

Headlines:

- **Opposition Seize Power in Kyrgyzstan**
- **The End of the Dollar's Exorbitant Privilege**
- **Death Toll Rises in Nagorno-Karabakh**

Details:

Opposition Seize Power in Kyrgyzstan

Kyrgyzstan's Prime Minister Kubatbek Boronov has stepped down after the Central Electoral Commission annulled the results the recent parliamentary elections in response to accusations of vote-rigging. Boronov and Dastan Jumabekov, the speaker of the country's parliament, presented their resignation letters at a meeting of legislators in the capital Bishkek on 6 Oct. Thousands took to Ala-Too's Square on 5 Oct to protest against electoral fraud. The riots that ensued saw the security services respond with tear gas, rubber bullets and shock grenades against the protesters, killing one 19-year-old and injuring 590. Later that day, protesters stormed the White House, which hosts the offices of the country's president and parliament. A group of 13 opposition parties on Tuesday formed a Coordinating Council which has temporarily assumed full responsibility for finding a way out of the current deadlock. Kyrgyzstan is no stranger to political upheavals. In the past 15 years, the country faced two revolutions – in 2005 and 2010 with the US and Russia battling for the Central Asian nation.

The End of the Dollar's Exorbitant Privilege

Stephen Roach, the Yale professor and former Morgan Stanley Asia chair outlined in the Financial Times the dollar's privilege is about to be withdrawn. A crash in the dollar is likely and it could fall by as much as 35 per cent by the end of 2021. The reason: a lethal interplay between a collapse in domestic saving and a gaping current account deficit. While a Covid-related explosion in the federal government deficit is the immediate source of the problem, this was an accident waiting to happen. Going into the pandemic, the net domestic saving rate averaged just 2.9 per cent of gross national income from 2011 to 2019, less than half the 7 per cent average from 1960 to 2005. This thin cushion left the US vulnerable to any shock, let alone Covid. With the US overstretched after two decades of war, with its soft power in ruins the dollar remains its last advantage, which is now fast reaching rock bottom.

Death Toll Rises in Nagorno-Karabakh

Heavy fighting continues in the disputed region of Nagorno-Karabakh between Armenian forces and Azerbaijan as both sides accuse one another of attacking civilian areas. On 5 Oct, Armenian military officials accused Azerbaijan of shelling Stepanakert, the capital of Nagorno-Karabakh. Azeri officials accused Armenia of attacking several towns, including two major cities, Ganja and Mingachevir. Around 250 people have been reported killed in the fighting, but the real number is expected to be much higher since Azerbaijan has not disclosed its military casualties. The fighting shows no sign of slowing down, and Azerbaijan is calling for all Armenian forces to withdraw from its territory. Nagorno-Karabakh is technically within the internationally recognized borders of Azerbaijan. The dispute turned violent with the collapse of the Soviet Union, and tens of thousands were killed during clashes in the early 1990s. Since a ceasefire was declared in 1994, Nagorno-Karabakh has operated as a de facto independent state with Armenian support. "Nagorno-Karabakh is our land. We have to go back there, and we are doing it now," Azeri President Ilham Aliyev said in a fiery speech on Sunday. "This is the end. We showed them who we are. We are chasing them like dogs."