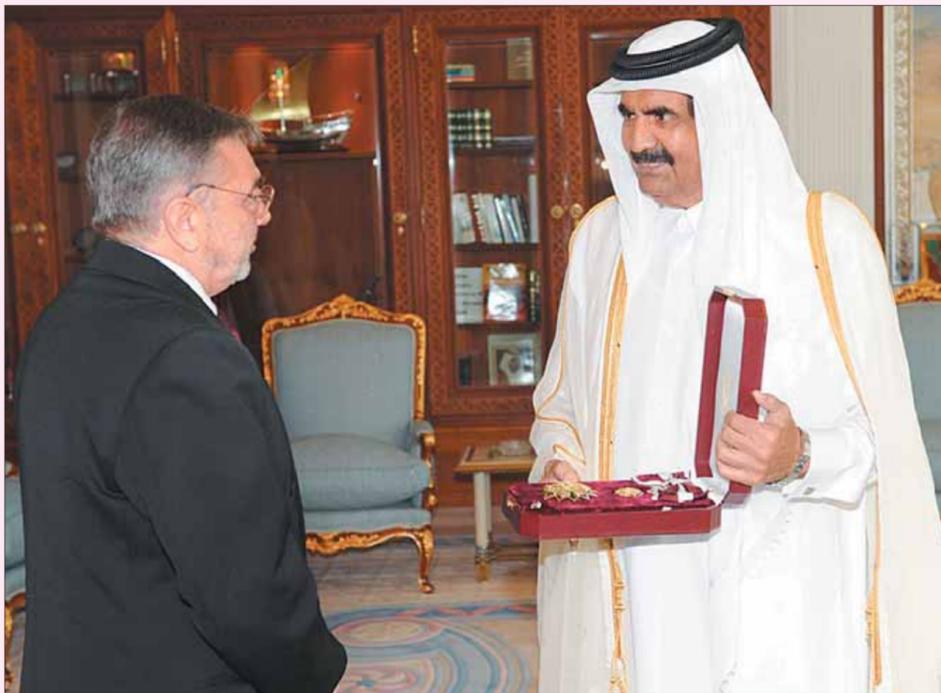


## EMIR WITH HUNGARIAN ENVOY

The Emir His Highness Sheikh Hamad bin Khalifa al Thani confers the sash of merit on the outgoing Hungarian Ambassador to Qatar HE Sabo Laslo, in Doha, on Sunday. (See also page 17)



## Record budget likely to be announced this month, says Kamal

ZAWYA DOW JONES  
DOHA

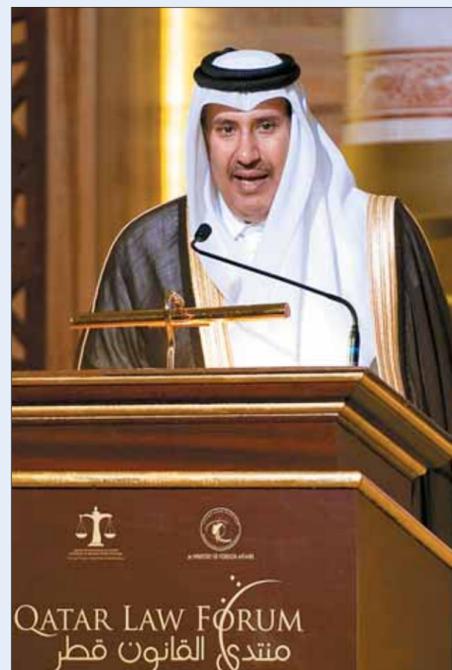
QATAR'S record state budget is likely to be unveiled this month, Minister of Economy and Finance HE Yousef Hussain Kamal said on Sunday.

**Inflation would average between two percent and three percent in 2012.**

Because of changes in the government's accounting system Qatar's announcement of its 2012-2013 spending budget would be pushed back from April 1 to the end of May, officials had said in March.

Speaking to reporters on the sidelines of a law event in Doha, Kamal said the budget would be an increase over last year's. Qatar's fiscal 2011-12 budget was the highest in the country's history with a planned spending of QR139.9 billion (\$38.4 billion), a 19 percent rise on the previous year. Inflation would average between two percent and three percent in 2012, Kamal added.

## PM AT QATAR LAW FORUM



Prime Minister and Minister of Foreign Affairs HE Sheikh Hamad bin Jassim bin Jabor al Thani at the Qatar Law Forum, in Doha, on Sunday.

## Left gains ground in Greece, exit polls indicate instability

REUTERS  
ATHENS

GREEK voters enraged by economic hardship deserted governing parties in droves in an election on Sunday, according to exit polls that threw doubt on the country's future in the euro zone.

Polls by six different pollsters indicated the only two parties supporting an EU/IMF bailout that is keeping Greece from bankruptcy would likely fall short of enough support to form a stable coalition government.

The exit polls showed conservative New Democracy and Socialist PASOK, who have dominated Greece for

decades, reaching a maximum of 37 percent of the vote combined.

In a huge upset, a previously small leftwing party, the Left Coalition, was predicted to take around the same share of the vote as PASOK with 15-18 percent. In the previous election in 2009 they had less than 5 percent. PASOK, which took 44 percent of the vote in a landslide victory in that election, was shown with between 14 and 18 percent, according to polls by Kapa Research and a pool of five companies for Greek television stations.

New Democracy also appeared particularly hard

hit with a vote share way below opinion poll predictions of around 25 percent.

If confirmed by official results, the election could plunge Greece into new political turmoil, reigniting a euro zone debt crisis first detonated by Athens in 2009 and starting it down a path that could take it out of the euro. The exit polls showed Greeks fuming at record unemployment, collapsing businesses and steep wage cuts had ignored warnings that a vote against the harsh terms of the bailout would push Greece towards bankruptcy.

Earlier during voting leaders from all sides emphasised the importance of the

vote for the future of Greece, which is suffering one of Europe's worst postwar recessions.

"We all agree that these elections are perhaps the most crucial and today each of us is deciding not only who will govern the country but also Greece's path for the next decades," said outgoing technocrat Prime Minister Lucas Papademos, as he cast his vote in Athens.

But many Greeks expressed their rage at the ruling parties as they voted. "My vote was a protest vote because they cut my pension and there are more measures waiting for us around the corner," said a pensioner Kalliopi.

## Armenian president's party set to keep power

REUTERS  
YEREVAN

percent of the votes, it showed.

"It's clear who has won,"

Gallup's Andrey Raychev told Armenia TV channel, which published the exit poll. He said the exit poll would be updated within two hours, and the Central Election Commission is expected to start receiving the first results from regional polling stations across the country of 3.3 million by midnight (2000 GMT).

Many voters and Armenian leaders had hoped the election would be a landmark for democracy after voting irregularities marred the last parliamentary election in 2007 and clashes killed 10 people after the presidential vote in 2008. Its main partner in the previous coalition, the Prosperous Armenia party led by businessman Gagik Tsarukyan, was trailing in second place on nearly 29



Minister of Economy and Finance HE Yousef Hussain Kamal

## Merkel's party neck-and-neck with SPD

REUTERS  
BERLIN

CHANCELLOR Angela Merkel's conservatives stood neck-and-neck with the rival Social Democrats (SPD) in an election in the German state of Schleswig-Holstein, projections showed on Sunday, pointing to weeks of tough coalition talks to form a government.

German TV network ARD projected Merkel's Christian Democrats (CDU) on 30.6 percent, their worst result in the state since 1950, and the SPD on 29.9 percent based on exit polls after the voting stations closed at 6 p.m. (1600 GMT). The result would give both parties 22 seats in the 69-seat assembly.

The unclear outcome in the northern state of 2.8 million people bordering Denmark, means a large number of coalition options possible, including a "grand coalition" of the two big parties or three-way governments involving smaller parties.

Perhaps the most likely of those is what Germans have dubbed a "Danish traffic light" coalition of the SPD, Greens and the South Schleswig Party (SSW), representing the state's Danish minority.

"This is our goal," SPD lead candidate Torsten Albig told German public television. "If that doesn't work we'll see what other coalitions are possible." The environmentalist Greens stood at 13.6 percent, and the unconventional Pirates, who stormed onto the



Members of the party The Pirates celebrate after the first results of the election in Germany's State Schleswig-Holstein were published, in Kiel, on Sunday. (AP)

political scene last year, polled 8.1 percent, enough to enter their third straight regional assembly.

Merkel's resolute stance through the dramas of the euro zone crisis has left her personal popularity intact. But her national centre-right coalition has looked in jeopardy after a slump in public support for her junior coalition partners, the Free Democrats (FDP), due to their infighting and prickly leaders.

The FDP, who have dropped out of five state

assemblies up and down the country, rebounded however to make it back into the Schleswig-Holstein assembly with 8.3 percent of the vote.

Merkel wants to win a third term in power in 2013 and press on with her drive to instill German-style budget discipline across the ailing euro zone. But she will likely have to find new allies for her Christian Democrats (CDU) next year.

If her party proves the largest party in Schleswig-Holstein it would give the CDU vital second wind, at a

sensitive time for the chancellor.

With national elections in France and Greece and local elections in Italy on Sunday, she faces a backlash across the continent to the austerity measures she has championed as the bitter pill necessary to solving the debt crisis.

Merkel must also contend with a vote next week in Germany's most populous state of North Rhine-Westphalia, frequently a barometer of future national voting trends, where the CDU trails the SPD.

## Return of Vladimir Putin to presidency after 12 years

AP  
MOSCOW

VLADIMIR Putin's return to the presidency on Monday will technically give him greater powers than he wielded as prime minister. The irony is that his position will be arguably weaker than at any time since he first came to power more than 12 years ago.

In part because of the heavy-handed way in which he reclaimed the presidency, Putin finds himself the leader of a changed country, where a growing portion of society is no longer willing to silently tolerate a government that denies its citizens a political voice.

How Putin responds to the calls for free elections and accountable government will help define his next six years in office and to a great extent determine the future of Russia itself.

The pressure on Putin began to build in the months ahead of the March presidential election as a series of protests drew tens of thousands onto the streets of Moscow. Although the number of protesters has dwindled since the vote and expectations were low for an opposition rally on Sunday, the protest movement has led to real change in Russia.

In response to the demonstrations, the Kremlin has agreed to allow more political competition in future elec-



Once again Russian President Vladimir Putin

tions. National television channels have slightly opened up, expanding beyond their role as a Kremlin propaganda arm. Even some members of the Kremlin-controlled parliament have become more willing to challenge Kremlin legislation.

Equally significant, the protests have roused a new generation of Russians out of their political apathy and brought forth a civic awakening that already has led to greater involvement in local politics.

During the past four years, the presence of the younger and seemingly more liberal President Dmitry Medvedev allowed people to hope that change was possible, even though everyone understood

that Putin was still in charge as prime minister.

Medvedev promised to fight corruption, make the courts more independent and modernise the economy, but in the end nothing really improved. His empty words only made the problems more obvious and fed social dissatisfaction.

When Medvedev announced in September that he was stepping aside to allow Putin to take back the presidency, many Russians were offended by the implication that their votes were considered just a formality.

Two months later, Putin was greeted with catcalls at a Moscow sports arena, an unprecedented rebuke that an opposition leader described as "the end of an era."