Background Note: Belarus



PROFILE

OFFICIAL NAME:

Republic of Belarus

Geography

Area: 207,600 sq. km. (80,100 sq. mi.); slightly smaller than Kansas.

Cities: Capital--Minsk.

Terrain: Landlocked, low-lying with thick forests, flat marshes and fields.

Climate: Cold winters, cool and moist summers, transitional between continental and maritime.

People

Nationality: Noun--Belarusian(s). Adjective--Belarusian.

Population (end of 2003): 9.849,000, Men 4.610,000; women 5,239,000, Urban 71.5%; rural 28.5%.

Population decline (2003): -54,700.

Ethnic groups: Belarusian (81.2%), Russian (11.4%), Polish, Ukrainian, other (7.4%).

Religions (1997 est.): Eastern Orthodox, other (including Roman Catholic, Greek Catholic, Protestant,

Autocephalous Orthodox, Jewish, and Muslim) 20%. Languages: Belarusian and Russian (official), other.

Education: Literacy--98%.

Health: Infant mortality rate (2003)--7.7/1,000. Life expectancy (2002)--67.9 years.

Work force (4.4 million): Industry--26.2%; agriculture and forestry--11.1%; construction--7.1%;

transportation, communications--8.1%; trade, catering--13.7%; health services, sports, social services--

7.6%; education--11%; other--15.2%.

Government

Type: Republic.

Constitution: March 30, 1994; revision by unrecognized national referendum of November 24, 1996, gave presidency greatly expanded powers and became effective November 27, 1996.

Independence: 1991 (from Soviet Union).

Branches: *Executive*--president (head of state), prime minister (head of government), Council of Ministers (cabinet). *Legislative*--bicameral: the House of Representatives (110 deputies) and the Council of the Republic (64 deputies). *Judicial*--Supreme Court; Constitutional Court.

Administrative subdivisions: Six voblasts (regions) and one municipality.

Political parties: Belarus has 18 registered political parties, including: Agrarian Party (AP); Belarusian Communist Party (KPB); Green Party; Belarusian Labor Party; Belarusian Social and Sports Party; Belarusian Patriotic Movement (BPR); Belarusian Popular Front (BNF); Belarusian Social-Democrat Party (BSDP); Social-Democratic Hramada Party; Belarusian Socialist Party; United Civic Party (UCP); Liberal Democratic Party (LDBP); Party of Communists Belarusian (PKB); Party of Popular Accord; Republican Party of Labor and Justice (RPPS); Social Democratic Party of Popular Accord (PPA); Women's Party Nadezhda. Several of these parties exist in name only. Other, unregistered parties are also active, such as: Christian Conservative Party and Party of Freedom and Progress.

Suffrage: Universal at age 18.

Economy

GDP (2003 est.): \$17.5 billion. GDP growth rate (2003): 6.8%. Per capita GDP (2003): \$1.765.

Natural resources: Forest land, peat deposits, small amounts of oil and natural gas.

Agriculture: Products--grain, potatoes, vegetables, flax, beef, milk.

Industry: *Types*--machinery and transport equipment, chemical products, fabrics, and consumer goods. Trade (2003): *Exports*--\$10.0 billion (machinery and transport equipment, chemicals, foodstuffs, metals, and textiles). *Major markets*--Russia, Latvia, Great Britain, Germany, Netherlands, Poland, Ukraine, Lithuania. Imports--\$11.5 billion (mineral products, machinery and equipment, metals, chemicals, foodstuffs). *Major suppliers*--Russia, Germany, Ukraine, Poland, Italy, Lithuania.

Exchange rate (June 2004): 2,157.76 BYR (Belarusian rubles) = U.S. \$1.

U.S.-BELARUSIAN RELATIONS

The United States recognized Belarusian independence on December 25, 1991. After the two countries established diplomatic relations, the U.S. Embassy in Minsk was officially opened on January 31, 1992. Ambassador David H. Swartz, the first Ambassador to Belarus, officially assumed post on August 25, 1992-the first anniversary of Belarusian independence--and departed post on completion of his term in late January 1994. On November 7, 1994, Ambassador Kenneth S. Yalowitz assumed post. He was succeeded by Ambassador Daniel V. Speckhard, who served from August 1997 to August 2000, spending one year recalled to Washington because of a dispute between the government and Western embassies over the confiscation of diplomatic residences. Michael G. Kozak served as U.S. Ambassador from October 2000 to August 2003. George A. Krol replaced Ambassador Kozak as U.S. Ambassador and arrived in Belarus on September 4, 2003.

The two countries have exchanged top-level official visits. Stanislav Shushkevich, the Chairman of the Supreme Soviet of the Republic of Belarus, met with President Clinton in Washington in July 1992, and President Clinton visited Belarus on January 15, 1994. After this high point in relations, however, bilateral relations cooled following the election of President Alexander Lukashenko in July 1994.

On September 12, 1995 three hot air balloons participating in the Coupe Gordon Bennett race entered Belarusian air space. Despite the fact that race organizers informed the Belarusian Government about the race in May and that flight plans had been filed, the Belarusian air force shot down one balloon, killing two American citizens, and forced the other two to land. The crews of the other two balloons were fined for entering Belarus without a visa and released. Belarus to date has not apologized or offered compensation for these killings.

In November 1996, the Lukashenko regime conducted an internationally unrecognized constitutional referendum, which resulted in the dissolution of Belarus' legitimate parliament and the centralization of power in the executive branch. In that same year, the Belarusian authorities provoked a diplomatic crisis by demanding and, in contravention of international law, eventually confiscating diplomatic residences in the Drozdy housing compound, including the U.S. Ambassador's residence. This action led the United States and other countries to withdraw their ambassadors from Belarus until the Belarusian authorities provided compensation and guarantees to respect international law. In addition, Lukashenko used his newly centralized power to repress human rights throughout the country, including persecuting members of the illegally disbanded Belarusian parliament (13th Supreme Soviet) and former members of his own government.

As a result of these events and tendencies, in 1997, the United States announced its decision to pursue a "selective engagement" policy with the Government of Belarus. This policy included downgrading government-to-government contacts to the level of Assistant Secretary and below, and restricting U.S. Government assistance to the Belarusian Government--with the exception of humanitarian assistance and exchange programs with state-run educational institutions. At the same time, the U.S. greatly expanded contacts with Belarusian civil society to promote democratization in Belarus.

Since 1997, despite growing U.S. engagement with Belarusian society, official bilateral relations have remained at a low level. The "selective engagement" policy has remained in effect. No meetings at the ministerial level or above have occurred. In 2003, the United States, in tandem with the European Union, proposed a step-by-step, gradual approach to improve bilateral relations: the United States would respond positively to genuine efforts by Belarusian authorities to improve Belarus' human rights and electoral practices. Belarusian authorities have yet to take such steps to warrant a positive response.

U.S.-Belarusian Economic Relations

The U.S. Government continues to support the development of the private sector in Belarus and its transition to a free market economy. With the advent of the Lukashenko regime, Belarusian authorities have pursued a generally hostile policy toward the private sector and have refused to initiate the basic economic

reforms necessary to create a market-based economy. Most of the Belarusian economy remains in government hands. The government, in particular the presidential administration, exercises control over most enterprises in all sectors of the economy. In addition to driving away many major foreign investors-largely through establishment of a "Golden Share " requirement, which allows government control in all companies with foreign investment--Belarus' centralization and command approach to the economy has left only a trickle of U.S. Government and international assistance programs in this field.

In February 1993, a bilateral trade treaty guaranteeing reciprocal most-favored-nation status entered into force. In January 1994, the U.S. and Belarus signed a bilateral investment treaty, which has been ratified by Belarus but has not been ratified by the U.S. Senate. In addition, due to continuing repression of labor rights in Belarus, the U.S. removed Belarus from the Generalized System of Preferences (GSP) in 2000.

The United States has encouraged Belarus to conclude and adhere to agreements with the International Monetary Fund (IMF) on the program of macroeconomic stabilization and related reform measures, as well as to undertake increased privatization and to create a favorable climate for business and investment. Although there has been some American direct private investment in Belarus, its development has been relatively slow given the uncertain pace of reform. An Overseas Private Investment Corporation agreement was signed in June 1992 but has been suspended since 1995 because Belarus did not fulfill its obligations under the agreement. Belarus is eligible for Export-Import Bank short-term financing insurance for U.S. investments, but because of the adverse business climate, no projects have been initiated. The IMF granted standby credit in September 1995, but Belarus has fallen off the program and did not receive the second tranche of funding, which had been scheduled for regular intervals throughout 1996. Since that time, Belarus had an ongoing discussion to relaunch IMF-backed reforms, concluding an IMF Staff-Monitored Program (SMP) in 2001, which ended in September 2001 with relatively disappointing results. In early 2004, Belarus halted negotiations on a follow-on stand-by arrangement due to disagreements with the IMF on macroeconomic policy and claiming that it did not require IMF funding.

Because of the unpredictable and at times hostile environment for investors, the U.S. Government currently does not encourage U.S. companies to invest in Belarus. Belarus' continuing problems with an opaque, arbitrary legal system, a confiscatory tax regime, cumbersome licensing system, price controls, and lack of an independent judiciary create a business environment not conducive to prosperous, profitable investment. In fact, several U.S. investors in Belarus have left, including the Ford Motor Company.

U.S. Assistance to Belarus

Since 1992, the U.S. Government has provided an estimated \$597.07 million in assistance to Belarus, including \$194.05 million in U.S. Defense Department excess and privately donated humanitarian commodities. U.S. Government assistance to Belarus peaked in 1994 at a level of approximately \$76 million (consisting of more than \$16 million in FREEDOM Support Act funds and some \$60 million in funds from various U.S. Government agencies). However, U.S. assistance levels dropped sharply due to the lack of progress in democratic and economic reform after the coming to power of Alexander Lukashenko in mid-1994. An overview of annual assistance levels is provided below:

Annual U.S. Assistance (including DoD excess and privately donated humanitarian commodities)

FY 1994--\$101.5 million

FY 1995--\$86.1 million

FY 1996--\$69.2 million

FY 1997--\$22.8 million

FY 1998--\$17.2 million

FY 1999--\$29.4 million

FY 2000--\$24.3 million

FY 2001--\$30.7 million

FY 2002--\$28.07 million

FY 2003--\$9.05 million not including DoD excess and privately donated humanitarian commodities.

U.S. Government assistance to Belarus continues to be subject to the policy of selective engagement with the Government of Belarus, under which little bilateral assistance is channeled through the Government of Belarus, except for humanitarian assistance and exchange programs involving state-run educational institutions. Most U.S. Government assistance is targeted to supporting Belarus' non-governmental organizations (NGOs), particularly those working to promote the development of civil society and the free

flow of information. The U.S. also supports international organizations' efforts in Belarus to combat the growing problem of trafficking in persons.

[Fact sheet on FY 2004 U.S. Assistance to Belarus.]

Training and exchange programs. Since FY 1993, U.S. Government-funded exchange programs have brought more than 2,510 Belarusian citizens to the United States for short-term professional or long-term academic training, including some 200 in FY 2003 alone. These programs give reform-minded Belarusians an opportunity to develop their skills and establish contacts with U.S. counterparts. In FY 2003, 50 Belarusian students participated in the Future Leaders Exchange program, attending U.S. high schools and living with American families for one academic year.

Crossborder training programs. U.S. Government-funded cross-border programs provide training to Belarusians in neighboring countries, giving the Belarusians an opportunity to see first-hand the results of successful post-communist democratic and economic reforms.

Democracy fund small grants program. The U.S. Embassy's Democracy Commission awards small grants to Belarusian NGOs in support of a wide range of democracy-building activities, including civic participation, independent print and electronic media, independent trade unions, legal aid organizations, youth and women's groups and human rights groups. Although Democracy Commission grants are limited in size--individual grants do not exceed \$24,000, with most falling between \$5,000 and \$15,000--they have proven to be a very effective vehicle for supporting pro-reform segments of Belarusian society at the grassroots level.

Support for the National Endowment for Democracy. The U.S. Government provides supplementary funding to the National Endowment for Democracy (NED) in support of small grants to Belarusian NGOs and independent media outlets.

Political process programs. With funding from the U.S. Agency for International Development (USAID), the International Republican Institute (IRI) and the National Democratic Institute (NDI) conduct in-country training focusing on party- and coalition-building, domestic election monitoring, and strengthening political skills for democratically oriented organizations, party leaders, and activists.

Independent print media. Until it was closed by the Belarusian government in August 2003, the International Research and Exchanges Board (IREX) offered technical and legal assistance to Belarus' independent media.

Rule of law programs. With funding from USAID, the American Bar Association's USAID-funded Central and Eastern European Law Initiative (ABA/CEELI) is strengthening law-related NGOs and educating average Belarusian citizens about their rights under Belarusian law. ABA/CEELI has been working with lawyers from 22 legal advice centers run by independent trade unions and NGOs to improve the quality and increase the availability of free legal advice to the population.

NGO development programs. With funding from USAID, the Counterpart Alliance for Partnership (CAP) seeks to promote civil society development in Belarus by providing assistance to Belarusian NGOs, with a focus on legal aid and education to strengthen the capacity of its Belarusian NGO partners to protect their own rights.

Support for Belarusian entrepreneurs. Although the lack of economic reform in Belarus has precluded a broader program of USAID-funded economic development assistance, USAID has sought to help Belarusian entrepreneurs to organize and defend their rights.

Western NIS Enterprise Fund (WNISEF). WNISEF runs a small and medium-sized enterprise (SME) credit and capital investment program in Ukraine, Moldova, and Belarus. However, because of the restrictive environment for private SMEs in Belarus, WNISEF has had no active credit and investment projects in Belarus for the past several years.

U.S. Department of State--Operation Provide Hope. Since 1992, the United States has provided more than \$200 million in humanitarian assistance to the most needy citizens in Belarus, and the U.S. Department of State has sponsored 35 medical airlifts.

Security programs. Belarus was previously a recipient of assistance under the U.S. Defense Department's Cooperative Threat Reduction (CTR) Program, whose objective is to reduce the threat posed to the United States by weapons of mass destruction remaining on the territory of the former Soviet Union, by promoting denuclearization and demilitarization and preventing weapons proliferation. However, in February 1997, due to the Belarusian Government's poor record on human rights, President Clinton de-certified Belarus, rendering the country ineligible for further assistance. This resulted in the reallocation to other countries of unobligated CTR assistance funds originally intended for Belarus, as well as restrictions on other security-related assistance to Belarus. The United States and Belarus signed a government-to-government umbrella agreement on CTR assistance in 1992, seven agency-to-agency CTR implementing agreements, and one memorandum of understanding and cooperation; the umbrella agreement was extended for one year in October 1997, but has now expired.

For more detailed information on U.S. Government-funded assistance programs, please see the Annual Reports on U.S. Government Assistance to Eurasia, which are available online at the following addresses:

The FY 2000-2002 annual reports are available at http://www.state.gov/p/eur/rls/rpt/
The FY 1994-99 annual reports are available at http://www.state.gov/www/regions/nis_assist_index.html

Principal U.S. Embassy Officials

Ambassador--George Krol
Deputy Chief of Mission--Constance Phlipot
Political/Economic Officers--Marc Nordberg
Consular Officer--Christopher Reynolds
Management Officer--Benjamin Dille
Regional Security Officer--Anthony Tortora
Public Affairs Officer--Dian McDonald
Defense Attaché-- MAJ John Pilloni
IPO--Harry Chamberlain
USAID--vacant

The <u>U.S. Embassy</u> in Minsk, Belarus is located at Starovilenskaya 46; tel: (375-17) 210-12-83; fax: (375-17) 234-78-53.

HISTORICAL HIGHLIGHTS

While archeological evidence points to settlement in today's Belarus at least 10,000 years ago, recorded history begins with settlement by Baltic and Slavic tribes in the early centuries A.D. With distinctive features by the ninth century, the emerging Belarusian state was then absorbed by Kievan Rus' in the 9th century. Belarus was later an integral part of what was called Litva, which included today's Belarus as well as today's Lithuania. Belarus was the birthplace of the Grand Duchy of Lithuania. Belarusian was the state language of the Grand Duchy until 1697, in part owing to the strong flowering of Belarusian culture during the Renaissance through the works of leading Belarusian humanists such as Frantzisk Skaryna. Belarus was the site of the Union of Brest in 1597, which created the Greek Catholic Church, for long the majority church in Belarus until suppressed by the Russian empire, and the birthplace of Thaddeus Kosciuszko, who played a key role in the American Revolution. Occupied by the Russian empire from the end of the 18th century until 1918, Belarus declared its short-lived National Republic on March 25, 1918, only to be forcibly absorbed by the Bolsheviks into what became the Soviet Union (U.S.S.R.). Suffering massive population losses under Soviet leader Josif Stalin and the German Nazi occupation, Belarus was retaken by the Soviets in 1944. It declared its sovereignty on July 27, 1990, and independence from the Soviet Union on August 25, 1991. It has been run by the authoritarian Alexander Lukashenko since 1994.

ECONOMY

As part of the former Soviet Union, Belarus had a relatively well-developed industrial base; it retained this industrial base following the breakup of the U.S.S.R. The country also has a broad agricultural base and a high education level. Among the former republics of the Soviet Union, it had one of the highest standards of living. But Belarusians now face the difficult challenge of moving from a state-run economy with high priority on military production and heavy industry to a civilian, free-market system.

After an initial outburst of capitalist reform from 1991-94, including privatization of state enterprises, creation of institutions of private property, and entrepreneurship, Belarus under Lukashenko has greatly slowed its pace of privatization and other market reforms, emphasizing the need for a "socially oriented market economy." About 80% of all industry remains in state hands, and foreign investment has been hindered by a climate hostile to business. The banks, which had been privatized after independence, were renationalized under Lukashenko.

Economic output, which declined for several years, revived somewhat in the late 1990s, but the economy remains dependent on Russian subsidies. Until 2000, subsidies to state enterprises and price controls on industrial and consumer staples constituted a major feature of the Belarusian economy. Inflationary monetary practices, including the printing of money, also has been regularly used to finance real sector growth and to cover the payment of salaries and pensions.

Peat, the country's most valuable mineral resource, is used for fuel and fertilizer and in the chemical industry. Belarus also has deposits of clay, sand, chalk, dolomite, phosphorite, and rock and potassium salt. Forests cover about a third of the land, and lumbering is an important occupation. Potatoes, flax, hemp, sugar beets, rye, oats, and wheat are the chief agricultural products. Dairy and beef cattle, pigs, and chickens are raised. Belarus has only small reserves of petroleum and natural gas and imports most of its oil and gas from Russia. The main branches of industry produce tractors and trucks, earthmovers for use in construction and mining, metal-cutting machine tools, agricultural equipment, motorcycles, chemicals, fertilizer, textiles, and consumer goods. The chief trading partners are Russia, Germany, Ukraine, and Poland.

The massive April 26, 1986 nuclear accident at the Chernobyl power plant, across the border in Ukraine, had a devastating effect on Belarus; as a result of the radiation release, agriculture in a large part of the country was destroyed, and many villages were abandoned. Resettlement and medical costs were substantial and long-term.

In 2000, Belarus managed to unify its currency exchange rates, tightened its monetary policy, and partially liberalized the foreign currency market. These developments led to the conclusion of a staff-monitored program in cooperation with the IMF, addressing, among other topics, price and wage liberalization, a widening of privatization, fiscal reform, the adoption of international accounting standards in the banking sector, and the repeal of several egregious laws and decrees to improve the investment climate. The program was conducted between April and September 2001, with relatively disappointing results.

Due to the economic and political climate, little new foreign investment occurred in 2003. In 2002, two major companies, the Swedish furniture firm Ikea and Russian beer producer Baltika, ended operations in Belarus due to unrealized government commitments or unwelcome interference. The government itself faced increasing fiscal difficulties as arrears rose in wages and pensions, and in tax payments.

Growth in 2003 and early 2004 was reportedly robust, but peculiarities in official Belarusian statistics complicate analysis. Inflation remained highest in the region despite a modest decline to 18% in early 2004. Over 40% of enterprises and a majority of collective farms currently operate at a loss, a level that has persisted since 2002. The government made progress in reining in its fiscal policies, largely due to constraints imposed by financial difficulties caused by the earlier economic slowdown. Belarus continues to be heavily dependent on Russia, with the potential for greater economic dependency looming in the proposed European Union (EU)-style union between the two states. Prospects for an eventual union appear diminished, however, largely due to the apparent lack of interest on the part of Belarus.

The World Bank's 2002-2004 country assistance strategy for Belarus focuses on areas such as targeted social assistance to help open up Belarusian society, AIDS/HIV and tuberculosis prevention, environmental protection, Chernobyl-related damage, and small and medium enterprise development. The World Bank's most recent project in Belarus began with its June 2001 approval of a \$22.6 million loan to finance repairs in over 450 schools, hospitals, and homes for orphans, the elderly, and the disabled throughout Belarus. In 2004, Belarus rejected a World Bank loan to help fight AIDS and tuberculosis. IMF cooperation is currently limited to policy and technical consultations.

Environmental Issues

Belarus has established ministries of energy, forestry, land reclamation, and water resources and state

committees to deal with ecology and safety procedures in the nuclear power industry. The most serious environmental issue in Belarus results from the accident in 1986 at the Chernobyl nuclear power plant. About 70% of the nuclear fallout from the plant landed on Belarusian territory, and about 20% of the land remains contaminated. But government restrictions on residence and use of contaminated land are not strictly enforced, and the government announced plans in 2004 to increase agricultural production in the contaminated regions. The government receives U.S. assistance in its efforts to deal with the consequences of the radiation.

GOVERNMENT AND POLITICAL CONDITIONS

Since his election in July 1994 to a 5-year term as the country's first President, Alexander Lukashenko has consolidated power steadily in the executive branch through authoritarian means. He used a non-democratic November 1996 referendum to amend the 1994 constitution in order to broaden his powers and illegally extend his term in office; and he began to count his 5-year term in 1996, thereby adding 2 years to his first term in office. The new constitution has a popularly elected president who serves a 5-year term. The bicameral parliament consists of the 64-seat Council of the Republic and the 110-seat Chamber of Representatives. The Council of the Republic is the house of territorial representation. Eight members of the Council are appointed directly by the president of the Republic of Belarus, while the rest are elected by local regional councils. The deputies to the House of Representatives are elected directly by the voters. The president appoints the prime minister, who is the head of government.

In October 2000, parliamentary elections occurred for the first time since the disputed referendum of 1996. According to the Organization for Security and Cooperation in Europe's Office for Democratic Institutions and Human Rights (OSCE/ODIHR), these elections failed to meet international standards for democratic elections. In particular the elections fell far short of meeting the minimum commitments for free, fair, equal, accountable, and transparent elections. Following on from the flawed parliamentary elections, and based on the unrecognized 1996 constitution, Lukashenko announced early in 2001 that presidential elections would be held. International monitors noted sweeping human rights violations and nondemocratic practices throughout the election period, including massive vote-counting fraud. These irregularities led the OSCE/ODIHR to find that these elections also failed to meet Belarus' OSCE commitments for democratic elections. March 2003 local elections also failed to meet international standards of freedom and fairness.

In July 2004, Lukashenko announced that parliamentary elections would be held in October.

Government restrictions on freedom of speech and the press, peaceful assembly, and religions continued in 2003. Efforts in 2003 to further infringe upon press freedoms included the continued use of libel laws, limitations on foreign funding, pressure on businesses not to advertise with independent media, limitations on access to newsprint and printing presses, censorship, restrictions on the import of media-related materials, temporary suspension of independent and opposition periodicals, and detention of those distributing such material. The government continued to make use of its monopoly on television broadcasting to present biased news coverage and to minimize the presentation of opposing points of view. On September 9, 2003 President Lukashenko called upon mass media to be used as an instrument for promoting a pro-government state ideology. Additionally, although several Internet service providers have emerged in Belarus, they are all state-controlled. Despite constitutional provisions, a 1998 government decree limited citizens' rights to express their own opinions. The 1994 and 1996 constitutions both provide for freedom of peaceful assembly; however, the regime severely restricts this right in practice.

Demonstrations require an application at least 15 days in advance of the event. The local government must respond positively or negatively at least 5 days prior to the event. Following many unsanctioned demonstrations, police and other security officials detain and harass demonstration participants.

The constitution provides for freedom of religion; however, the authorities restrict this right in practice. Although Article 16 of the 1996 amended constitution that resulted from the illegal referendum reaffirms the equality of religions and denominations before the law, it also contains restrictive language that stipulated that cooperation between the state and religious organizations "is regulated with regard for their influence on the formation of spiritual, cultural, and country traditions of the Belarusian people."

On October 22, 2002, the parliament approved a new law on religion, despite protests from international and domestic human rights organizations as well as Orthodox religious groups not affiliated with the Russian Orthodox Church. The law contains a number of very restrictive elements.

According to the constitution, citizens are free to travel within the country and to live and work where they wish; however, the authorities sometimes restrict these rights in practice. The authorities issue internal passports to all adults, which serve as primary identity documents and are required to travel, obtain permanent housing, and for hotel registration.

The constitution provides for the right of workers--except state security and military personnel--to voluntarily form and join independent unions and to carry out actions in defense of workers' rights, including the right to strike. In practice, however, these rights are limited. The Belarusian Free Trade Union (BFTU) was established in 1991 and registered in 1992. Following the 1995 Minsk metro workers strike, the President suspended its activities. In 1996 BFTU leaders formed a new umbrella organization, the Belarusian Congress of Democratic Trade Union (BCDTU), which encompasses four leading independent trade unions and is reported to have about 15,000 members. In late 2003, the BCDTU became a member of the International Confederation of Free Trade Unions (ICFTU).

In May 2001, a complaint was lodged with the International Labor Organization (ILO) by several trade union organizations. A trade union campaign was carried out to raise international awareness and put pressure on the Belarus Government. Late in 2001, the regime attempted to further restrict the unions by refusing to turn over dues paid by members. Once it became clear that the unions and the BFTU were adjusting to this change, the government in June of 2002 embarked on a takeover of the BFTU and several of its branch unions. The BFTU subsequently became an arm of the government, and the election of Leonid Kozik to the position of Chairman of the BFTU has been challenged by the ILO.

In 2003, the authorities took numerous measures to suppress independent trade unions and continued to interfere in the work of the BFTU, especially regarding activities of independent, affiliated unions. In May, the trade unions at nine state enterprises merged to form the Belarusian Union of Industry Workers (BUIW), which subsequently became a member of Kozik's BFTU. The authorities and directors of state enterprises placed significant pressure on workers to join the BUIW. Independent union activists called the BUIW a progovernment, "yellow union" established to quell resistance to BFTU's pro-government agenda and undermine reformist grassroots unions. In June 2003, the International Labor Organization's (ILO) Standards Committee included the country in its special paragraph on trade union violations for a second consecutive year and urged the government to address the ILO recommendations to eliminate government interference in unions. On November 19, the ILO approved the establishment of a Commission of Inquiry to investigate alleged serious violations of workers' rights in the country. On November 11, the Ministry of the Economy informed the ILO that all activities related to its technical assistance project to labor unions must cease, because the registration of the project was denied.

In March 2004 the government began forcing state employees (some 80% of Belarusian workers) to sign short-term work contracts. Although contracts may be concluded for a period of 5 years, most expire after one year--essentially allowing the government to fire anyone annually. Although the contracts are new, several members of independent unions have already lost their jobs when their contracts were not renewed.

The State Department's report on human rights practices in Belarus is located at http://www.state.gov/g/drl/rls/hrrpt/2003/27827.htm.

Principal Government Officials

President--Alexander Lukashenko Prime Minister--Sergei Sidorsky Foreign Minister--Sergei Martynov Ambassador to the U.S.--Mikhail Khvostov Ambassador to the UN--vacant

Belarus' embassy in the U.S. is at 1619 New Hampshire Ave., NW, Washington, DC 20009; tel: 202-986-1606; fax: 202-986-1805; website: http://www.belarusembassy.org

DEFENSE AND MILITARY ISSUES

The United States continues to support Belarus' adherence to arms control agreements and treaties into which it has previously entered. Added to this list is Belarus' recent ratification of the Open Skies Treaty. Cooperation in all such agreements has been exemplary.

Humanitarian aid continues to be the primary engagement between the U.S. military and Belarus. In early 2004, the United States European Command announced the allocation of \$200,000 for the continued renovation of the Gomel Emergency Treatment Hospital. The hospital had already received more than \$600,000 in humanitarian assistance, which included funds for the renovation and establishment of its blood transfusion center in 2001. In addition, in May 2004, the U.S. military donated \$95,000 for the renovation of the Turov regional hospital. These programs, coupled with the continuous flow of Humanitarian Excess Property from U.S. Cold War stocks, define the humanitarian assistance program.

Direct military to military cooperation continues to be minimal. Belarus currently has no International Military Education and Training (IMET) program, and bilateral exercises and cooperation are nonexistent. There is a great desire on the Belarusian side to re-establish such cooperation and contacts, but it has not been possible due to the political situation. The only program that is still functional within this category is the attendance of Belarusian military officers in George C. Marshall Center programs.

Potential areas of cooperation can be seen in the area of mine disposal, demining, and small arms destruction. Belarus possesses an unstable inventory of about 4.2 million anti-personnel mines, which require proper disposal. Officials have been working with foreign governments to acquire financial and technical support for these efforts but have met with little tangible success. In addition to this, there are numerous World War II-vintage minefields, which are still in place and kill or injure several Belarusians every year. The Belarusian Government would quickly accept assistance in either of these areas.

The new Minister of Defense is experiencing success in the area of military reform. Planned changes include combining the Air and Air Defense Forces, downsizing the force structure about 30% from 83,000 to 60,000, transitioning from a conscript to a contract force, and modernizing the command and control structure by creating a Ground Forces Command between the Ministry of Defense and the units in the field. Implementation of these reforms will take an unspecified amount of time.

The area of greatest concern continues to be links between Belarus and states of concern through the sale of arms to, equipment services to, and the training of personnel from these states. Included in this category (but not limited to these examples) are the sales of weapons to Libya and Syria, along with reported weapons transfers, upgrades of equipment (S-300 system), and air defense training of service members of the former Iraqi regime.

FOREIGN RELATIONS

Under an arrangement with the former U.S.S.R., Belarus was an original member of the United Nations. It also is a member of the Commonwealth of Independent States (CIS--a group of 12 former Soviet republics) and its customs union, the Organization for Security and Cooperation in Europe (OSCE), the North Atlantic Treaty Organization's (NATO) Partnership for Peace, the North Atlantic Cooperation Council, the International Monetary Fund, and the World Bank.

Following the recognition of Belarus as an independent state in December 1991 by the European Community, EU-Belarus relations initially experienced a steady progression. The signature of the Partnership and Cooperation Agreement (PCA) in 1995 signaled a commitment to political, economic, and trade cooperation. Significant assistance was provided to Belarus within the framework of the TACIS technical assistance program and also through various aid programs and loans. However, progress in EU-Belarus relations stalled in 1996 after serious setbacks to the development of democracy and the Drozdy conflict. The EU did not recognize the 1996 constitution, which replaced the 1994 constitution. The EU Council of Ministers decided against Belarus in 1997: The PCA was not concluded, nor was its trade-related part; Belarusian membership in the Council of Europe was not supported; bilateral relations at the ministerial level were suspended; and EU technical assistance programs were frozen. In 2004, the Council of Europe adopted a report written by special rapporteur Christos Pourgourides calling on Belarusian authorities to suspend various high-level officials in conducting a thorough investigation of the cases of several prominent Belarusian political figures who have disappeared and remain unaccounted for.

Acknowledging the lack of progress in relation to bilateral relations and the internal situation following the position adopted in 1997, the EU adopted a benchmark approach in 1999, whereby relations would be gradually improved upon fulfillment of the four benchmarks set by the OSCE. In 2000, some moderately positive developments toward the implementation of recommendations made by the OSCE Advisory and Monitoring Group (AMG) were observed but were not sufficient in the realm of access to fair and free elections. The Belarusian Government, objecting to the OSCE AMG's activities, forced its shutdown by

failing to renew visas or extend accreditation of professional staff. The Belarus Government agreed to a successor OSCE presence after 14 EU member countries and the U.S. imposed visa restrictions on the travel of high-ranking Belarusian officials. The OSCE Office in Minsk formally came into existence on January 1, 2003 with a mandate to "assist the Belarusian Government in further promoting institution-building, in further consolidating the Rule of Law and in developing relations with civil society, in accordance with OSCE principles and commitments".

Russia is the largest partner for Belarus in the economic and political fields. In terms of trade, two-thirds of Belarusian exports go to Russia. Due to the structure of Belarusian industry, Belarus relies heavily on other CIS countries and Russia in particular both for export markets and for the supply of raw materials, energy, and components. The introduction of free trade between Russia and Belarus in mid-1995 led to a spectacular growth in bilateral trade, which was only temporarily reversed in the wake of the financial crisis of 1998. The framework for the Russia-Belarusian Union was set out in the Treaty On the Formation of a Community of Russia and Belarus (1996), the Treaty on Russia-Belarus Union, the Union Charter (1997), and the Treaty of the Formation of a Union State (1999). The integration treaties contain commitments to monetary union, equal rights, single citizenship, and a common foreign and defense policy. They also have established a range of institutions modeled after the EU. After protracted disputes and setbacks, the two countries' customs duties were unified as of March 2001. Belarus has made progress in monetary stabilization in the context of ongoing negotiation with the Russian Central Bank on monetary union. In early 2003, a bilateral working group was developing a draft union constitution to be ratified by a referendum held in both countries. Belarus and Russia had also reaffirmed their intention to achieve currency unification by 2005. However, differences over tax policy, customs codes, foreign trade, and constitutional issues make union appear increasingly unlikely. In July 2004, Lukashenko claimed that currency union would have to wait until at least 2008.

TRAVEL AND BUSINESS INFORMATION

The U.S. Department of State's Consular Information Program provides Consular Information Sheets, Travel Warnings, and Public Announcements. **Consular Information Sheets** exist for all countries and include information on entry requirements, currency regulations, health conditions, areas of instability, crime and security, political disturbances, and the addresses of the U.S. posts in the country. **Travel Warnings** are issued when the State Department recommends that Americans avoid travel to a certain country. **Public Announcements** are issued as a means to disseminate information quickly about terrorist threats and other relatively short-term conditions overseas which pose significant risks to the security of American travelers. Free copies of this information are available by calling the Bureau of Consular Affairs at 202-647-5225 or via the faxon-demand system: 202-647-3000. Consular Information Sheets and Travel Warnings also are available on the Consular Affairs Internet home page: http://travel.state.gov. Consular Affairs Tips for Travelers publication series, which contain information on obtaining passports and planning a safe trip abroad are on the internet and hard copies can be purchased from the Superintendent of Documents, U.S. Government Printing Office, telephone: 202-512-1800; fax 202-512-2250.

Emergency information concerning Americans traveling abroad may be obtained from the Office of Overseas Citizens Services at (202) 647-5225. For after-hours emergencies, Sundays and holidays, call 202-647-4000.

The National Passport Information Center (NPIC) is the U.S. Department of State's single, centralized public contact center for U.S. passport information. Telephone: 1-877-4USA-PPT (1-877-487-2778). Customer service representatives and operators for TDD/TTY are available Monday-Friday, 8:00 a.m. to 8:00 p.m., Eastern Time, excluding federal holidays.

Travelers can check the latest health information with the U.S. Centers for Disease Control and Prevention in Atlanta, Georgia. A hotline at 877-FYI-TRIP (877-394-8747) and a web site at http://www.cdc.gov/travel/index.htm give the most recent health advisories, immunization recommendations or requirements, and advice on food and drinking water safety for regions and countries. A booklet entitled Health Information for International Travel (HHS publication number CDC-95-8280) is available from the U.S. Government Printing Office, Washington, DC 20402, tel. (202) 512-1800.

Information on travel conditions, visa requirements, currency and customs regulations, legal holidays, and other items of interest to travelers also may be obtained before your departure from a country's embassy and/or consulates in the U.S. (for this country, see "Principal Government Officials" listing in this publication).

U.S. citizens who are long-term visitors or traveling in dangerous areas are encouraged to register at the Consular section of the U.S. embassy upon arrival in a country by filling out a short form and sending in a copy of their passports. This may help family members contact you in case of an emergency.

Further Electronic Information

Department of State Web Site. Available on the Internet at http://www.state.gov, the Department of State web site provides timely, global access to official U.S. foreign policy information, including Background Notes and daily press briefings along with the directory of key officers of Foreign Service posts and more.

<u>Export.gov</u> provides a portal to all export-related assistance and market information offered by the federal government and provides trade leads, free export counseling, help with the export process, and more.

<u>STAT-USA/Internet</u>, a service of the U.S. Department of Commerce, provides authoritative economic, business, and international trade information from the Federal government. The site includes current and historical trade-related releases, international market research, trade opportunities, and country analysis and provides access to the <u>National Trade Data Bank</u>.

Source: U.S. Department of State http://www.state.gov/r/pa/ei/bgn/5371.htm