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Belarussian President Fires Top Leadership in Major Political Shakedown

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Belarussian President Alexander Lukashenko speaks during a news conference after a meeting of the Eurasian Economic Union at the Kremlin in Moscow, Dec. 23, 2014.

MINSK — Belarussian President Alexander Lukashenko has dismissed the country's prime minister, Central Bank head and other top ministers, the presidential press service said on Saturday, in the biggest government reshuffle since 2010.

The shake-up follows Belarussian moves to protect its economy, run along Soviet-style command lines by Lukashenko since 1994, due to a currency crisis in Russia, its main trading partner and ally.

Lukashenko's chief of staff Andrei Kobyakov has been appointed new prime minister, the press service said in a statement, without giving reasons for the dismissal of much of the cabinet.

Earlier this year Lukashenko warned he might dismiss the government if it failed to achieve key economic objectives, state news agency BelTA reported.

An economic crisis in Russia due to Western sanctions over Ukraine and a slump in the oil price poses a serious headache for Belarus, which sends half of its exports to its powerful neighbour and relies heavily on Russian subsidies.

On Dec. 18 Lukashenko demanded that Belarus's transactions with Russia be settled in dollars or euros because of the slump in the value of Russia's ruble, which has fallen around 40 percent against the dollar since the start of the year.

Belarus ships mainly trucks, tractors, industrial machinery and food products to Russia, and around 92 percent of transactions are normally carried out in rubles.

It earned $739 million less on exports year-on-year in January-October even though volumes remained the same, according to official statistics.

The Central Bank has also imposed currency controls to protect the Belarussian ruble.

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