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Summary

This new *BISS Trends* issue is the first semi-annual monitoring review covering the key developments and trends for the period January-June 2012 in the following five areas: *political democratization and liberalization; economic liberalization; good governance and the rule of law; geopolitical orientation; and cultural policy*. Semi-annual reports will round up the quarterly reports compiled by BISS experts; these reports will be available twice a year: in January and July.

Please note that starting 2013, *BISS Trends* will be issued every two months instead of the current quarterly basis.

Each of the target areas will be presented as a review having the following structure:

- general description of the key tendencies;
- principal developments that defined the trend;
- description of additional events;
- brief forecast for the next six months.

The *Executive summary* at the start of the report briefly sums up the main tendencies in the five focus areas and presents the defined degrees of progress/regress in each area in a table.

This semi-annual *BISS Trends* issue is prepared on the basis of two corresponding quarterly reports:

- January-March 2012
- April-June 2012

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EXECUTIVE SUMMARY

The first half of 2012 saw the main trend in the *political democratization and liberalization* segment carry on from the year 2011, as stagnation continued. There were new manifestations of administrative and criminal prosecution of democratic opposition and civil society activists; the former presidential candidate Andrej Sannikau and his authorized representative Zmicier Bandarenka were released in April, but 12 people recognized by the European Union as political prisoners are still behind the bars.

In the *economic sphere*, the authorities managed to balance the macroeconomic situation without structural reforms, limiting themselves to external borrowing. The government and the National Bank pursued a rather tight monetary policy and effectively resisted the industrial lobby, which insisted on alleviating fiscal restraints. Some liberalization processes were observed, albeit limited and reversible. The authorities got back to the less transparent and much slower approach to privatization and missed the unique opportunity to liberalize prices while avoiding a new price hike in a situation when inflation slowed and administrative price regulation mechanisms were stalled.

Enjoying significant energy subsidies from Russia, the Belarusian authorities see no reason to alter the existing approaches and embarking on a liberalization campaign.

In *good governance and the rule of law* section, the practice of “manual control” still remains, as any more or less meaningful decisions, including those to provide specific preferences to a specific economic agent, are taken personally by the president and local authorities. The official media have forgotten the once popular liberalization rhetoric.

When it comes to Belarus’ *geopolitical orientation*, Belarus in the second quarter furthered integration with Russia amid certain de-escalation of its relations with the West and more active cooperation with the developing world. The sources of potential conflicts in Belarusian-Russian relations are obvious; however, they have been blocked so far by the high priority of the Eurasian Union project on Russia’s agenda. Although Belarusian officials’ messages to the European Union became quite moderate by the end of the first half of 2012, and so did official media reports, the tense nature of the engagement between Belarus and EU institutions remained, while bilateral relations were deeply frozen.

Despite some apparent positive developments, the *cultural trend* demonstrated the ongoing politicization and ideologization of culture life in the country, as well as increasing polarization of the culture sector and depreciation of the culture products that constitute the official discourse. ■

Focus area	Main tendency
Political democratization and liberalization	Stagnation, no qualitative changes
Economic liberalization	Insignificant positive qualitative changes in the monetary policy
Good governance and the rule of law	Stagnation, no qualitative changes
Geopolitical orientation	Considerable progress in the relations with Russia Further regress in the relations with the European Union
Cultural policy	Further deliberalization and polarization

Trend 1

Political liberalization and democratization

General description of the key tendencies

The first half of 2012 was marked by a stagnation of all of the components of the political liberalization / political democratization trend. In this context, the repressive agencies seem to be giving a higher priority to exemplary repressive acts and demonstration of their uncompromising attitude rather than mass restraints. Although the parliamentary election campaign has started, its overall controllability by the authorities and lack of unity among the democratic forces concerning the election strategy enable the authorities to maintain the preventive level of repression, suppressing unwanted activities without escalating sanction against political opponents and civil protesters.

Some positive signals (including the reduction in the intensity of administrative persecution in the first quarter, peaceful March 25 event, and release of two political prisoners, Andrej Sannikau and Zmicier Bandarenka, failed to result in any systemic positive changes. Mass preventive arrests were reported ahead of the *Chernobyl Path* march and Vladimir Putin's visit to Belarus, and political prisoners stayed behind the bars. A harassment campaign was launched against the Belarusian Association of Journalists (BAJ), and repression against independent journalists became harsher.

Description of principal developments that defined the trend

1. The beginning and languid progress of the campaign to elect members of the House of Representatives and the Council of the Republic. The local councils elections of 2010 and, most of all, the presidential election of 2010 demonstrated that the previously amended Electoral Code allowed a bit more room for campaigning, but did not suffice to prevent infringements on the principles of free and fair elections. A peculiarity of this fall's campaign is that it will be held amidst ongoing repression, in the wake of the most recent presidential election campaign and events that followed the December 19, 2010 ballot day. Some opposition political forces intend to boycott the elections or withdraw their nominees during the final phase of the campaign unless the authorities release political prisoners or improve election procedures.

2. On the one hand, according to the Viasna human rights center database, the number of administrative arrests fell in the first quarter of 2012 from the previous quarter. However, the second quarter reversed the new trend, as preventive arrests of youth activists were reported ahead of the *Chernobyl Path* march and Vladimir Putin's visit. Also, for the first time ever, a representative of the expert community – Aleksei Pikulik, the academic director of the Belarusian Institute for Strategic Studies (BISS) – was sentenced to an administra-

tive arrest on obviously wrongful charges and on the basis of false testimonies by police officers. Members of human rights and other public organizations are still under pressure, and the same holds for members of political parties – they are denied foreign travel without any valid reason.

3. The verdict passed on opposition activist Siarhei Kavalenka and sentence of 25 months in prison for evading his restraint service. The case was obviously highly politicized and evoked a powerful response from human rights activists and the West. The repression targeted against an opposition activist who opts for independent direct action and is not integrated into the traditional opposition framework appears to be typical of the period under review.

4. The campaign for adverse coverage of the activity of the Belarusian Association of Journalists (BAJ) by the state media. The criminal case against journalist Andrzej Poczobut; the administrative arrest of *Euroradio's* Pavel Sviardlou indicate even tighter measures to intimidate the independent media.

5. Twelve people recognized in the West as political prisoners remain behind the bars after former presidential candidate Andrej Sannikau and his representative Zmicier Bandarenka were released. New financial claims have been filed against the imprisoned human rights activist Ales Bialiatski; he has been subject to disciplinary sanction.

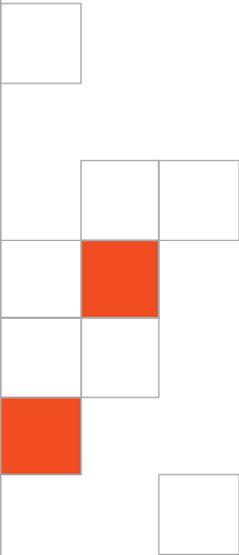
6. The House of Representatives has approved amendments to the *Code of Administrative Offenses*. The new article “Illegal conduct of public opinion polls” envisions administrative liability for carrying out unsanctioned public opinion polls, which may seriously limit the activity of independent sociologists.

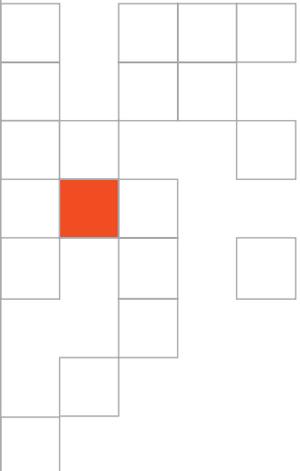
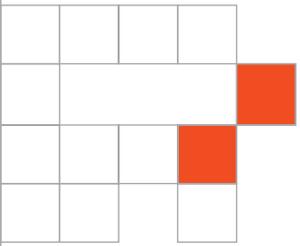
Description of additional events

Some of the important developments of the first half of 2012 can be considered positive; however, they cannot be effectively opposed to the declared trend because of their contradictory nature and inconsistency.

1. The authorities adopted a liberal attitude to the March 25 mass event staged by the opposition; however, they did not authorize any other rallies on that day or any other day, including the *Chernobyl Path* march, which resulted in arrests, including those preventive, of dozens of people. Therefore, the March 25 event does not change the overall restrictive attitude of the regime towards the mass events initiated by opposition-minded citizens.

2. The release of the former presidential candidate Andrej Sannikau and member of his election campaign team Zmicier Bandarenka could have been a signal that more political prisoners could





be released, but those hopes never came true.

3. The termination of the criminal trial of three members of the BPF Party Soym, which was initiated in the summer of 2011.

4. Positive changes in the work of observers at the elections include the new right of the steering bodies of political parties and public organizations to assign observers to all polling stations irrespec-

tive of the place of registration of their organization's units.

5. The few positive manifestations pertaining to the activity of the legal structures of the political opposition and civil society (the registration of the legal address of the Party BPF in its new office, state registration of Shegomedconsult) also fail to change the overall trend. ■

Brief forecast for the next six months

By all appearances, the parliamentary elections will not have potential for normalizing the situation in the country and getting it onto the liberalization track. However, it is still an open question whether this routine, predictable election campaign that remains inconspicuous to the broad public will become an obstacle to such a liberalization effort in the future.

Amid the ongoing stagnation, sporadic positive indications and continuous demonstrative acts of intimidation, the “landmark” events (release of a political prisoner, refusal to register a political party or an NGO) will disguise the lack of truly significant adjustments in some key indicators.

Trend 2

Economic Liberalization

General description of the key tendencies

In the first half of 2012, the authorities managed to balance the macroeconomic situation without introducing structural reforms, but resorting solely to external borrowing. The NBB kept monitoring domestic businesses and reported that more directors of enterprises mentioned improvements in the current standing at the end of June than in the previous two quarters.

On the one hand, some obviously positive liberalization phenomena were registered. The government and the central bank maintain tight monetary policies and managed to resist the industrial lobby, which insisted on mitigations. Also in the first half of the year, the president signed a decree on the establishment of the Industrial Park between China and Belarus and Decree No.6 on the promotion of entrepreneurship in the countryside and small towns, which may encourage investment efforts.

On the other hand, Alexander Lukashenko as good as reanimated the old privatization pattern, where each privatization deal is approved by a separate presidential ruling. This means that the privatization process has become less open, less transparent and even slower than in the period from 2009 (when Belarus started active engagement with the IMF) to March 2012.

The plans to established twelve holdings in the country are probably there to imitate structural reforms. Such a re-organization effort will help “conceal” the inefficient system of cross-subsidies within a single economic agent without restoring the internal price structure. The draft *Industrial Complex Promotion Plan* for the period to 2020 lacks structural economic reforms.

In conditions of rigid monetary policies, consumer inflation has slowed, but the government missed that rare opportunity to liberalize prices without a new price hike. Since the authorities have been cutting interest rates, the ease of price controls might eventually push prices higher. As a result, the procrastination of the liberalization process makes decision-making in this segment less and less likely.

Therefore, despite certain positive decisions, which have a limited application and may be reversed, there is no speaking about a new tendency towards a systemic economic liberalization.

Description of principal developments that defined the trend

1. The beneficial oil and gas agreements with Russia brought the amount of the Russian energy grant to Belarus to the scope of the blessed early 2000s. As a result, the authorities managed to achieve economic stabilization in the country without introducing real structural reforms.
2. The relatively rigid economic policy of the government and the central bank indirectly contributed to narrowing external disproportions. Companies have to get used to having their operations depend heavily on fiscal restraints.
3. Lukashenko’s criticism of the government’s privatization plans in the scope of Belarus’ commitments to the EurAsEC Bailout Fund (the meeting in the government addressing privatization issues on March 30) indicates that politically the authorities are not ready to OK fast privatization, especially that of the flagship Belarusian companies.
4. The ruling on the establishment of the Chinese-Belarusian Industrial Park and Decree No.6 to encourage entrepreneurship in rural areas and small towns are both favorable signals; however, both the liberalization moves are restricted to specific locations. This means officials seek to retain their right to choose contenders for the offered preferences, thus building up their influence.

Description of additional events

Belarus took steps to resume its engagement with the IMF. In March, head of the IMF mission to Belarus Chris Jarvis said that the Fund saw no possibilities for signing a new stabilization program with Belarus, because the country lacked political will. However, in April, NBB and Finance Ministry officials attended IMF and WB meetings, obviously trying to expedite the consideration of the potential application for a new loan.

The first six months of the year were marked by a tendency, when political relations with the European Union shaped economic processes in the country. The leading exporter and importer of arms and military equipment Beltechexport, which was included in the blacklist of companies subject to the EU sanctions, was sold to Russian businessman D.Gurinovich. There have also been reports about the change in the jurisdiction of Soyuzkali fertilizer trader. Previously, the potential arranger of BelAZ’s IPO *Deutsche Bank* refused to cooperate with the Belarusian authorities, which froze the country’s pilot IPO project and stripped the truck maker of chances to have a fair market evaluation of its assets. ■

Brief forecast for the next six months

The political decision to procrastinate privatization as far as practicable will dominate. The role of state regulation of the exchange rate and prices will likely grow, but there will be no going back to the fixed exchange rate and administrative pricing mechanisms. In autumn, the authorities will probably set the price control mechanism in motion to address the seasonal consumer price increases traditionally observed in September and October. The refinancing rate will be consistently reduced towards 23-24% by the end of the year.

Should the situation in foreign markets markedly deteriorate, Belarus may be in for a small foreign trade deficit again. The administration of the country will not be able to significantly increase wages by the end of the year without modifying its exchange rate policy, which might result in serious risks for the entire economy. Belarus might resume its cooperation with the IMF and get it to consider the formal application for a new loan program – in this context, the country will likely sign a memorandum with commitments to pursue tight fiscal and monetary policies. Belarus badly needs progress in this matter, because next year alone the country will have to pay USD3 billion to service its external debt. Belarus may also agree to discontinue new loan installments from the EurAsEC Bailout Fund should the lender give Belarus an ultimatum to privatize national enterprise for real. Belarus will reduce re-export of Russian oil products registered as solvents and diluents, but the export scheme itself will remain, as it results in tangible profits and is used as a loophole in the Russian legislation, including by Russian traders themselves.

Trend 3

Good governance and the rule of law

General description of the key tendencies

Legal regulation of the country's economic and sociopolitical life seems to have been perpetuated. The first half of the year 2012 was marked by the prevalence of the chronic "manual control" practice, manifested in the issuance of presidential rulings. Important decisions were made with the approval or personal consent of the president. Amid macroeconomic and social stability, there is no reason for the authorities to make any alterations in the segment "good governance and the rule of law".

Directive No.4 is no longer positioned as the fundamental document serving as guidelines for legislative development. By mid-2012, the official media seemed to have forgotten liberalization rhetoric. Sporadic initiatives to improve investment regulations bring about additional preferences applied to selected investors instead of creating comprehensive liberal rules of the game for all. Without making any efforts to ensure a more favorable investment climate or build up the image of the country, which could be enough for investors to arrive on their own, the authorities still have to "make individual investment invitations."

Description of principal developments that defined the trend

1. At the start of the year, the government and the National Bank passed the *Action Plan to Improve the Investment Climate*. One of the sections of the Action Plan provides for drawing up a list of transnational corporations, with which Belarus will be recommended to map out investment projects. Overall, the preparation of another law to improve the operating environment for investors contributed to the "codification" trend, i.e. the work to combine already existing norms into a single document without introducing any new provisions.

2. The presidential decree on the establishment of the Industrial Park between China and Belarus envisions the creation of a new 8,000-hectare territorial unit with a special status in Smaliavichy District. The legal regime that the residents of the Park will enjoy incorporates elements of regulatory frameworks applied to free economic zones and the High Technologies Park in Minsk. Official press releases make it clear that preferential treatment will primarily apply to larger investors. The very fact of the creation of such an investment platform is a positive development; however, in the context of the entire country, the project does not improve the quality of governance and administration of law and produces no positive impact on the country's investment climate.

3. Presidential Decree No.6 "On promotion of entrepreneurship in medium-sized and small towns and in the countryside" came into effect on June 1, 2012. The document grants seven-year tax incentives and other preferences to companies registered and operating in rural areas. There are reasonable doubts, though, that the decree will cause an inflow in investments or a construction boom in the Belarusian countryside. A much likelier outcome is that exiting companies will transfer some of their assets to rural areas. The liberalization nature of the decree will thus be neutralized by the way the new law is administered.

Description of additional events

Some of the regulatory decisions taken in the first half of the year had a positive side; however, their limited application became the factor that slashed their value.

1. Following the country's accession to the Common Economic Area (CEA), Belarus made steps to enhance its antitrust regulations. The presidential ruling "On measures to enhance state antitrust regulation and control" is designed to improve the system of sanctions imposed on violators of antitrust regulations. At the same time, the right of the Price Policy Department with the Economy Ministry and chairmen of regional administrations to authorize random inspections of economic entities leaves room for abuse against unwanted economic agents.

2. The adoption of the law "On inquiries of individuals and legal entities" is expected to streamline the procedure of reviewing and responding to inquiries filed by individuals and corporate entities, which is a prerequisite for good governance.

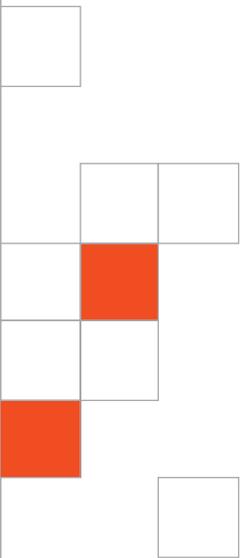
3. Another welcome regulatory innovation is Resolution No.229, which aims at improving procedures for the procurement of commodities, services and operations by state enterprises, which from now on are supposed to procure goods and services on a competitive basis.

4. The law "On State Procurement," passed by the National Assembly in late June, envisions uniform state procurement operations with mandatory electronic reporting and registration in electronic document management systems. The main peculiarity of the new state procurement scheme in Belarus is the set of preferences for domestic producers, small and medium-sized enterprises and the right of the president to decide on the winner of procurement tenders in each specific case. Therefore, the country has formalized not only the better-regulated state procurement procedure, but also preferential treatments of selected categories of providers. ■

Brief forecast for the next six months

Enjoying significant energy subsidies from Russia, Belarus sees no reason to modify the existing governing methods or introduce liberalization reforms. The “manual control” practice will remain, i.e. all more or less significant decisions, including those to provide specific preferences to a specific economic agent, are taken personally by the president. In this context, there are no reasons to believe that law administration and protection of private property will enhance in the longer term.

Belarus will continue the practice of “codifying” regulations and adopting bills with pompous names, which will remain either purely declarative or systematize existing law administration practices. The authorities will continue avoiding introducing a clear framework for state interference in the economy, which is necessary to encourage investors and ensure a favorable legal environment.



Trend 4

Geopolitical orientation

General description of the key tendencies

In the first half of the year, Belarus' dependence on Russia increased significantly. Amid the frozen relations with the European Union and lack of alternative foreign policy vectors, the imbalance in the country's foreign policy pattern became even more conspicuous.

The return to the old subsidy-fueled pattern of mutual relations was finalized after the visit of Russia's President Vladimir Putin to Minsk. That visit demonstrated the importance of Belarus as Russia's ally on the one hand and Russia's readiness to pay for these relations on the other.

Belarus was seeking support from its partners in the Common Economic Area (CEA) and other integration bodies in the context of the ongoing crisis in its relations with the sanction-imposing EU.

The potential sources of conflicts in Belarusian-Russian relations are blocked for the time being by the priority status of the Eurasian Union project on the new Russian president's agenda. Belarus becomes an even more significant ally of Russia in the context of the inability of both Russia and the United States to come to terms over missile defense systems.

The first quarter saw a sharp escalation of the political conflict with the EU, instigated by Belarus' willingness to subdue the EU's enthusiasm over the success of its policy of sanctions. Nevertheless, the release of two political prisoners, Andrej Sannikau and Zmicier Bandarenka – in mid-April resolved the diplomatic crisis, which was provoked in late February, when EU ambassadors were recalled from Minsk.

By the end of the first half of the year, neutral and even positive remarks about the European Union appeared in statements of Belarusian officials and the official media. However, overall, the conflict nature of the relationship never changed, and the bilateral relations remained frozen.

Description of principal developments that defined the trend

1. On January 1, 2012, the Common Economic Area (CEA) of Belarus, Kazakhstan and Russia was launched. The Belarusian side has meticulously met all of its CEA commitments once it joined the bloc. Among others, Belarus had to equalize the terms of operation in the automobile market with the CEA partners, which resulted in yet another increase in prices for imported cars. Belarus also had to comply with the demand of Russian dairy producers to cut its supplies to Russia, which resulted in losses.

2. The governments and official spokespeople for Russia and Kazakhstan, the Union State of Belarus and Russia, the Eurasian Economic Commission and the Collective Security Treaty Organization made critical remarks about the sanctions imposed by the European Union against Belarus.

3. President A. Lukashenka approved the Agreement on the United Regional Air Defense System of Belarus and Russia, thus liquidating the status of this country as the "air shield" of Russia. The inevitable deterioration of the socioeconomic situation in the country, reflecting on the moods of security officials, made the Belarusian leader address the Russian side with a humiliating request about what can actually be regarded as the financing of the Belarusian army by Russian counterparts.

4. Following another extension of the list of Belarusians subject to the EU sanctions, the Belarusian Foreign Ministry recommended the head of the EU Delegation to Belarus and Polish ambassador to leave for their capital cities for consultations. In response, the European External Action Service decided to recall all of the EU ambassadors from Minsk. The EU Council in late March extended the list again, adding 29 companies and 12 individuals to the "blacklist". The European Union continued pursuing its sanction-based policy, insisting that in order to normalize its relations with the Union, Belarus needs to release and rehabilitate all of the political prisoners.

5. On May 31, Vladimir Putin, the re-elected president of Russia, paid an official visit to Minsk. That was his first foreign visit as the newly elected head of state, which is why the Belarusian media interpreted it as a confirmation of the paramount importance of Belarusian-Russian relations to the Russian administration. Putin confirmed his promise to provide the next USD440 million installment of the original EurAsEC Bailout Fund loan (the transfer was made on June 15) and pledged to provide the first installment of the Russian state loan to finance the construction of Belarus' debut nuclear power plant.

Description of additional events

Some of the January-June 2012 events could have reversed the main foreign policy trend, i.e. the regress in Belarus' relations with the EU and even closer ties with Russia.

1. In May and June, President Lukashenka and Russian Ambassador to Belarus A. Surikov had an indirect dialogue that revealed the deeper problems of the bilateral relations. During his media availability, the Russian diplomat re-

proached the Belarusian administration for its failure to introduce market reforms, inefficiency of the Belarusian economy and its dependence on Russian subsidies, as well as the failure to meet commitments within the CEA framework and unwillingness to change to the Russian ruble. The Belarusian state leader lashed back at Surikov's criticism.

2. The re-export of Russian oil products to the European Union by Belarus documented as solvents and diluents became another sensitive point for the bilateral relations. Belarus is exempted from payments of export duties to the Russian budget when it exports these two commodity items, which are mandatory when the country exports other types of oil products. According to some analysts,

the Russian budget has suffered losses in excess of USD1 billion. Also in the first half of the year, Russian dairy producers attempted to wage a new milk war against Belarus.

3. In May, the European Commission announced the commencement of the "European Dialogue on Modernization" with Belarusian civil society. Although at the current phase Brussels deems it impossible for Belarusian officials to take part in this initiative, the program has a potential for bringing Belarus closer to the European Union should the mutual relations normalize. The objective of the "Dialogue on Modernization" is to assist Belarusian society in preparing a package of requisite reforms. ■

Brief forecast for the next six months

The tilt in Belarus' foreign policy will remain for quite a long time; the conflict in the western vector will continue. Neither side is ready to make concessions and expects the opponent to make the first step. The current status of Belarusian-Russian relations and level of financial support for Belarus made available by the Russian Federation enable Minsk to ignore the EU's conditionality for improving the mutual relations. Should the conflict escalate, the Belarusian side will likely enhance repression against the domestic opponents of the regime.

Having spoilt its relations with the European Union, official Minsk will have to follow Russia's foreign policy cues. Efforts of the Belarusian authorities to maximize economic preferences from Russia will likely be redoubled. Official Minsk will only get back to the policy of balancing if the Kremlin puts more pressure on this country and fails to meet its commitments.

Trend 5

Cultural policy

General description of the key tendencies

The January-June 2012 culture policy trend can be defined as gradual de-liberalization of culture processes against the backdrop of the increasing polarization of Belarus' culture life. The division into official culture that enjoys official support and is broadly exploited for political and ideological purposes, and unofficial culture (which not always stands for the opposition), which is banned, ousted from the culture field or consistently ignored, became even more conspicuous.

In the context of continuous tensions in Belarus' relations with the European Union, Belarus' culture life has been manifesting signs of closedness, simplism, and focus on mediocre models of Russian cultural products (especially Russian showbiz) or attempts to find the unique development path, albeit unsuccessful. The previously declared "mild Belarusization" policy becomes more and more declarative and is very rarely supported by specific arrangements.

At the end of the first half of the year, the authorities manifested their ability to support valuable civil initiatives, including the acquisition of the original copy of the Statute of the Grand Duchy of Lithuania in the Old Belarusian language (1588) and the replacement of the dome of the Niasviz Castle Dozornaya Tower (Watchtower), which had been poorly restored.

Description of principal developments that defined the trend

1. The major scandal over the national selection for the Eurovision-2012 Song Contest. The established procedure is that the winner is named after the final concert of selected contenders based on the number of interactive votes cast by the viewers and votes by a professional panel of judges. A few days ahead of the final concert, the Internet media reported that district culture offices of the Vitsebsk region received a letter from the head of the culture department at Vitsebsk regional administration suggesting that they "together with their families" should support the contender Aliona Lanskaya during online voting.

After the final concert was over, the organizers announced that Aliona Lanskaya won the event. However, the official results of the contest understandably caused a major negative response from the audience, as the runner-up, *Litesound* band, had been an overwhelming favorite judging by the results of numerous preliminary rankings. A.Lukashenka interfered by setting up a special commission, and held a meeting to address the results of the *Eurofest* selection contest. In his speech at the meeting the president said that the vote results were a fraud. Culture Minister P.Latushka, chairman of the Belarusian Television and Radio Broadcasting Company G.Davydzka

were reprimanded. *Litesound* never made it to the final round at the Eurovision Song Contest in Azerbaijan.

2. The project that traditionally represents the official discourse of contemporary Belarusian culture is the final stage of the Miss Belarus 2012 beauty contest. This biennial contest that has been held since 1998 must be connected with the president's personal preferences. A.Lukashenka was present at the gala show of the contest, along with many high-ranking officials.

3. The politicization of the country's cultural life was very clearly manifested when the Belarusian television aired the four episodes of "Talash" feature based on Yakub Kolas's *Drygva* (The Bog) novel. The movie that takes on very complicated and contradictory events in the Polesye area during the civil war was severely criticized in Poland. The Polish Foreign Ministry said it was puzzled by what it thought was the extremely negative and almost caricature portrayals of the Polish characters in the feature. The Belarusian side, for its part, perceived those statements as a welcome media opportunity to begin another phase of the anti-Polish propaganda campaign.

4. The excessive ideologization and politicization of the country's culture life became obvious during the May tour of the National Academic Yanka Kupala Theater in the UK. "The Rape of Europa, or the Urszula Radziwill Theater" by Mikalai Pinihin could have become an important move in presenting Belarus' national culture abroad; however, the culture project provided grounds for a new wave of confrontation between official and unofficial Belarusian culture. On the one hand, the authorities definitely played up the significance of the only performance, calling it a triumph of Belarus' culture policy, if not the most prominent event in Europe's culture life. On the other hand, Mikalai Khalezin, the leader of the Free Theater, operating abroad, made some clearly inappropriate remarks and hurled accusations at the reputable state theater.

5. It appears that the seeming reduction in the number of bans on concerts of Belarusian performers on the so-called "blacklist" of the Belarusian authorities is not connected with changes in the official policy, but rather with the fewer attempts by artists themselves to perform at larger arenas. Musicians seek alternative ways to present their creative works – they perform abroad and make their works available on the Internet.

Description of additional events

Some of the events in the culture life of Belarus may be considered a pleasant exception, although they did not change the overall negative environment in the culture sector.

1. The Culture Ministry attempted to draw attention to the problem of the Belarusian language and Belarusian literature and lack of a uniform concept of their development. In February, Minister P.Latushka told a board meeting of the Culture Ministry that the plan to popularize the Belarusian language, which is part of a governmental program for 2011-2015, was well behind the schedule. Deputy Culture Minister Tadeusz Struzecki noted that Belarus could not exist as an independent state without the Belarusian language. At the same time, these “mild Belarusization” attempts have been faced with certain tacit or obvious barriers. The media circulated a copy of a confidential document addressed to Brest Region Governor K.Sumar by First Deputy Chief of the Presidential Administration A.Radzkou. The document contained a request “to take specific

measures to prevent the heads of state agencies and other organizations from pursuing the policy of forced Belarusization and artificially limiting the use of the Russian language in their activity.”

2. In April and May 2012, two notable civil initiatives were implemented in Belarus. First, the Mogilev History Museum opened a fundraiser and purchased the original copy of the Statute of the Grand Duchy of Lithuania in the Old Belarusian language (1588) from a private Moscow collector. Second, the dome of the Niasviz Castle Dozornaya Tower (Watchtower), which had been poorly restored, was finally replaced. That was probably the first time that the authorities demonstrated that they were capable of not only cutting short any public initiative, but also listening, hearing and even supporting it. ■

Brief forecast for the next six months

The negative trends caused by further de-liberalization of Belarusian culture will continue. One can also expect increasing polarization of the country’s culture life, politicization and ideologization of the official cultural discourse. “Mild Belarusization” steps might be completely frozen in the longer term.

Amid the ongoing conflict with the European Union, the authorities will not be making new attempts to include Belarus in the European context. There is a danger, though, that culture products will “stew in their own juice,” thus gradually losing their development criteria and horizons. As opposed to the “European vector,” the bias towards Russian culture products may aggravate, resulting in additional borrowing of selected projects, especially in show-biz.

Should negative trends continue in the economic sector, culture financing will likely shrink, at least in the areas that do not traditionally constitute the official cultural discourse. In this case, many alternative cultural projects will be marginalized and pushed outside the conventional culture field. A new wave of “cultural emigration” is possible, when independent actors, especially younger people, will seek possibilities for creative self-actualization abroad.
