of authority and grand theft committed by an organized group, and released only after promising in writing not to leave Minsk. If found guilty, he faces 8 to 15 years in prison.

The same afternoon, Kazulin met with BSU students. Never known as an approachable rector, this time Kazulin was even blunter than usual. A group of students left the hall after the Russian-speaking Kazulin refused to answer those who put their questions in Belarusian. He also referred to a student (who asked why Belarusian university degrees are not acknowledged abroad) as "dumb."

Just before the meeting began, BelTA released the report that Kazulin had been replaced by former Education Minister Vasil Strazhau. Kazulin did not learn of his sacking until mid-meeting, when he was suddenly called away to Minister of Education Alyaksandr Radzkou's office.

CARRIED AWAY BY SUCCESS

On 18 November, Strazhau was introduced as rector to the university's academic council by Ural Latypau, the head of President Alyaksandr Lukashenka's office. According to Latypau, the president fired Kazulin (rather than accept the prosecutor's suggestion of a temporary suspension) so as not to leave BSU leaderless.

Latypau also explained that Lukashenka had become disappointed in Kazulin for his failure to "stay within the boundaries of a classical university and practice in-depth research." Instead, he said, Kazulin became "carried away in pursuing these organizational — let's use a nonscientific word — whims."

The "whims" presumably referred to the ex-rector's numerous business initiatives. Kazulin was first appointed rector in 1996. He proved to be a talented manager, who created 17 university-based enterprises that combined scientific research with high revenues. One of them. Unitechprom, which develops equipment used to produce food supplements and medicines, brought \$2 million in profits in 2002.

Kazulin came into the job proclaiming himself "a president's man." Those who are against Lukashenka don't belong at BSU, he said. For several years, BSU had the status of an independent ministry — and Kazulin enjoyed ministerial status.

By the presidential election of 2001, however, Kazulin had fallen out of favor with Lukashenka, former BSU prorector Anatol Paulau told RFE/RL. "The university has never voted the way Lukashenka wanted," he said.

In 2002, Kazulin was removed from his post and was set to go into what was regarded as diplomatic exile as Belarus's permanent representative to the UN. Even after Lukashenka unexpectedly restored him as rector, the university lost its former privileged status. BSU was placed under Education Ministry oversight like the other higher-education schools, and Kazulin lost his ministerial rank.

HOW TO TURN A UNIVERSITY AROUND

After the rector's sacking, BSU students who were questioned in the lobby of the main university building expressed differing views, although few were willing to give their full names.

Inna, a chemistry student, said, "Kazulin is an honest man who wanted the best for the university. At least he is not so stupid as to become a thief."

Computer programming student Yahor T. was more critical. "People who serve Lukashenka the way Kazulin did, naively believe that they will never get fired. He was not a democratic rector himself, so he shouldn't expect to be treated in a democratic way."

New rector Strazhau shares with his predecessor the experience of being sacked by Lukashenka: in 2001 he lost his job as Education Minister after seven years in office.

Strazhau then toured the United States and Germany to study their models of higher education. This puts him in

Winter 2003 BELARUSIAN REVIEW 15

strong contrast to Kazulin, who was known for his close ties to Russian universities, chiefly Moscow State University.

Strazhau addressed university reform along Western lines when he was introduced to the BSU academic council on 18 November.

He said the main challenge facing the university is to shift from the Soviet-type system, in which students were provided with education, to a Western-type model, where students educate themselves. The new rector declared his determination to gradually increase the amount of teaching in the Belarusian language.

Strazhau also touched on the numerous enterprises that were created under BSU's umbrella during Kazulin's tenure.

"If an enterprise is part of the educational and scientific process, then it should exist," he said. "If it simply serves to make money, then this activity should be conducted outside the university." It remains to be seen if his words will be applied to the alchemical activities of Unidragmet.

Source: Transitions Online (www.tol.cz), 22 November 18 - 24, 2003.

This article was first published by Transitions Online (TOL) at www.tol.cz. TOL produces timely, original news and analysis, covering all 28 countries in the post-communist regions of Central and Eastern Europe, the Balkans, and the former SovietUnion.

NEW BOOKS

"Women of Belarus" Series Calendar-2004: Statuses and Classes

(Zhenshchiny Belarusi: statusy i classy) ISBN 985-6723-25-6

Editor: Elena Gapova

Design: Alla Pigalskaya, Minsk: European Humanities University. 2003

Language: Russian with English abstracts; 26 pgs.

The new calendar of the "Women of Belarus" series, as well as the previous three, measures our present by telling us a history of women in the Belarusian lands of the Russian Empire. This time this is their social history. How different "The Statuses and Classes" of women in the turn-of-the-century photos are: a "real" photo album could hardly bring together a Roma woman, a school teacher, a balerina, and a Jewish factory worker, i.e. people differentiated not only ethnically and socially, but by their occupations and ways of earning a living. Women have always worked (although they may not have worked the way they do now, out of the home of family business), and photos from Belarusian archives and museums are an excellent textimony to this.

The four issues of the series have already presented a part of our history, viewed differently than ever before.

You can have a look of the publication at

http://gender.ehu.by/ru/strip.php?id=525

Source: SIEC INFO

CHRONICLE

The source of items in the CHRONICLE section is the RFE/RL Newsline, unless otherwise indicated.

September 25, 2003

BELARUSIAN NGOS PROTEST CLOSURES BEFORE JUSTICE MINISTRY

Some 50 members of nongovernmental organizations (NGOs) gathered in front of the Justice Ministry in Minsk on 25 September for a 30-minute silent demonstration to protest authorities' ongoing crackdown on NGOs, RFE/RL's Belarusian Service and BelaPAN reported. Authorities have closed six NGOs in recent months and are seeking the liquidation of four others. Viktar Karneyenka, leader of the banned Homel-based Civic Initiatives group, told Belapan that his organization "has exhausted all national legal remedies to defend its rights" and will file a complaint with the UN Commission on Human Rights.

September 26, 2003

GAZPROM REPORTEDLY SEEKING TO NEARLY TRIPLE GAS PRICE TO BELARUS

Gazprom head Aleksei Miller told the director of Belarusian gas-pipeline operator Beltranshaz in Moscow on 25 September that Belarus should pay \$80 per 1,000 cubic meters of Russian gas in 2004, BelaPAN reported, quoting the Gazprom press service. Under this year's deal, Gazprom is supplying Belarus with 10.2 billion cubic meters of gas at a preferential price of \$30 for 1,000 cubic meters. The Belarusian and Russian presidents agreed earlier this month to adopt market prices in contracting purchases of Russian gas . In response to this suggested price hike, Minsk is expected to raise duties on the transit of Russian gas across Belarus.

September 26, 2003

BELARUSIAN AUTHORITIES EXPEL ANOTHER GERMAN

Belarusian authorities on 26 September expelled a German national upon his arrival in Minsk, Belapan reported. Stefan Kammerling was traveling to Belarus to lecture on the participation of young people in public life in Belarus and Germany at a seminar organized by the Mahilyou regional branch of the Lew Sapeha Foundation and the Young Socialists of the German state of North Rhine-Westphalia. Kammerling had a valid Belarusian visa, but was turned back by border-control officers at the National Airport in Minsk. Last month, Belarusian authorities deported Jan Busch, a member of the youth wing of Germany's Social Democrats, for what they called "interference in the internal affairs" of Belarus.

September 30, 2003

BELARUSIAN LEGISLATURE RELUCTANT TO DE-MOCRATIZE ELECTORAL CODE

The leadership of the Chamber of Representatives has failed to include a bill of amendments to the Electoral Code in the agenda of the chamber's forthcoming session, Belapan reported on 30 September. The draft bill, proposed by lawmaker Valery Fralou, meets some requirements of the Organizaton for Security and Cooperation in Europe (OSCE) Parliamentary Assembly and the Parliamentary Assembly of the Council of Europe regarding the

democratization of the electoral process in Belarus. In particular, the document envisages abolishing early voting and changing the procedure for forming election commissions so that representatives of political parties and nongovernmental organizations would account for one-third of their members. It also grants more rights to observers and makes it possible to challenge all decisions by election commissions in court.

October 2, 2003

BELARUSIAN PRESIDENT WANTS NEW MEDIA LAW SOON

President Alyaksandr Lukashenka told his ministers on 2 October to finalize a new draft media law within the shortest possible time and submit it to the Chamber of Representatives for approval, Belarusian media reported. Lukashenka said the new media law should be "absolutely adjusted to the realities and the situation" in Belarus. "This law should guarantee the freedom of speech without turning it into the freedom of libel and of reporting in a biased fashion," Belarusian Television quoted him as saying. According to the network, the novelties of the planned law include, in particular, granting media status to Internet publications and introducing "penal sanctions" under "administrative responsibility"— in addition to official warnings and media closures - for media outlets that disseminate "unreliable information." Supreme Economic Court Chairman Viktar Kamyankov proposed a provision stipulating penalties for the defamation of judges, in addition to those for the defamation of the president and other top-ranking officials. Lukashenka reportedly supports Kamyankov's idea.

October 3, 2003

MINSK WANTS UP TO \$5.3 BILLION FOR ABANDON-ING NATIONAL CURRENCY

Belarusian National Bank Chairman Pyotr Prakapovich said on 3 October that Belarus will need from 120 billion-160 billion Russian rubles (\$3.9 billion-\$5.3 billion) to replace its national currency in 2005 with the Russian ruble, BelaPAN reported. Prakapovich added that the amount is equivalent to 20 percent of Belarus's estimated GDP in 2005. "If we make the decision to adopt the Russian ruble in Belarus...the Russian ruble should ensure Belarus' economic development," he said. Prakapovich pointed out that Russia should print the money required by Belarus rather than budget additional expenditures. "It is surprising that it takes the Russian side so long to resolve the compensation and other issues, because it costs Russia nothing," he said, stressing that he will not sign an agreement on the currency union until Russia pledges to supply enough money.

October 8, 2003

GAZPROM REPORTEDLY EXPECTS 'MEANINGFUL PROPOSALS' FROM MINSK

Russia's Gazprom will send a delegation to Minsk for the second round of talks on next year's gas price for Belarus only after the Belarusian government comes out with "meaningful proposals," BelaPAN reported on 8 October, quoting an unidentified source with the Russian company. "We have set the price for Belarusian consumers at \$80 for 1,000 cubic meters [of gas], the base rate for the former USSR countries," the Gazprom source said, adding that in such a situation Gazprom expects Belarus to charge \$1.75 for the transit of 1,000 cubic meters of Russian gas across 100 kilometers of Belarusian territory. "If the Belarusian side agrees to lower this rate, we, for our part, will be able to consider reducing the gas price," the source noted. The previous

day, Belarusian Deputy Energy Minister Alyaksandr Sivak said the Belarusian government has proposed resuming talks next week with *Gazprom* on the creation of a joint-stock company based on *Beltranshaz*, the operator of Belarusian oil pipelines.

October 16, 2003

BANNED BELARUSIAN-LANGUAGE SCHOOL IN MINSK CONTINUES TO OPERATE

Students and teachers of the Yakub Kolas National Humanities Lyceum in Minsk, which was closed by authorities in June, are continuing their classes "in secret" by meeting at private locations in the Belarusian capital, RFE/RL's Belarusian Service reported on 15 September. "We are studying like we did before, when we were in the lyceum [building]," a student told RFE/RL. "Of course, there are problems with finding a location [for classes]. But we have our former teachers and curriculums." The National Humanities Lyceum was a Western-style educational institution, and the only preparatory school in Belarus that provided instruction in all subjects in the Belarusian language. Its students and teachers have been meeting outside or on various premises since September following an official ban from holding classes in public venues, RFE/RL reported.

October 17, 2003

BELARUSIAN EDITOR SALUTED BY CZECH EX-PRESIDENT

Former Czech dissident and ex-President Vaclav Havel has granted the cash portion of a public-service award he received in Prague on 17 October to the editor of the independent weekly Nasha Niva, RFE/RL reported. The Prague Society for International Cooperation presented this year's Hanno R. Ellenbogen Citizenship Award to the recently retired Havel. The award is given each year to an individual who has dedicated his or her life to public service with the stipulation that the financial portion of the award — 150,000 Czech crowns (\$5,500) — be passed to a gifted young person. Havel awarded the money to 29-year-old Andrey Dynko, editor in chief of Nasha Niva. "I pass this award to Mr. Dynko because we, who have benefited so much from international solidarity, must show solidarity ourselves," Havel said at the 17 October ceremony. "Nasha Niva" in Belarus is a symbol of independence on one hand and an island of freedom on the other," Havel added. Dynko told "RFE/RL Newsline" that he was totally surprised by Havel's move and added that he will use the money to improve the weekly's financial standing.

Editor's Note: The presentation of the award was attended by the former president of the South African Republic, F.W. de Klerk, who serves as the honorary chairman of the Prague Society, and former U.S. Secretary of State, Madeleine Albright, who delivered a laudatio address.

October 22, 2003

U.S. AMBASSADOR PRESENTS CREDENTIALS IN MINSK

U.S. Ambassador to Belarus George Krol, who arrived in Belarus on 3 September, presented his credentials to President Alyaksandr Lukashenka on 22 October, Belarusian Television reported. "(Belarus] is a country of talented and hardworking people, which is known for its religious and ethnic tolerance [and its] love for beauty and orderliness.... My government is steadily following its consistent policy of respect for and support to the sovereignty and independence of the Republic of Belarus," Krol said in Belarusian. Lukashenka responded in Russian: "Our country will always be an [independent] state. No matter what unions

Winter 2003 BELARUSIAN REVIEW 17

we will enter,... the sovereignty and independence of out state will be [preserved]." The same day, Lukashenka also accepted credentials from Petro Shapoval, a new Ukrainian ambassador to Belarus.

October 23, 2002

NEW BELARUSIAN TV CHANNEL REPLACES RUSSIAN PREDECESSOR

Broadcasts of Lad, a national family-television channel that recently replaced Russia's Kultura channel in Belarus, cover 75 percent of Belarusian territory, BelaPAN reported on 23 October, quoting the new station's general producer, Alyaksandr Semyarnyou. "It is absurd that a nation of 10 million should have only one national channel," Semyarnyou said of the government decision to replace Kultura with Lad, adding that the former Russian broadcaster's audience never exceeded 3 percent of the population. Lad reportedly will offer programming on the arts, history, and national heritage, cartoons and entertainment shows for children, sports, and regional news. "There is a pronounced tendency toward increasing the share of the Belarusian language [in Lad's programs]," Semyarnyou said.

October 28, 2003

BELARUSIAN COURT CLOSES HUMAN RIGHTS CENTER

A Belarusian Supreme Court judge ordered the liquidation of the *Viasna* human rights center on 28 October, BelaPAN reported. The Justice Ministry sought to have the organization outlawed over alleged irregularities. In particular, the ministry accused *Viasna* of producing false documents while applying for registration in 1999, violating electoral regulations during the 2001 presidential election, and representing nonmembers in court.



Ales Bialacki Director of NGO VIASNA

The judge dismissed all the charges except the violation of electoral regulations during the presidential race, but determined that was sufficient reason for banning the organization. Viasna leader Ales Białacki, lawyers Uladzimir Labkovich and Valyantsin Stefanovich, and five other members of the organization protested the ruling by staging a sit-in in the courtroom. "We believe this is a politically motivated decision," Białacki said. All eight were arrested after they refused to leave the building, and they were expected to stand trial on 29 October on charges that they disobeyed the police.

November 4, 2003

MINSK SIGNALS INTENTION TO MEND FENCES WITH WASHINGTON

Belarus is interested in restoring full-scale cooperation with the United States, provided the U.S. leadership "recognizes Belarus' right to conduct independent domestic and foreign policies," BelaPAN reported on 4 November, quoting Belarusian Deputy Foreign Minister Alyaksandr Herasimenka. "We are ready to take steps in response," Herasimenka added. Last week, Belarusian Ambassador to the United States Mikhail Khvastou told a briefing at RFE/RL headquarters in Washington that Minsk would like to see a "normalization" of Belarusian-U.S. relations. Khvastou suggested that the present U.S. policy of "selective engagement [with Belarus] should be replaced with constructive engagement."

November 5, 2003

BELARUSIAN OPPOSITION SEEKS PUBLIC DEBATE WITH PRESIDENT

The leaders of five opposition parties — the United Civic Party, the Belarusian Popular Front, the Belarusian Party of Labor, the Belarusian Social Democratic Assembly, and the Belarusian Party of Communists - have issued a statement calling on President Alyaksandr Lukashenka to hold public debates on topical economic and political issues in the country, BelaPAN reported on 5 November. "Do not be afraid of alternative views and positions. Trust our citizens. Let them choose between truth and lies, between those who engage in empty talk and those who can create," the statement says. The statement follows a television program on 31 October in which Lukashenka and Russian politician Anatolii Chubais answered questions about Belarusian-Russian integration. The Belarusian president's staff altered a proposed list of participants so that just a single Belarusian opposition representative took part in the show, the opposition statement alleges.

November 7, 2003 BELARUSIAN PRESIDENT SUGGESTS HE WILL SEEK ANOTHER TERM

President Alyaksandr Lukashenka said on 7 November that he might run in the next presidential election in 2006 "against five to six candidates." Belarusian Television reported. "If the situation is normal, if I see that the Belarusian people still tolerate Lukashenka, then, without changing appropriate norms in the constitution, I will come to you and say: [Are you still] tolerating me, and do you mind my running in the election?" Lukashenka said, adding that he is not considering extending his current term in office, which is his last, according to the current constitution.

Meanwhile, on 9 November, police in Homel briefly detained two activists of the opposition United Civic Party after they organized a street poll on a possible third term for Lukashenka. BelaPAN reported. Some 90 percent of the 2,172 respondents in that survey purportedly said they are opposed to Lukashenka or any other person remaining in the president's post for more than two terms, the agency added. The activists will be tried in court for staging an unauthorized demonstration.

November 12, 2003 BELARUSIAN MINISTRY DENIES REGISTRATION TO NGO UMBRELLA GROUP

The Justice Ministry has turned down a request for registration by the Assembly of Nongovernmental Organizations (NGO),

18

BELARUSIAN REVIEW

BelaPAN reported on 12 November. The assembly, which is the country's largest NGO umbrella organization, applied for registration in April 2002. Although the law limits the period for consideration of such applications to one month, the ministry communicated its decision only in a document dated 17 October 2003. "None of us is surprised at the justice ministry's decision," NGO activist Ales Bialacki told BelaPAN. "When courts close the most respected and powerful organizations,... it would be illogical to expect the Justice Ministry to legalize the largest association of NGOs."

November 12, 2003

BELARUSIAN PICKETERS HEAVILY FINED OVER POLL ON PRESIDENT

A court in Homel fined Ales Karniyenka and Vasil Palyakou 1.65 million Belarusian rubles (\$775) each for conducting an unauthorized poll on a possible third term for President Alyaksandr Lukashenka during an authorized picket, RFE/RL's Belarusian Service reported on 12 November. Karniyenka and Palyakou told the court that when they applied for permission to hold the picket, they notified authorities that they planned to conduct a poll. They also argued unsuccessfully that the law on public gatherings does not ban polls at pickets. "The law [on public gatherings] does not forbid conducting polls," Karniyenka said after the verdict was announced. "But I'm told that I violated something. On the same grounds, police may say tomorrow, 'Why are people at your picket wearing red coats? We haven't allowed you to gather people in red coats!"

November 13, 2003

BELARUSIAN OPPOSITION VIES FOR ELECTION COA-LITION

The opposition alliance formed by the United Civic Party, the Belarusian Popular Front, the Belarusian Party of Labor, the Belarusian Social Democratic Assembly, and the Belarusian Party of Communists will hold a parliamentary election campaign in 2004 under the name of the *Popular Coalition Five Plus*, BelaPAN reported on 13 November, quoting United Civic Party leader Anatol Labedzka. Labedzka said the *Popular Coalition Five Plus* is seeking to enlist cooperation from pro-democracy individuals and non-governmental organizations in the election campaign. Meanwhile, the opposition Social Democratic Party (Popular Assembly) led by Mikalay Statkevich has called on pro-democracy activists and organizations to join the recently created opposition coalition Free Belarus in order to lead a coordinated election campaign in 2004 (see Nov. 1 entry in the CHRONICLE section of this issue of BR)

November 13, 2003

IN NIXING TEXTILE QUOTA REQUEST, BRUSSELS DECRIES BELARUSIAN RIGHTS RECORD

Belarusian Foreign Ministry spokesman Andrey Savinykh said on 13 November that a recent refusal by the European Commission to increase the textile import quota for Belarus runs counter to principles of the European Union and the World Trade Organization, BelaPAN reported. Savinykh said the European Commission initially expressed its consent to increase this quota but later backed down, accusing the Belarusian government of violations of trade union rights and demanding it improve the situation. Arancha Gonzales, spokeswoman of EU Trade Commissioner Pascal Lamy, told RFE/RL's Belarusian Service that in making that decision, Brussels also took into account Minsk's poor human rights record and suppression of the freedom of speech

Novamber 16, 2003

LEADERS of EUROPEAN COALITION "FREE BELA-RUS" in GERMANY

The leaders of the European Coalition "Free Belarus" – the chairman of the Belarusian Social Democratic party Narodnaja Hramada Mikalaj Statkevich and the international coordinator of the civil initiative Charter '97 Andrej Sannikau visited the Federative Republic of Germany on November 16-19. They were invited by the ruling Social Democratic party of Germany. They met with Gerhard Schroeder, the Federal Chancellor of Germany. Gerhard Schroeder expressed his interest in the situation in Belarus and the recently created European Coalition "Free Belarus". Mikalaj Statkevich and Andrej Sannikau met also with representatives of the European Union and with the EU High Commissioner on Expanding Guenter Verheugen. Mr. Verheugen spoke in his speech about expanded Europe, including Belarus, Ukraine and Moldova.

Sannikau and Statkevich held meetings with the representatives of the parties from Sweden, Switzerland, Serbia, Croatia, Slovakia, Ukraine, Romania, Russia, Albania, Czech Republic and Poland. There were several meetings with the EU MPs. Bundestag deputies, and the government of the Socialist International. The situation in Belarus was also thoroughly discussed during the meeting with the head of the working group on Belarus of the PA ESCO, Uta Zapf. Ms. Zapf was worried by the amendments to the law on political parties, which prohibit coalitions of parties from participating in elections. (Charter '97 Press Center, November 20, 2003)



From left to right: Andrej Sannikau, chancellor Schröder, Mikalaj Statkievic

November 17, 2003 BELARUSIAN RECTOR SACKED, QUESTIONED ABOUT GOLD THEFT

President Alyaksandr Lukashenka has dismissed Alyaksandr Kazulin as rector of Belarusian State University and appointed former Education Minister Vasil Strazhau to replace him, BelaPAN reported on 17 November, quoting the presidential press service. The same day, investigators questioned Kazulin in connection with a case involving the suspected theft of 35 kilograms of gold by two executives of Unidrahmet BDU, a research and production company affiliated with the university. Kazulin signed a pledge not to leave Belarus. "It is absolutely evident that I am not guilty of anything. Being a law-abiding citizen, I have always tried and advised others to respect our country's laws," Kazulin told journalists.

November 19, 2003

UN LABOR BODY TO PROBE ALLEGED LABOR ABUSES IN BELARUS

The UN's International Labor Organization (ILO) on 19 November set up a "commission of inquiry," one of its strongest procedures, into allegations of serious workers' rights abuses in Belarus, Reuters reported. The move follows complaints from Belarus' independent trade-union leaders at the ILO's annual conference in Geneva in July that the administration of Belarusian President Alyaksandr Lukashenka was guilty of interfering in the trade unions' internal affairs, adopting anti-union legislation and executive decrees, harassing and threatening union activists, freezing unions' bank accounts, and forcing workers to withdraw their union membership. The ILO can condemn violations of labor rights in a member country, but it has no means of enforcing its decisions. However, Leroy Trotman, chairman of the ILO's Workers' Group, told Reuters that the ILO will seek to convince the EU to launch an inquiry into events in Belarus, with the aim of getting EU trade privileges withdrawn.

November 21, 2003

BELARUSIAN PRESIDENT ORDERS 10 PERCENT ECONOMIC GROWTH

President Alyaksandr Lukashenka instructed his government on 21 November to ensure annual economic growth of 10 percent in 2004 and 2005, Belapan reported. "Some might find this excessive, but I'll say that the officials who fail to ensure the achievement of the targets set at the Second All-Belarusian Popular Congress will have to resign," he said. That Soviet-style congress, held in May 2001, approved a government-drafted program for Belarus's socioeconomic development in 2001-05 that served as the economic plank of Lukashenka's re-election platform later that year. The program provided for a 40 percent increase in the country's GDP between 2000 and 2005, and a 25 percent increase in GDP compared with 1990. Lukashenka pledged that the average monthly pay in 2005 will total \$250.

November 22, 2003

NEW PARTY EMERGES IN BELARUS

A new political party initiated by Chamber of Representatives member Uladzimir Navasiad and called the Party of Freedom and Progress (PSP) held its founding convention in Minsk on 22 November, BelaPAN reported. Ninety-nine delegates to the convention unanimously elected Navasiad PSP chairman. The PSP charter defines the organization as a liberal political party intended to promote democratic and liberal values, push for democratic and liberal reforms, develop civil society and local self-government, and further the establishment of the rule of law. Navasiad said it is too early to say whether the party will be in opposition or will seek to establish constructive cooperation with the government.

December 1, 2003

MISSING BELARUSIAN JOURNALIST DECLARED DEAD

Dzmitry Zavadski, a Belarusian cameraman working for Russia's ORT television network who went missing in July 2000, has been officially declared dead by a district court in Minsk as a result of proceedings initiated by his wife, Sviatlana Zavadskaja, involving property rights, BelaPAN reported on 1 December. Two kidnappers of Zavadski — Valery Ihnatovich and Maksim Malik, former members of the Belarusian Interior Ministry's elite po-

lice unite — were sentenced to life in prison in 2002. The official probe into Zavadski's disappearance was suspended in January, but his body has never been found. "I will continue attempts at establishing the truth," Zavadskaja told the agency. In particular, following Russia's 7 December State Duma elections, she intends to petition the Russian legislature to initiate an investigation in that country into the disappearance. The kidnappers were said to have traveled to Russia on the day of the abduction.

December 9, 2003

NEW HUMAN RIGHTS ORGANIZATION EMERGES IN BELARUS

A convention of some 30 prominent opposition politicians, lawyers, and human rights activists set up the Human Rights Alliance of Belarus in Minsk on 9 December, BelaPAN reported. The founders include Valyantsin Holubeu, Mikalaj Markevich. Alyaksej Marachkin, Pavel Mazhejka, Yuliya Chyhir, Ales Shaternik, and Vasil Shlyndzikau. Former lawmaker Lyudmila Hraznova was elected the organization's leader. Alyaksey Khadyka, Henadz Barbarych, Henadz Kesner, Syarhej Tsurko. Nina Yermalitskaya, and Alyaksandr Silich were named board members, while Andrey Klimau, Uladzimir Kudzinau, Vasil Staravoytau, former Belarusian Prime Minister Mikhail Chyhir. former Estonian Prime Minister Mart Laar, and Irina Khakamada. a leader of Russia's recently trounced Union of Rightist Forces. were elected to its supervisory council. Hraznova said the organization will seek registration in Lithuania, adding that registration would be all but impossible in Belarus. She expressed hope that the new group will manage to "sow new seeds of freedom in Belarusian society." Hraznova added that the alliance was founded in response to the government's purported effort to rid Belarus of independent human rights organizations.

December 10, 2003

BELARUSIAN OPPOSITION RALLIES IN MINSK ON HUMAN RIGHTS DAY

Some 300 people from Belarusian opposition parties and human rights organizations participated in a demonstration under the slogan "We Remember" in downtown Minsk on 10 December, holding pictures of some of Belarus' disappeared persons, BelaPAN and RFE/RL's Belarusian Service reported. The pictures included those of politicians Viktar Hanchar and Yury Zakharanka, businessman Anatol Krasouski, and journalist Dzmitry Zavadski. Police arrested Charter-97 activist Natalya Kalyada, who was handing out images of disappeared politicians to passersby.

December 15, 2003

EXILED OPPOSITION LEADER CALLS FOR KEEPING BELARUS INDEPENDENT FROM EAST, WEST

The opposition Conservative Christian Party re-elected Zianon Pazniak as its leader at a congress in Minsk on 14 December. 2003. Pazniak left Belarus in 1996 fearing for his life and has been living abroad since then. In his address read at the congress. Pazniak called on his party colleagues to "prevent the loss of the country's independence, preserve the Belarusian language, culture, heritage, and property at any cost by overthrowing the illegitimate pro-Moscow government." Paznyak warned Belarusians against following either an Eastern or Western model of development. "We don't need to turn left or right, east or, thoughtlessly, west," he said. "We are Europe, Eastern Europe. The present-day liberal Western Europe has nothing good to offer us. We are strangers there just like we are strangers in Russia."

20

BELARUSIAN REVIEW

ECONOMY

The Exchange Rate Policy for Belarus

By Siarhiej Kryceuski

What model of exchange rate policy (ERP) is the most acceptable for Belarus? The answer to this question has remained a hot discussion in recent years.

Surprisingly, only one option of ERP reform has been discussed: to adopt the currency of another country. However, this scenario is considered as the most radical one, and for that reason it has been most rarely implemented by countries over the course of the 20th century. This option brings a threat of ultimate financial dependency.

In order to find out the most suitable ERP for Belarus, it is important to analyze all options, as well as to study successful experience of the countries, which went through similar problems.

Baltic states are the most successful republics of the former Soviet Union in regard of adoption a stable currency, inflation decrease and attraction of foreign investments. All three states (Lithuania, Latvia and Estonia) have been effectively implementing same ERP model - Currency Board policy.

This policy can be the most important part of alternative program for successful modernization of Belarusian economy.

Belarus is looking for an optimal ERP model. That model should provide the country with a stable currency and be an effective tool to challenge high inflation. That model must be an important part of the program aimed at large scale economic reforms.

It is curious that only one of them limits the discussion about various possible ERP models: adoption the currency of another country i.e. Russia. This approach is curious for the following reasons:

- (i) This is the most radical and potentially the most dangerous option for economic independency of Belarus has been discussed.
- (ii) Russian ruble has been selected in the capacity of an "anchor" currency. That currency is far from being the most stable even on the former Soviet Union territory.
- (iii) For some reason they successful experience of neighboring countries, which managed to overcome problems similar to current Belarusian ones, and introduced the most stable national currencies in the region, has been ignored.

Meanwhile there is a wide choice of exchange-rate policies is available to choose from ranging from completely fixed to freely floating, with number of options in between. Which policy a country chooses must depend on its circumstances at the time; on what exchange – rate arrangements other countries are using, and on the long-run goals of economic policy.

In case of inflation to be the most acute problem for a country's economy, (the inflation level in Belarus is the highest in Europe and the Index of Soft Budget Constraints is the lowest ("softest") among CIS countries) and when a state is in need of a stable currency to implement social and economic reforms the following ERP models are used:

- Currency Board,
- (ii) Currency Union,
- (iii) The adoption of the currency of another country.

A Currency Board is a form of hard peg that requires each unit of country's currency to be backed by an equal amount of reserve currency. Linking a weak currency to a stronger currency can be a useful anti-inflation device to gain monetary credibility.

The two major disadvantages of Currency Board systems are:

Firstly, that credit for entrepreneurs to invest is not elastic to needs of trade (because it depends on the availability of a reserve currency).

Secondary, if the reserve currency appreciates in value, so too does the currency that linked to it. This can cause problems of competitiveness with other trading partners, and damage exports.

Another form of hard peg is a Currency Union where countries decide to adopt a common currency, so that by definition exchange rates between member countries of the Union disappear. Countries may decide to enter a Currency Union if they feel that multiple currencies, exchange rate volatility, and uncertainty are seriously damaging trade, and the costs. The conditions for an optimal currency area in which the benefits to the members exceed the costs are that (i) economic cycles should be synchronized and economic shocks symmetrical so that a single monetary policy is suitable for all members, (ii) labour and capital are freely mobile, (iii) fiscal transfer mechanisms exist to help disadvantaged regions, (vi) multiple currencies are seriously damaging trade.

It is never easy to know whether the benefits will exceed the costs, and decisions are often taken on political as well as economic grounds.

The francophone countries of West Africa are part of a currency union that uses the French Franc as the common currency, and the largest Currency Union in the world was formed by twelve countries of the European Union, using Euro as its common currency.

Another form of hard peg is to simply adopt the currency of another country. As far as monetary and exchange rate policy is concerned, the country becomes an adjunct to the country issuing the currency. This is a last resort for countries unable to manage their own affairs. In recent years, Ecuador and El Salvador have dollarised.

The analysis of the aforementioned types of ERP shows that Currency Board policy is the most acceptable option for Belarus in its current economic situation. The following arguments to support that option are:

- (i) So far, Belarus and Russia did not create an optional currency area. It is universally recognized that both countries still do not have common markets for goods, labour and capital. There are no influential social institutions, which are able to guarantee stable economic relations between either of the states. That is why the Currency Union with Russia does not seem to be the best option for Belarus at this stage of the country economic development.
- (ii) Russian economic and political systems are still very volatile and vulnerable. That is why adoption of the Russian currency cannot guarantee a stable financial development of Belarus in a long-term outlook. Ironically, even Russian companies prefer US dollars to Russian rubles in dealing with Belarus contracts.
- (iii) Currency Board policy was successfully implemented in 1990's in Lithuania, Latvia and Estonia. It was those three states, which, while being in similar economic conditions compared to today's Belarus, were able to introduce the most stable currencies in the region and reach the lowest inflation. They were able to attract substantial foreign investments and implement the most consistent reforms.

International experience in utilization Currency Board policy shows that it was introduced in times of a serious crisis when other, more merciful techniques of currency policy, did not work out. Countries, which implemented that policy in the 20th century, can be divided into two groups:

- (i) Countries, which introduced that policy in a legislative level: Hong-Kong, Argentina, Estonia, Lithuania, Bulgaria.
- (ii) Countries which used the main principles of that policy: Taiwan, Latvia, Singapore

Successful implementation of Currency Board policy in Belarus will require the state to make tougher the entire financial and economic policy. That policy excludes possibility of large accumulation of internal state debt, as well as large-scale support of commercial banks. It is necessary to determine a stable reserve currency. Will it be a Euro, US dollar or Russian Ruble anyway?

Perhaps, it is better to start implementation of that policy with a rather "mild" Latvian variant followed by shift towards more "strict" Estonian variant.

Implementation of Currency Board policy can be a key factor of the program of large-scale economic reforms, which is a real alternative to today's unilateral strategy under discussion.

Siarhei Krycheuski has a PhD in Economics from the Belarus State Economic University, and an MBA in International Business from Pace University. Formerly an economist with the World Bank, he is currently a visiting lecturer at the Export Trade and Training Institute in Toronto.

EU Aid Misuse Fears

This article originally appeared in Belarus Reporting Service, produced by the Institute for War and Peace Reporting, http://www.iwpr.net/on September 3, 2003.

By Irina Levshina in Minsk

Authorities likely to adopt cynical approach to Brussels' planned education and culture programme.

There's growing concern that a substantial European Union assistance project could be misused by the Belarusian authori-

Analysts fear that funds allocated for a project intended to promote culture and education in Belarus may be misappropriated by officials and that the government might seek to present the initiative as a sign that Brussels approves of its policies.

The European Commission - the supreme executive body of the EU - is currently examining the project, proposed by MEP Elizabeth Shroedter, who is the deputy chair of a group responsible for Belarus. A final decision is expected shortly.

The multi-billion euro programme includes educational, exchange and cultural schemes aimed at students, teachers and representatives of non-governmental organisations. The objective is to foster pro-European feeling in Belarusian society, especially amongst the country's youth.

"The exchange programme is a very important part of European cooperation. The European parliament is interested in Belarusian youth being freed from the isolation in which it has been artificially put into," said Shroedter.

Shroedter's initiative - which comes at the same time as the EU's new 10-year strategy for relations with countries on the margins of the union - will require Belarus to adhere to a range of fundamental democratic principles.

"Before the new [culture and education] programmes are realised, the Belarusian government must fulfil a series of conditions, such as creating transparent budget and supervisory procedures. Parliament must receive the right to control budget expenditure," said Schroedter in a recent interview with the Belarusian media.

Before Brussels grants Minsk funds for the planned projects, it is likely to want the government to pledge that the assistance will not be exploited for political purposes or mismanaged.

Analysts suspect that the Belarusian authorities will agree to such demands in theory but not in practice.

"The Belarusian authorities may portray the new strategy of the European Union and the programmes directed towards democratisation of society as confirmation that Europe approves of its political policies," said the director of the Independent Institute of Socio-Economic and Political Research, Oleg Manaev.

The authorities' failure to comply with EU assistance conditions was in evidence in the Nineties. Most of Brussels' TACIS programme for Belarus was closed down in 1997 after Minsk repeatedly failed to comply with union requirements.

24

"The European Union already has experience of working with Belarus," said Igor Lyalkov, an historian and expert on non-governmental organisations. "The TACIS programme [was] frozen because the Belarusian side could not fulfil the requirements on democratisation made by the FU."

Analysts are also concerned that the government will use the EU's planned education and culture funds for other purposes.

"The European programmes involve a great deal of money," said Lyalkov. "It is EU practice to ensure this money is implemented through official structures. Through this procedure the state gets an excellent channel to receive money. But we know full well [from past experience] what the state will use the money for."

Lyalkov was referring to frequent allegations that such projects invariably fall victim to nepotism and other forms of corruption.

The Belarusian authorities have given a cautious approval of the planned scheme, clearly wary of the strings that Brussels has attached to the initiative. "The proposals which are being developed by the EU are cause for analysis and doubt from our side," said the speaker of the lower house of parliament Vadim Popov.

The government wariness reflects its rather strained relations with the West.

Last week, the Belarus interior ministry rejected a visa application from the OSCE's media representative, Freimut Duve. He had planned to meet representatives of privately owned newspapers and public organisations.

"It is well know that our organisation is disliked in Minsk," said Duve in an interview with the Belarusian news agency BelaPAN. "I have also never hidden my disappointment about the development of the situation in Belarus."

In early August, German citizen Jan Busch, a member of Germany's ruling Social Democratic party, was deported. He had led a youth project in Belarus financed by the EU. The charges against him included attempting to destabilise Belarusian society.

Brussels' education and culture initiative is all about trying to draw Belarus into the European family. But Minsk, which is comfortable with its isolationism, is little interested in this, although it is quite happy to receive technical and financial assistance so long as it doesn't have to comply with too many conditions.

"Integration programmes that bring the country closer to the European community are not profitable to the current government of Belarus," said political scientist Vladimir Podgol.

"It only welcomes projects which increase control and raise additional barriers with EU countries. The authorities are proud to fence themselves off from a united Europe."

Irina Levshina is a journalist for the information agency BelaPAN.

Minsk Wants Compensation from Moscow for Abandoning National Currency

By Jan Maksymiuk

Last week in Moscow, Belarusian President Alyaksandr Lukashenka met with his Russian counterpart Vladimir Putin, and Belarusian acting Prime Minister Syarhey Sidorski talked with Russian Prime Minister Mikhail Kasyanov to overcome a stalemate in the Russian-Belarusian plans to introduce the Russian ruble in Belarus as the sole currency as of 1 January 2003 . Reports on the Lukashenka-Putin meeting on 30 September were scarce and without any details, while the Sidorski-Kasyanov talks on 1 October were widely covered and commented on in the Russian press. The general conclusion of Russian commentators was that these talks ended in a "scandal" and put a big question mark over the future of the Russia-Belarus currency union.

Sidorski reportedly told Kasyanov that Minsk will not sign any agreement on the currency merger if Moscow fails to compensate Belarus for the "costs" of the adoption of the Russian ruble. Sidorski estimated this compensation at \$2.1 billion: \$1 billion for the unification of Belarus' tax legislation with that of Russia (lowering Belarusian taxes), \$500 million-\$540 million for the losses connected with the fact that Russian exporters to Belarus pay value-added tax (VAT) into the Russian budget, \$190 million for increasing the capital of Belarusian banks, \$180 million for unemployment allowances in connection with an anticipated increase in unemployment in Belarus following the currency merger, and \$200 million in a zero-interest credit from the Russian government. Kasyanov reportedly agreed only to the compensation for the losses connected with the collection of VAT, but put the sum at \$100 million-\$120 million annually and said Russia will pay this compensation only starting from 2003."The Council of Ministers [of the Russia-Belarus Union] has not agreed the text of an accord on the introduction of the Russian ruble as the sole currency in Belarus as of 1 January 2005," Kasyanov told journalists after his talks with Sidorski. "If the accord on a single currency is not signed by the end of this year and not ratified within three months, we may forget about the date of its introduction — 1 January 2005," he said.

"The accord needs to be signed only in a package with agreements on the compensation to the Belarusian side," *Kommersant* quoted Sidorski as saying. This remark was met with an angry rebuke by Kasyanov: "I don't know what compensation we should pay for the introduction of our currency! The introduction of the Russian ruble in Belarus is an advantage to the Belarusian economy. We are not going to pay extra for this!"

And on 3 October Belarusian National Bank Chairman Pyotr Prakapovich said how much Belarus will need for replacing Belarusian rubles with Russian ones in 2005. According to Prakapovich, Moscow will have to transfer from 120 billion-160 billion Russian rubles (\$3.9 billion-\$5.3 billion). Prakapovich added that the amount is equivalent to

20 percent of Belarus's estimated GDP in 2005. "If we make the decision to adopt the Russian ruble in Belarus...the Russian ruble should ensure Belarus' economic development," he said

Prakapovich pointed out that Russia should print the money required by Belarus rather than budget additional expenditures. "It is surprising that it takes the Russian side so long to resolve the compensation and other issues, because it costs Russia nothing," he said, stressing that he will not sign an agreement on the currency union until Russia pledges to supply enough money. There has so far been no official Russian comments on Prakapovich's demand.

Source: RFE/RL Poland, Belarus, and Ukraine Report, October 7, 2003

Performance Anxiety: Lukashenka Demands 10 Percent Growth

By Vital Silitski

Belarus' economic performance is perhaps what Belarusian President Alyaksandr Lukashenka likes to boast of before domestic and foreign audiences most of all. According to the official version, eight consecutive years of economic growth since 1996 have allowed not only to make up for the downfall of the first years of independence, but also to boost output above the Soviet-era level and to double real incomes compared to those existing when Lukashenka was first elected president in 1994. Even though there are plenty of ways to questioning this rosy picture, it is undeniable that a stable economy and relatively acceptable living standards were keys to Lukashenka's political success

and his to ability to accumulate absolute authority to the applause of his electorate. Lukashenka's 'economic miracle,' however, began to fizzle out several years ago, and by 2001, the Belarusian economy grew at the slowest rate in the former Soviet Union. But his re-election was secured just before the disappointing figures began to arrive and, even more importantly, before

living standards took a drastic slump in the first few months of Lukashenka's second term.

An official economic forecast for 2004 prepared by the Economy Ministry was already too optimistic and raised questions about how some economic targets could be achieved even inside the regime-controlled legislature. The ministry increased the gross domestic product (GDP) forecast figures to 7.5 percent from 6.5 percent planned for the year in the General Guidelines for Socioeconomic Development - a five-year plan adopted by a Soviet-style All-Belarusian Popular Congress in 2001. Deputies belonging to the parliamentary group called Assistance to Economic Development (consisting of regime loyalists who nevertheless advocate some market reforms) warned that without a huge inflow of foreign investment such a growth can only be reached through printing money. And if this is ruled out, the government as well as companies will have no choice but to report false data, engaging in the Soviet-era practice of pripiski (reporting of false data).

But even these unrealistic figures presented by the Economy Ministry were not sufficient for Lukashenka. At a seminar for top state officials on 20 November he ordered a revision of the economic forecast for 2004-2005 and insisted that GDP growth figures should reach 10 percent annually in these two years. Moreover, Lukashenka ordered that real incomes be doubled by the end of 2005 compared with 2001. The reason for this revision was the government's failure to comply with the General Guidelines in the two previous years. "No one has the right to ignore the program approved by the people," Lukashenka declared to his government, referring to the fact that the General Guidelines adopted in 2001 were incorporated into his platform in the 2001 presidential election. He further warned that those officials who fail to deliver the required targets will be immediately sacked. Lukashenka's recipe for the forthcoming economic miracle was not convincing, though. He called for "hard work and mobilization of all available managerial resources" plus full involvement of the scientific potential of the country, avoiding discussion of any macro- or microeconomic specifics.

There is little doubt about what is behind Lukashenka's growth push. He will most certainly run for presidency for the third time in 2006 (even though he is currently barred from doing this by the constitution), and he needs to give some legitimacy to this plan in the eyes of the public. As the economic deterioration has considerably diminished his popularity since his re-election in 2001, it is no surprise that Lukashenka turns growth figures into an ideological issue.

In 1997-98, when Lukashenka's first 'economic miracle' occurred, Belarus witnessed a 8 percent-11 percent economic growth. But this was made possible by a combina-

Unsold goods represent

a loss of income to the

population

tion of factors that can hardly be reproduced today. The first factor was extremely cheap oil and gas that Belarus bought from Russia. Nowadays, prices for Russian oil and gas are steadily reaching world-market lev-

els, and there is no guarantee that yet another hike would not occur next year in another round of the "gas attack" by Russia.

The second factor was an abundance of bartering schemes through which Belarusian industries could find a market in Russia. However, today in Belarus barter is discouraged, as it was found out that cashless transactions represent a relatively easy way of tax evasion.

The third factor was Russia's consent to buy Belarusian goods at a price higher than what could be found in a free market. The fourth and final factor was printing money, which allowed to invigorate, at least temporarily, economic activity and keep loss-making companies alive. But printing money represents a political problem in itself if Lukashenka wants to win hearts and minds of his electorate to get his third term in office. Inflation (and low nominal wages) were easily tolerated by the population several years ago, when utility bills amounted to little more than \$1 per month and foodstuff prices were heavily subsidized.

26

BELARUSIAN REVIEW

Today, however, the same bill will need \$30-\$60 to be paid and food can cost even more than it does in neighboring countries.

By ordering that such ambitious economic targets be met, Lukashenka is ignoring the fact that his economy is very open to foreign trade and economic growth can be generated by increasing competitiveness of the country's exports. However, Belarus currently runs a huge trade deficit (nearly 10 percent of GDP), and given the growing gas bill, this number may even increase in 2004. Moreover, the current inflow of foreign direct investments is too low to boost the competitiveness of Belarusian industry and to activate its export sector in so short period of time.

Another fact Lukashenka ignores is that economic growth achieved in a command economy like that in Belarus does not necessarily bring forth an increase in living standards. Stocks of unsold goods represent a loss of — not an increase in — income for the population. So does the inflationary spending to activate the real sector, if the government decides to engage in it against the political risks. And if enterprises are forced to meet production plans by reducing investment and amortization payments, they may find themselves unable to maintain competitiveness even at very low wage rates within a very short period of time, and will have to run into even deeper wage cuts.

Hence, the government bureaucracy has a limited range of choices to fulfill Lukashenka's demands. None of them, however, is likely to please the president, since they are limited to wage cuts, inflation, or *pripiski*. And Lukashenka may need to think in advance who will be appointed a scapegoat for failure to deliver the people-approved plans, or for delivering them in the way that did more harm than good to the people.

This report was written by Vital Silitski, a Minsk-based freelance researcher.

Source: RFE/Rl Poland, Belarus and Ukraine Report, November 25, 2003

Belarus Must Get Rid of the Dictatorship

Ambassador Mark Palmer has recently published the book with the title "Breaking the Real Axis of Evil" and subtitled "How to oust the world's last dictators by 2025". It states that the safe world, the world without terrorism, war and humiliation of human dignity cannot be achieved when there are countries where dictators rule. Mark Palmer is quite familiar with the subject he writes about. In his school years he took part in the demonstrations against segregation in American schools. In the 70s as a young diplomat in Moscow he supported the dissidents. As the US Ambassador in Hungary he contributed a lot towards support of the democratic forces and revolutionary changes in the country. Today Ambassador Palmer continues to fight for human rights and democracy in the world. Being one of the leaders of "Freedom House", America's oldest human rights organization, he sets an example of independent thinking and individual freedom. The book sets a goal of "finishing the job" and ousting the world's last dictators. There is a detailed analysis of the goals, methods and means of non-violent resistance of democratic forces all over the world. In Ambassador Palmer's book serious attention is devoted to the situation in Belarus, the Europe's last dictatorship.

Andrej Sannikau, International Coordinator of Charter'97

Belarusian Weapons Exports: A Possible Source of Laundered Funds?

By Ethan S. Burger, Esq. Scholar-in-Residence School of International Service Adjunct Associate Professor Washington College of Law American University Washington, D.C.

Introduction

As noted by Transparency International, accurate accounting for the composition and volume of the world trade in weapons is a difficult task. This is due to a variety of reasons, including the secrecy surrounding the size of defense budgets, the large amount of money involved, the prevalence of middlemen in transactions, the difficulty in comparing the sale price of weapon systems (which must cover servicing and spare parts), and other factors.

While certain reporting is mandated under U.N. rules, such rules do not cover all military-related weapon sales and are not universally followed. Transparency International estimates that although weapons sales constitutes less than 1% of total world trade, U.S. Department of Commerce sources estimate that corruption plays a role in 50% of arms purchases. Commissions on arms sales (including kickbacks) are conservatively estimated at 10%.²

The Significance of Belarus' Role in the World Export Market

Increasing international attention has focused on Belarusí role as a major arms exporter. According to Belarusian Minister of Defense Leonid Maltsev, Belarus exports approximately \$200 million dollars of weapons annually.3 This figure almost certainly understates actual levels. A Congressional Research Service Report estimates that Belarus made arms deliveries of approximately \$1.7 billion between 1994-2001; this figure does not seem significantly out of line with the official Belarusian figures.4 Some observers are more skeptical, as the conventional arms data typically discussed relate to public agreements and not the shadow trade in weapons. Thus, actual levels are almost certainly higher than reported levels. For example, in 2001, Mark Lenzi wrote in the Wall Street Journal Europe, that Belarus sold over \$500 million to Palestinian groups and countries sheltering terrorists.5

Belarusian weapons exports are significant for a number of reasons. First, Belarus has almost certainly violated certain U.N. Security Council's arms embargoes by either selling used Soviet-era arms that had remained on its territory or weapons received from Russian weapons producers and then re-exported (e.g. to countries such as Iran Iraq, North Korea, Peru and Syria (sometimes for further shipment to Iraq)⁶) as well as Islamic extremist organizations in the Middle East). Second, Russian arms manufacturers, legitimate export enterprises and organized crime groups seem to use Belarus to transship military-related equipment

and services to countries to which the Russian government does not want to export directly for political reasons or is unable to prevent such exports by individual enterprises or organized crime groups. § Third, the revenues from the sale of Belarusian arms by state enterprises reportedly do not go into the national budget and thus are not officially published in their entirety.

Following the Money?

At the encouragement of the International Monetary Fund, has recently announced the creation of a Financial Monitoring Department within the State Control Committee to detect transactions constituting money laundering. According to the Belarusian authorities, the newly created Department is to function on the basis of Financial Action Task Force (FATF) Recommendations. It will be interesting to observe what human and material resources are devoted to this new body and the manner in which it functions. In

Some specialists have suggested that one source of laundered funds pass through a "Special Presidential Fund" controlled by Mr. Lukashenka. On June 21, 2001, then Belarusian Finance Minister Nikolai Korbut revealed the existence of this fund before the lower house of the Belarusian National Assembly in response to a question by Deputy Ivan Pashkevich. According to Mr. Pashkevich, Mr. Lukashenka at one point indicated that the fund contained approximately \$1 billion from arms sales. 12

Subsequently, at a news conference, Mr. Lukashenka denied the existence of an extra-budgetary fund financed from the sale of arms. He stated, "as for arms sales revenues, you should not worry about that as it is a closed topic in any country. Our arms sales are insignificant and the revenues goes to the reserve of our state to prop up the Belarusian currency, to the Governor of the Belarusian National Bank Pyotr Prakapovich." ¹³

Later speaking on national television, Mr. Lukashenka denied Belarus' involvement in the illegal arms trade, terming it "misinformation" fed to the western media by members of the Belarusian political opposition.\(^{14}\) Later, he acknowledged that weapons manufactured in Belarus were indeed present in Iraq, but he claimed that the Belarusian Government was not responsible for these exports.\(^{15}\) Mr. Lukashenka also has denied profiting personally from such arms sales as well as arms sales to Iraq. He termed the revenues from Belarusian arms sales as "insignificant.\(^{16}\) Similarly, Mr. Aleksandr Andron, the General Director of Belanshpramservis, a company that upgrades Soviet-produced military equipment, stated in an interview that Belarus has not illegally sold weapons to Iraq.\(^{17}\)

The Belarus Defense Industry

During Soviet times, Belarus' radio-electronic industry was primarily oriented towards military applications. Its industry represented 25% of Soviet production of machine building production. With the break-up of the Soviet military and the reduction in the size of the successor state's military establishments, the Belarus defense sector desperately needs to export to survive.¹⁸

Currently, under Belarusian domestic legislation, its weapons exports are required to be carried out through one

of four licensed weapons trade exporters: Belspetsvneshtekhnika,Beltekhexport, Belvneshpromservis and Belorusintorg. Certain other enterprises are permitted to sell products that they developed or control.¹⁹ It is likely that significant flows of weapons are transshipped through informal channels and the profits from arm sales end up in the hands of corrupt government officials and organized crime.²⁰

Conclusion

The political legitimacy of Aleksandr Lukaskenka is subject to challenge. Since the revenues from weapon sales belong to the Belarusian government, they likely constitute the theft of state property under Belarusian law. It might be useful to conduct research into the scale and modalities of Belarusian weapons exports (in particular, revenue flows from such exports), the role of organized crime in the process, and the implications for U.S. national security and antimoney laundering policy.

It is indeed possible that individuals within the Belarusian Central Bank are aware of how this revenue flows. A detailed examination by the financial intelligence units of the major members of the Egmont Group might provide some answers whether Belarusian officials, particularly those who have traveled abroad, ²² are laundering funds from weapons exports and other sources.

FOOTNOTES:

1). Catherine Courtney. "Corruption in the Official Arms Trade." Transparency International (UK) Policy Research Paper 001 (April 2002), at 8, available at http://www.transparency.org/working_papers/arms_trade/courtney_tiuk/courtney-official_arms_trade.html (accessed November 15, 2003).

2). Id.

- 3). "Belarus Cashes \$200 million from Weapon Sales Every Year," Pravda, [On-Line], February 19, 2002, at http://english.pravda.ru/economics/2002/02/19/26488/html.
- 4). Congressional Research Service, "Conventional Arms Transfers to Developing Countries, 1994-2001," August 6, 2002, at CRS-56. According to the Stockholm International Peace Research Institute, between 1997-2001, Belarus exported \$1.518 billion dollars in military products and services, making it the tenth largest exporter of weapons in the world. Bjorn Hagelin, Pieter D. Wezeman, Sieon T. Wezeman and Nicholas Chipperfield, "International Arms Transfers" {Appendix 8A2: The Volume of Transfers of Conventional Weapons: by Recipients and Suppliers, 1997-2001, Stockholm International Peace Research Institute (2002), at 407. In some cases, Belarus seems able to produce the equipment, but not the servicing; in others the opposite is true. See Mark Falkoff, "Arms Sales: An Old Issue Revisited," Columbia International Affairs Online, available at http://www.ciaonet.org/wps/fam03/.
- 5). Mark Lenzi, "Selling Guns to Terrorists From the 'Heart of Europe'," The Wall Street Journal Europe, April 26, 2002.
- See Gary C. Gambill, "Syria Rearms Iraq," Middle East Intelligence Bulletin, Vol. 4, No. 9, September 2002, available at http://www.weib.org/articles/0209_s2.htm (accessed November 11, 2003).
- 7). Jane's Intelligence Digest, "Russia's illicit arms export," November 20, 2002; PRIMA News Service "Belarusian Weapons in the Middle East," April 23, 2003, available at http://www.prima.news.ru/eng/news/articxles/2003/4/23/23202.html (accessed November 14, 2003); Lee S. Wolosky and Mark D. Lenzi, *International Herald*

28 BELARUSIAN REVIEW Winter 2003

Tribune, August 27, 2003; Natalya Hmelik, "Arms Manipulation: How Lukashenka 'assists' Putin," Charter 97 News, August 19, 2002, available at http://www.charter97.org/eng/news/2002/08/19/40 (accessed November 11, 2003); Valentinas Mite, "Belarus: How Close Are Military Ties with Iraq?," Radio Free Europe/Radio Liberty, October 3, 2002, available at http://www.rferl.org/nca/features/2002/10/0310200215280.asp (accessed November 23, 2003) (noting, inter alia, that UNSCOM inspectors in 1996 and 1997 discovered that Iraq was using Belarusian-supplied plasma spray machines to protect nuclear weapons components. Furthermore, in March 2002, U.S. Deputy Secretary of State Steven Pifer said that the U.S. had credible evidence that a group of Iraqi officers traveled to Belarus for training in the use of S-300 anti-aircraft systems. Belarus has officially denied this was the case.

- 8). This may be one explanation for why 19 Russian producers of military equipment chose to participate in MILEX'2003, the second international arms exhibition in Minsk. The eventís organizers claimed that representatives from "over 100 companies, design offices and research bureaus from all over the world attended." RosBusinessConsulting Database, "19 Russian firms to participate in arms exhibition in Minsk," see also Alexander Vasilevich, "Belarus on Arms Market", Eksport Vooruzheniy, May-June 2002, p. 13 (citing Stanslav Shushkevitch, " Amerikansntsy boyatsya beloresskikh tankov." Narodnaya Volya, No. 55, 2002. Another example of this sort of activity may be Russia's planned sale of S-300 anti-aircraft missile systems to Belarus, which might be the first step to a subsequent transfer, where the Russian arms export agency Rosoboron export did not want to be identified as the seller to the end-user. See RosBusinessConsulting Database, "Russia to supply S-300 to Belarus," October 22, 2003.
- 9). BBC Monitoring International Reports," Belarus Sets-Up Money-Laundering Watchdog," September 16, 2003 (from Belapan News Agency), the guidelines for a financial intelligence unit are available on the website of the Financial Action Task Force at http://www1.oecd.org/fatf/; Prime-Tass English-language Business Wire, "Belarus creates anti-money laundering financial monitoring department," September 23, 2003; Andrei Fromin, "IMF urges Belarus to create financial intelligence." TASS, August 18, 2003.
- 10). According to the former head of the Belarusian Bank Tamara Vinnikava, many Russian "oligarchs" used Belarus for money laundering purposes. BBC Summary of World Broadcasts, "Fugitive Banker says Russian oligarchs play dominant role in Belarus," December 24, 1999 (BelaPAN News Agency); see also Yulia Latynina, "Bachelor Lukashenka's Dirty Diary," *The St. Petersburg Times*, June 24, 2003 (discussing the laundering of Russian money in Belarus).
- 11). Alexander Vasilevich, "Belarus on Arms Market". Eksport Vooruzheniy, May-June 2002, p. 11 (this article states that there are approximately \$24 million dollars in this fund ñ which seems low given the size of Belarusian weapons exports. See remarks of Rafal Sadowski, an analyst on Belarus for the Center for Eastern Studies in Warsaw, Poland and Jan Maksymiuk, an analyst for Radio Free Europe/Radio Liberty at the New Atlantic Initiative Conference: "Axis of Evil: Belarus ñ The Missing Link," November 14, 2002.
- 12). "Presidential Fund Remains in Secrecy," Charter f97 News, June 21, 2002, available at http://www.charter97.org/eng/news/2001/06/22/04 (accessed on November 14, 2003); see also Jeffrey Donovan, "Iraq: Are Belarus, Ukraine Selling Arms and Providing Training," *Radio Free Europe/Radio Liberty*, March 14, 2002, at http://www.rferl.org/nca/features/2002/03/1403202104954.asp and RFE/RL Newsline, Central & Eastern Europe, June 22, 2001, available at http://www.rferl.org/newsline/2001/06/3-cee/cee-220601.html.
- 13). BBC Monitoring International Reports, "Belarus Central Bank

- Spokesmen Corrects President on Arms Sale Revenues," September 18, 2002 (BelaPAN News Agency) (in his clarification. Belarus National Bank Spokesman Anatol Drazdow said that Mr. Lukashenka probably meant the Ministry of Finance's Account at the Belarusian National Bank.).
- 14). BBC Monitoring International Reports, "Belarusian President Rejects Illegal Arms Trade Accusations," February 20, 2002 (Belarusian Television, Minsk).
- 15). Deutche Presse-Agentur, "Belarus President Admits arms sent to Iraq," April 25, 2003. Perhaps Mr. Lukashenka was referring to military equipment allegedly sold to Lebanese individuals who then were engaged in smuggling it to Iraq. BBC Monitoring International Reports, "Lebanon Seizes Belarusian Military Equipment Intended for Iraq," January 14, 2003 (Radio Moscow); see also BBC Monitoring International Reports, "Belarusian Foreign Policy Official Says Arms May be Sold On By A Third Party," February 28, 2002 (NTV)
- 16). BBC Monitoring International Reports, "Belarusian President Denies Pocketing Arms Sales Proceeds," September 17, 2002 and "Belarusian Leader Denies Sales to Iraq," September 23, 2002 (Belarusian Television, Minsk).
- 17). BBC Monitoring International Report, "Illegal Weapons Sales Impossible in Belarus Arms Trader," July 23, 2002 (Vo Slavu Rodiny, Minsk).

Belarus' Defense Industry, published by Global Security.org., at http://www.globalsecurity.org/military/world/Belarus/industry.htm. For an overview of the Belarusian economy, visit the website of the U.S. Department of Commerce's Business Information Center for the Newly Independent States, at http://www.bisnis.doc.gov/bisnis/country/belarus.cfm.

- 19). Alexander Vasilevich, "Belarus on Arms Market", Eksport Vooruzheniy, May-June 2002, p. 10.
- 20). For an interesting, albeit dated, discussion of Belarusian organized crime, see *Phil Williams*, "Drug Trafficking and Organized Crime in Belarus: Threat and Response." available at http://www.rol.home.by/publications/drtraf.html.
- 21). See Final Report of the Organization for Security and Cooperation in Europe's Office of Democracy and International Human Rights on the Republic of Belarus Presidential Election, September 9, 2001. available at http://www.osce.org/odihr/documents/reports/election_report/by/bel_sep2001_efr.php3. See also Raf Casert, Associated Press, "Most EU nations impose travel ban on Lukashenka and seven other Belarusian officials," at http:story.news.yahoo.com/news?tmpl=story&u=/ap20021119/ap_wo_en_po/eu/Belarus_4; see also Ethan S. Burger, "The Recognition of Governments under International Law: The Challenge of the Belarusian Presidential Election of September 9, 2001 for the United States," 35 GEO WASH. INT'L L. REV. 107 (2003).
- 22). For example, on March 12, 2002, then Belarusian Prime Minister Genadz Navitski confirmed that Mr. Lukashenka took a short holiday" in Austria (a favorite place of some to launder funds). RFE/RL Newsline," Belarusian President Reportedly Vacationing in Austria," Central and Eastern Europe, November 13, 2002 http://www.rferl.org/newsline/2002/03/3-CEE/cee-130302.asp (accessed November 14, 2003); see also Anatoly Lebedko, "How Much Does "President' Lukashenko Cost?," Charter' 97 News, available at http://www.charter97.org/eng/news/2001/080806 (accessed November 11, 2003) (mentioning Mr. Lukashenka's visit to Qatar).

The Sad State of Agriculture

By Andrew Ryder

Since the 1980s, agriculture has posed serious economic and policy problems for Belarus. Given the country's soil and climate, under Soviet rule, animal husbandry and hardier crops predominated. Major products included flax (27% of production in the USSR at the time of its dissolution), potatoes (15% of Soviet production), buckwheat, rye, meat and dairy products, and, from the early 1980s, sugar beet. Other important crops included barley and animal fodder. Oats, millet, hay and tobacco were also grown in small amounts. Agriculture was devastated by the 1986 accident at Chernobyl, and fallout was particularly severe in the Homiel and Mahileu oblasts, the main agricultural region of Belarus. By 1992, 257,000 hectares of agricultural land, just over 4% of the country's total, had been removed from use, as had 1,340,000 hectares of forests, about 15% of the total. Chernobyl ensured that agricultural production began to decline in the late 1980s. The collapse of the USSR and the loss of markets led to further declines in output. By the end of 2001, output by value in the sector had officially fallen to just 73% of 1990 levels (up from a low of 65% in 1999) but the extent of the decline is undoubtedly understated due to under-reporting of inflation. According to the FAO output by volume was just 63.9% of output averaged between 1989 and 1991. Although grain production increased significantly in 2002 - by 16.2%, according to the FAO, it fell again in 2003, continuing an ongoing trend. Using official indices, output by value fell by an annual average of 4.3% between 1991 and 1995, and by 3.5% between 1996 and 2000.

Tentative attempts were made to reform the sector before 1995, but since then farming has remained in a time warp, and is still organised largely on Soviet-era lines. In 1990, the country had 2,522 collective or state farms. By the end of 2001 their number had fallen to just 2,388. During the same period, the number of private farms peaked at 3,029, before falling to 2,397. However, the area under private farming has slowly increased, to 93,200 hectares at the end of 2001 - about 1% of all agricultural land, reflecting a steady increase in average farm size (although the Statistical Year Book gives a figure of 81,700 hectares in a different table). Belarus also has a variety of private plots, including private subsidiary (household) plots, collective gardens, and kitchen gardens. Private ownership of household plots, initially up to 0.5 hectares, but from 1999, up to 1 hectare in size, dates from the reform period. Land must be used for its initial purpose after privatization, but owners of household plots can lease another 2 hectares of land for subsistence farming. Private farmers can lease up to 100 hectares. All together this sector accounts for about 15.5% of farm area, but about 39.4% of output measured by value in 2001, up from 23.7% in 1990.

Aid to agriculture seriously destabilised the economy in the late 1990s. Although the government had promised the IMF to reduce credits to the sector, the practice has continued. The sector benefits from a special tax, and a March

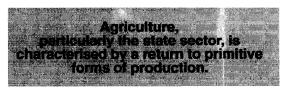
2000 resolution "requested" that all government agencies, banks and state-owned enterprises "adopt" a farm. Loans continue to be made at a notional rate of interest, despite high inflation, and have helped raise the country's fiscal deficit by several percentage points. At the beginning of the 2000s banks were asked to provide 35,000m. rubels in lending, by selling foreign-exchange reserves to the central bank. Banks were compelled to extend loans to agricultural enterprises, although the practice was formally halted at the beginning of 2001. In 2002 the tax for agriculture, accounted for about 2% of government revenue (down from 3.3% in 2000). However, despite extensive subsidies, the sector has failed to modernise, and has actually moved backwards. Despite subsidies and low wages, by the end of 2001, 1,635 of the country's 2,400 odd agricultural enterprises were loss making (68.5% of the total). IMF statistics in mid-2002 showed that over one third of farms were bankrupt. The average debt of each was 800 million rubels (about \$400,000). The sector has accounted for the bulk of wage arrears (about 90% of the total in 2001). Overall profitability in the sector declined from 12.8% in 1997 to 6.2% in 2000, -5.3% in 2001, and -0.3% in 2002. Problems are concentrated in the state sector, where profitability was -6.7% in

Despite talk of reform, agriculture remains centrally managed. There are district and regional production targets for farms, farms are required to make deliveries to state procurement agencies, and there are fixed price-procurement quotas for major crops and livestock products. According to the Statistical Yearbook, a substantial proportion of output, particularly grain, continues to be sold for less than the purchase price. In late 1999 publicly owned farms sold about 85% of their output to the state or to stateowned processing firms, and private farms nearly twothirds. According to the IMF, at the end of 1999 even household plots sold 20% of their output to state purchasers and processors, and another 35% to local collective farms. State agencies supply nearly all fertilizer, farm machinery, construction materials and fuel, and prices are controlled. However, despite government policy, the sector has slowly evolved. In 1990 agriculture accounted for 24% of GDP, but in 2002 the European Bank for Reconstruction and Development estimated it to account for just 10.9%, and according to official statistics it accounted for just 8.9% in 2001. Between 1990 and 2002, employment in the sector fell from 19.1% of the labour force to just over 11.8%, and total numbers employed fell from 985,400 to just 585,500 at the end of 2001, a drop of just over 40%, compared to a drop of under 15% for the labour force as a whole during the same period. By the end of 2002 the share again fell sharply, to just over 11.8% or 517,600. About two-thirds of those employed in the sector worked on collective farms. However, rather than declining gradually, the labour force has shown two sharp periods of decline: the first between 1995 and 1998 due to some degree to the financial problems engendered by the Russian financial crisis in 1998, and the second between 2000 and 2002. By the early 2000s, the sector had the lowest replacement rate of any job area: annually, only between 75 and 80% of lost labour was replaced by newcomers.

30 BELARUSIAN REVIEW Winter 2003

In conjunction with a series of IMF publications from April 2003, the recently published 2002 Statistical Yearbook tells a disturbing story. Farm wages remain the lowest in

the country, and have fallen substantially since 1990, when they equalled 93.3% of the average wage. By the start of 2002, they were just 63.6% of the national average, although this was an increase from a low of 58.5% in 1997 (and according to the quarterly statistical bulletin had risen to 68.2% of the na-



tional average by late 2002). At 78,200 rubels per month, average wages were below the so-called minimum consumption level of 82,900 rubels at the start of 2002, and were less than 60% above the minimum subsistence level, although at the start of 2002, 70.4% of the country had wages below the minimum consumption level, and 28.4% below the minimum subsistence level.

Low wages have been supplemented by a high reliance on home grown foods. According to official statistics, in rural areas, almost all potatoes consumed are home grown (97.5%), most vegetables and squashes, most fruits and berries, most milk and dairy products, and most eggs. Over half of all meat and meat products are home grown. Even in urban areas private plots account for most potato and vegetable consumption, and a substantial proportion of fruits and berries.

Agriculture, particularly the state sector, is characterised by a lack of new investment, the decay of older infrastructure, de-mechanisation, and a return to primitive forms of production. Between 1990 and the end of 2001, the number of tractors in the country dropped from 113,400 to just 66,600, a drop of over 40%. Trucks used on farms dropped from 74,000 to 42,500; grain harvesters from 30,300 to 15,700; ploughs from 42,400 to just 18,700; sowers from 37,400 to 15,900; mowing machines from 29,700 to 13,600, and reapers from 5,400 to 1,500. Although to some extent the decline in mechanisation reflects a drop in output, there is no doubt that is also the replacement of labour for machinery. The erosion of the sector is also reflected in statistics on "depreciation". Levels of fixed assets are virtually unchanged since 1990, but depreciation levels for the sector as a whole reached 57.5% by the end of 2001, and those for machinery had reached 76.8%. This was the highest average level of depreciation in any branch of the economy. Nationally, according to official indices, annual capital investments in agriculture in 2002 had fallen by 90% in real terms from 1990 levels. Subsidies have permitted a recovery in fertiliser use, which has partly compensated for demechanisation, but despite recent increased use, overall consumption of fertilisers has gone down sharply from 1990-91 levels: mineral fertiliser use has fallen from 271 tons per hectare of ploughed land to just 138 tons, use of organic fertiliser has fallen from 77.1 tons to 31.4 tons, and total use of lime materials from 5,754.1 thousand tons to just 1,606.5 thousand. A recent agreement that Belarus will pay "market" prices for fuel makes it likely that costs of

fertiliser and oil based inputs will increase, further straining the sector. Gasoline consumption dropped from 672,000 tons in 1990 to just 147,000 in 2001, and diesel from 1,325,000 tons to just 578,000. The private sector depends heavily –

and increasingly – on horses, accounting for some 110,000 in 2001. Agriculture has also been a persistent debtor for electricity and gas. In 2002 it accounted for 17.4% of the total energy debt, including 11.7% of gas arrears and 30.1% of

electricity arrears. Reduced yields reflect the lack of resources: output per hectare has dropped substantially for al gains since 1990 – by an average of one quarter, and for vegetables, maize for fodder, forage roots, and hay by 40% or more. By contrast, yield for fruits and berries, grown mainly in the private sector, is up since 1990, although down sharply from 1985.

Rural poverty is reflected in poor housing conditions. In 2001, only 67% of rural dwellings were connected to mains water, only 61% were connected to sewer systems, only 48% had central heating, only 40% had hot water, and only 52% had baths or showers. Unsurprisingly, rural areas have undergone substantial depopulation since 1990, as young people leave for cities. Since 1994, the national population has fallen by 292,600 from a peak of 10,243,500. The loss has been in rural areas, which have had a negative natural growth rate since the early 1980s. The share of population in rural areas declined from 33.9% of the total in 1990 to just 29.3% in 2002, falling from 3,457,000 to 2,919,800 - a fall of some 15%. During the same period the urban population increased by about 4.5%, despite a negative natural growth rate. The decline in rural areas is reflected in the growing share of the elderly in the population: in 2001, 33% of the rural population was over working age, and just 19.1% under working age, versus corresponding figures of 31% and 21%, respectively in 1990. By contrast, in 2001, 18.5% of the population in cities was under working age, and only 16.4% over.

Low wages plus reliance on their own production means that many farmers are only partially engaged with the formal economy. Many sell in private markets or in the underground economy to make ends meet. It is perhaps not surprising that a recent (2002) publication estimated that according to some methods of calculation, the size of the underground economy in Belarus was over 40% of GDP in 2001-2, among the highest in the CIS countries.

Government policy appears to have subsidised the sector as a kind of job creation scheme, aimed at maintaining rural employment regardless of enterprise profitability. A substantial proportion of support for the regime has come from rural areas and from small towns, and subsidies to agriculture have implicitly been subsidies to people in these areas. Despite subsidies, the sector is increasingly unprofitable. Employment in the sector has almost halved since 1990. Subsidies have propped up ailing farms and not improved rural infrastructure. They have not been used to

build up a strong, modernised sector. Far from helping to modernise and replace equipment, they have paid operating costs and wages. The result is a sector which has reverted to the early 20th century in terms of technology and production.

Source: IMF: Republic of Belarus Article IV consultation; Statistical Yearbook of the Republic of Belarus, 2002).

Andrew Ryder is with the Department of Geography, University of Portsmouth, Portsmouth, England

HISTORICAL DATES

December 2, 1550

Barbara Radzivil was crowned Grand Duchess of Litva (Lithuania) and Queen of Poland. Coronation took place in Vilnia, capital of the Grand Duchy.

January 28, 1588

Third and final edition of the **Statute** (Collection of Laws) of the Grand Duchy of Litva was published and ratified. The Statute is a unique monument of the medieval Belarusian judicial thinking and literature.

January 30, 1667

Truce of Andrusava concluded between Grand Duchy of Litva and Duchy of Moscow, terminating the bloodiest war in Belarus' history (1654-1667)

March 24, 1794

Beginning of the anti-Russian uprising under the leadership of **Tadeuš Kaściuška** (Kosciuszko)

November 1830 through 1831

The national liberation uprising against the Russian empire and for the renewal of the *Recpaspalitaja* (*Republic*) of Two Nations (Poland and Litva)

February 2, 1838

Birthdate of **Kastuś Kalinouski**, leader of the anti-Russian national uprising of 1863-1864.

December 15, 1850

The birthdate of **Mikalaj Sudzilouski-Russell**, known as an activist in 19th century liberation movements, a scientist and doctor of medicine. He helped to organize Bulgarians' 1876 uprising against the Turkish rule. Lived and worked in Western Europe, USA, Hawaii. In 1900 elected a senator, and in 1901 the president of the Hawaiian Senate.

November 1st through December 31, 1920 The Anti-Bolshevik Slucak Uprising

Anti-Bolshevik military action in the region of Slucak, organized by representatives of the Belarusan Democratic [National] Republic

Belarusian Lyceum Students Moved to Vilnius (Vilnia)

106 students of the Jakub Kolas National Humanities Lyceum, liquidated by the authorities, studied in the Vilnius Lyceum from December 22, 2003 to January 3, 2004. According to Humanities Lyceum's headmaster Uladzimier Kolas, Vilnius Lyceum is a prestigious institution founded in 1990. It is an analogue of the Belarusian Lyceum in Miensk. In Vilnius it is a respected institution where Lithuanian traditions are cherished. and education is on a very high level, while in Minsk the authorities regard such institutions as a menace and try to liquidate them, as it happened this year with the Belarusian Lyceum. It was a real Christmas present for Belarusian students, who haven't been studying in a normal way for several months, as after the Lyceum's liquidation its building was closed "for renovation". 18 professors came to Lithuania together with the children. (Charter'97 Press Center, Dec. 22. 2003)

BELARUSIAN REVIEW (ISSN 1064-7716)

Published by Belarusan-American Association, Inc.

a fraternal non-profit association

Editor George Stankevich

Editor-At-Large Joe Arciuch

Contributing Editors Ethan Burger, Alec Danilovich, Paul Goble, Andrej Katlarcuk, Siarhei Krycheuski, Taras Kuzio, Jan Maksymiuk, David Marples, Mikalaj Packajeu, Joe Price, Andrew Ryder, Vera Rich, Uladzimir Rouda, Vital Silitski,

Jan Zaprudnik

Copy Editor Joe Pecevich

Production George Stankevich, Stsiapan Vinakurau

Web site Administrator Andrej Ramaszeuski

Publisher Walter Stankievich

Administration Alex Silwanowicz

Circulation Serge Tryhubovich

Treasurer Kacia Reznikova

Marketing: Victor Tur

U.S.A. BELARUSIAN REVIEW

P.O. Box 1347, Highland Park, N.J. 08904

E-mail: belarusianreview@hotmail.com

Tel/fax: 732 222 1951

Europe BELARUSIAN REVIEW

Malesicka ul. 553/65 108 00 Praha 10, Czech Republic

E-mail: jirstan@login.cz

Tel/fax: (420) 274 771 338

1C//ax. (420) 274 771 336

BELARUSIAN REVIEW is registered in Europe

with Czech Ministry of Culture Registration No. MK ČR E 13311

Registration No. WIN CK E 13311

Publication Date: January 9, 2004

Printed by: AK REPRO, V Jámě 1, 110 00 Praha 1,

Czech Republic

Annual subscription rate in 2004:

\$45 for individuals, \$65 for institutions

payable by check or money order in US funds

to: BELARUSIAN REVIEW or BR

P.O. Box 1347, Highland Park, N.J. 08904, USA ON-LINE: www.belarusianreview.org

Opinions expressed in signed articles do not necessarily represent $\widehat{\ast}$ views of the editors.

Except for signed articles, reproduction or republication of texts from BELARUSIAN REVIEW is permissible. However, the editors request that source credit be given to BELARUSIAN REVIEW.

There are no restrictions for reproduction or republication in Belarus.

32

BELARUSIAN REVIEW