

Belarus after the “election”
What future for the Lukashenka regime?

Stefan Batory Foundation, Warsaw
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Grzegorz Gromadzki

Stefan Batory Foundation, Warsaw

Wojciech Konończuk

Stefan Batory Foundation, Warsaw

Luboš Veselý

Association for International Affairs, Prague



Stefan Batory Foundation

Sapieżyńska 10a

00-215 Warszawa

tel. |48 22| 536 02 00

fax |48 22| 536 02 20

batory@batory.org.pl

www.batory.org.pl

Translator

Szymon Klocek

Art director of the Stefan Batory Foundation's publications

Marta Kusztra

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Teresa Oleszczuk

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Contents

Introduction	7
1. The internal situation in Belarus	11
1.1. The authorities' actions	11
1.2. The opposition's actions	17
1.3. Conclusions and potential scenarios for the future	19
2. Russia's policy towards Belarus	21
2.1. The significance of Belarus to Russia	21
2.2. Energy issues	23
2.3. Conclusions and scenarios	24
3. The EU and Belarus	29
3.1. The EU response to the election	29
3.2. The question of visas	31
3.3. Actions of member states	33
3.4. The USA and Canada	34
3.5. Possible actions of the EU	34
4. Conclusions for the EU	37

Introduction

The presidential election in March 2006, conducted by the Belarusian authorities in violation of basic democratic principles, were an important event which has changed the situation in Belarus. It was not a fundamental turning point but has resulted in changes inside the regime as well as in the opposition communities and Belarusian society. Thanks to the events accompanying the presidential election, Belarus has been noticed by the EU on a previously unseen level.

Despite the election being brought forward by several months as well as financial and organisational problems and repressions by the authorities, the election may be perceived as a success by the democratic opposition (quite incomparable to the presidential election in 2001). According to independent estimates, Alyaksandr Milinkevich, the common candidate of the democratic opposition, received 1/5 to 1/3 of the votes¹. He became the face and the symbol of the democratic opposition not only abroad but, more importantly, in Belarus as well. His result may be perceived positively when considering the atmosphere of fear that prevails in present-day Belarus (in Czechoslovakia before 1989, the communist party received 99 per cent of votes without any falsification).

¹ The paper does not give the exact public opinion polls, because in the current situation it is impossible to conduct reliable sociological research in Belarus.

In addition to Milinkevich, the opposition’s other candidate was Alyksandr Kazulin. It is difficult to assess him unambiguously due to his past, unclear origin of assets for his pre-election campaign and because before and directly after the election he did not wish to come to an agreement with Milinkevich and deliberately radicalized the situation.

Despite the fact that the Lukashenka regime had made tremendous preparations for the election, it seems that the authorities were surprised by the events that took place after closing the polling stations. On the evening of March 19, about 20,000 people gathered in Minsk in spite of KGB threats that those participating in the demonstration would be considered terrorists. Demonstrations of several thousand people took place in the following days. On March 24, the regime brutally destroyed the tent camp in October Square. The militia used stun grenades and tear gas in order to crush the demonstration on March 25 (the anniversary of the proclamation of independence in 1918). Kazulin, who led the crowd towards the prison where those arrested during the demonstration were being held, was consequently also detained. Several hundred people were arrested and imprisoned for a few days. The commission for the oppressed has announced that, on account of the election, 1200 people were repressed either by imprisonment, losing their employment or being expelled from university.

Such a policy by the authorities has probably influenced the consciousness of the Belarusians, and not only those in favour of the opposition. A considerable amount of people are discontented with the contract system which enables the state as an employer to dismiss Belarusians after a year of work without any justification. Unlike the Lukashenka regime, a lot of Belarusians are in favour of rapprochement with the EU. There has been a decrease in the number of people who miss USSR, to whom Lukashenka still refers. On the other hand, the number of Internet and cellular phone users (over 5 million subscribers to 10 million inhabitants) proves that

Belarusians are open to new technologies and participate in the process of globalisation. This attitude may create favourable conditions for mobilizing Belarusian society, especially if the democratic opposition remains active and is able to convince the ordinary people that it may constitute an alternative to the present government. Such a course of events could politicize the vast number of people not interested in politics, who are supporters of neither the government nor the opposition. Anti-regime demonstrations (e.g. because of economic difficulties) could consequently gather considerably more people.

Belarus is not a crucial problem for the EU. Yet it is matter of concern that an authoritarian regime exists in Europe with a president who may hold his office for life. Three of arising questions seem most important. The first concerns an attachment to the propagated principles, among which human rights and democracy occupy the leading position. The second concerns the efficiency of EU foreign policy, in this case – the European Neighbourhood Policy. The third question regards EU relations with Russia. It acquires an additional meaning as the EU and Russia expressed utterly different opinions about the March election in Belarus. The EU unequivocally assessed that the elections were undemocratic (the USA with the same view), whereas Russia considered the election to be fully democratic. President Vladimir Putin congratulated Lukashenka on his victory the day after the election and the Russian Minister of Foreign Affairs Sergey Lavrov stated that the election were fair and the result should be respected. The new situation that occurred in Belarus after the presidential election induces the EU to take further actions. The scope of these actions is dependent on the willingness to become involved in the matters of a direct neighbouring state.

This paper is a continuation of the paper *Active and Cohesive*, published in January 2006². It included an evaluation of the situation before the election

² G. Gromadzki, L. Veselý, *Active and Cohesive. Tomorrow's EU policy towards Belarus*, Warsaw–Prague 2006; www.batory.org.pl/doc/active-and-cohesive.pdf.

and a number of suggestions concerning EU policy towards Belarus. Most of those suggestions are still topical. This report focuses on what happened during the six months that followed the presidential election in Belarus. This text also constitutes an attempt to predict a course of events in Belarus as well as in Russian and EU policy towards this country in the next year.

1. The internal situation in Belarus

1.1. The authorities' actions

Alyaksandr Lukashenka and the representatives of his regime are aware of the fact that they maintained power both due to the falsification of the election results and the adoption of repressive actions following the election. As a result of the last election, Lukashenka has stepped dangerously close to the thin line that separates the “soft” authoritarian regime from the regime based mostly on violence and repressions. Consequently, the Lukashenka regime is becoming increasingly dependent on military and police structures.

Repressions against the opposition/civil society

The regime's actions against the opposition and the independent circles grew more intense after the election. In June 2006, Alyaksandr Kazulin was sentenced to five and a half years imprisonment. The likely reason for such a harsh sentence was Lukashenka's concern that Kazulin may be supported by Russia. Alyaksandr Milinkevich, like several other opposition leaders, spent a dozen or so days in prison. He did not, however, receive a harsh sentence. The fact that the authorities do not want to create an image of martyrdom seems to be a probable explanation. It is also very significant that Milinkevich is a well-known figure in Europe and the USA, well-received by leaders of Western countries.

The months following the election brought more repressions. There has been a constant attack on the remaining independent NGOs, the press and political parties: in May 2006, the Ministry of Justice proposed to close the Belarusian Helsinki Committee; the Communist Party of Belarus was reunified and there were regular repressions against the activists of the Union of Poles in Belarus. In August, four members of the unregistered group Partnership who had attempted to monitor the election received harsh sentences (up to two and a half year imprisonment). Such draconian sentences are very characteristic nowadays. It demonstrates that the regime is afraid of any independent activity, especially illegal (as it is much harder to intimidate people who act illegally).

Control over regime representatives

Lukashenka tries to keep the representatives of all levels of the *nomenklatura* in fear by making it clear that they may lose their post and be placed in prison anytime. This could also be the reason for passing the new anti-corruption law, which makes it possible to punish not only foreigners and presidential candidates but also members of the local government, academics, health service employees and the members of the upper chamber of the parliament. The new regulations should not be considered to be fighting corruption as the whole system of authority in Belarus is based on corruption. Office workers of various ranks act outside the law and make fortunes. Each of them, therefore, can be accused of a crime, dependent on the decisions of those in the highest positions. It gives Lukashenka the feeling of control over the bureaucratic apparatus. Such policy is, at the same time, an example of the dictator’s lack of confidence in his bureaucracy.

The economic situation

The basis for the regime’s existence is its relatively good economic situation – according to official data, there was a 10.1 per cent increase in GDP in the first half of 2006. Favourable economic results depend largely on importing gas from Russia at a low price. However, this is mostly crude oil which enters the EU market as oil products after being processed in

Belarusian refineries. Economic growth is based on the production of just a few companies and the rest of the economy is in a much worse condition. The agricultural sector, where the majority of kolkhozes suffer losses and have to be subsidized by the state, remains completely unreformed.

Belarus imports almost three times more oil from Russia than it consumes (in 2005, 19.2 m tonnes were imported in relation to 6.7 m tonnes consumed). The surplus, after processing in the oil refineries in Mozyr and Novopolotsk, is exported. The profitability of this model is a result of two specific elements. Firstly, the price of a barrel of Russian oil sold to Belarus is about 35 per cent lower than prices for other countries in the region. Secondly, tax on the export of crude oil and petroleum products is about 100 USD per ton lower in Belarus than in Russia. Therefore, it is profitable for the Russian producers to transport the material to Belarus (there is no customs barrier between Russia and Belarus) and then export it to the West. It is possible that both the Lukashenka regime and Russian business are taking advantage of the existing practice. As a result, in 2004, crude oil and petroleum products constituted almost 25 per cent of the entire Belarusian export. Nowadays, the share of oil and oil products within the export is certainly higher. This figure is similar to Russia's and other countries whose economy is based on exporting. The paradox is that Belarus benefits from the oil boom whilst not having its own fuel deposits.

Belarus buys Russian gas at a rate of 47 USD per 1,000 cubic meters. It is not much higher than in Russia and a lot lower than the rate for other CIS countries, including those considered to be the most loyal of Russia's followers in the post-Soviet region, e.g. Armenia (110 USD per 1,000 cubic meters), not to mention EU countries. Taking into account the level of gas and oil supplies in 2005, this means that every year Russia actually subsidizes the Belarusian economy by USD 2.5 billion, which constitutes at least 10 per cent of Belarusian GDP. During recent years, subsidizing the Belarusian economy actually meant supporting the Lukashenka regime. After the Belarusian presidential election, it turned out that Russia also intends to raise the price of gas for Belarus.

Thanks to the large proportion of processed oil in overall Belarusian exports, the EU’s importance in Belarus’ foreign trade is systematically rising. According to official statistics, during the first five months of 2006, Belarusian exports into EU countries increased by 50.4 per cent (at the same time, exports into Russia amounted to 40.9 per cent). Thereby, the European Union is the most important market for the Belarusian export. Moreover, export to the EU brings in a much larger profit than export to Russia, which is often subsidized.

Foreign policy

After the election in March, the Lukashenka regime has tried to keep its autonomy in relation to the Kremlin and to maintain Russian subsidizing of the Belarusian economy at the same time (mostly by the sale of low-priced fuels). Lukashenka’s policy in this respect could be observed for at least several years. It is reflected in the refusal to hand over a network of gas pipelines in Belarus despite the fact that Gazprom threatens to raise the price of gas.

In the middle of June 2006, Belarusian authorities introduced partial customs controls along the border with Russia, which makes the flow of goods from Russia to Belarus and the transit of Russian goods to the EU more difficult. Such Belarusian policy may be explained as the intention to acquire a bargaining card in negotiations with Russia on the subject of the possible raise in oil and gas prices.

Practice shows that before any election or referendum in Belarus, the authorities’ official rhetoric concerning the perspective of the unification of Belarus and Russia grows more intense. At the same time – as it was a few last years ago – the Belarusian authorities are not interested in real integration with Russia. They only wish to sustain the illusion of the union between Russia and Belarus, as it gives notable benefits within the economic sphere. Low cost Russian fuels and other means of subsidizing the Belarusian economy were important reasons for preserving the unification rhetoric. In recent years, Lukashenka skilfully managed to maintain this and the Russian

authorities were forced to express consent to these imposed rules, because Russia had no other option and was unwilling to use any stronger arguments as a lever in relation to the Belarusian regime.

In September 2002, Vladimir Putin suggested three variants of the unification: the integration of Belarus into Russia, integration according to the EU model and the execution of the treaty on the Union State of Belarus and Russia signed in 1999. This was supposed to be a symbol of activating Russian policy concerning integration with Belarus, but it met with strong opposition from Lukashenka. He indignantly accused Russia of being an imperialist state and replied that his country would never become a Russian district. The same situation occurred in February 2004, when the negotiations on selling Beltransgaz to Russia ended in a fiasco and Gazprom cut off Belarusian gas.

Belarusian-Russian talks concerning the formalisation of the Union State of Belarus and Russia have continued since 1999. According to the plan, the referendum on passing the constitutional act of the Union State of Belarus and Russia was to be held in 2006. At least a few important points arose during the negotiations. Among other things, Lukashenka did not agree that the only issuing centre of the common currency should be created in Moscow and furthermore disagreed with the introduction of the president's office of the Union State of Belarus and Russia. He also announced that Belarus would never give its assent to creating a union with Russia with any detriment to Belarusian sovereignty. Lukashenka's uncompromising statements result from Belarusian struggles to avoid the adoption of the constitutional act, as it would mean Belarus' complete dependence on Russia. Thereby, Lukashenka would lose his current unlimited power. However, Belarus is officially claiming that integration with Russia is possible only if based on principles of the equality of both parties. For obvious reasons, this is unacceptable for the Russian authorities. In fact, Minsk has, for several years, been sabotaging the process of real integration whilst simultaneously supporting the illusion of such a process. When it comes to Belarusian-Russian

integration, Belarusian authorities obviously want to maintain the current uncertain situation. The support of Belarusian society for the integration of Belarus into Russia is constantly falling. This means that, paradoxically, Lukashenka's policy has contributed to an increase in Belarusian identification with their country and their attachment to sovereignty.

Apart from complicated relations with Russia, Belarus maintains active relations only with non-democratic countries; among those contacts, military relationships take a special place. During the visit of Hugo Chavez, the anti-Western and populist president of Venezuela, which took place in the end of July 2006, the Belarusian authorities signed an agreement on cooperation in the field of military technologies. It is also interesting that both the Trade Minister of Iran and the Defence Minister of Russia Sergey Ivanov paid a visit to Belarus at the same time – at the end of April 2006.

In addition to Iran and Venezuela, Belarus maintains close relations with Cuba. It seems that during recent months, cooperation with these countries has become closer. Lukashenka readily accepts the anti-American/anti-Western rhetoric of Chavez, Fidel Castro and the president of Iran, Mahmoud Ahmadinejad. Belarus is also developing cooperation with China concerning security, among other things. One of the most important subjects here is cooperation regarding the flow of undesired information on the Internet (during the first half of 2006, Belarus received 21m USD worth of devices for filtering the content of the Internet from China).

Negative rhetoric still dominated policy towards Western countries. Sanctions against Belarus by the EU, USA and Canada have triggered off an angry reaction from the Lukashenka regime. Regime representatives threatened to bring to the Strasbourg Tribunal the case of depriving them of the right of entry to the EU. In response to the American sanctions (freezing the American banking accounts of the representatives of the Belarusian regime), the Belarusian authorities made a grotesque decision to freeze the

Belarusian banking accounts of president George W. Bush and the Secretary of State Condoleezza Rice. Minsk also announced that American and Canadian civil planes would be banned from flying over Belarusian territory. In fact, those are the only retaliatory sanctions which Belarus can afford.

Just as in previous years, there are still attempts to discredit EU diplomats. An example of such actions may be the accusations against a Latvian diplomat in July. He was accused of distributing pornography and was shown on Belarusian TV in the company of a man. This situation took place when Latvia represented the EU during the Austrian presidency, as Austria had no embassy in Minsk.

1.2. The opposition's actions

The biggest success of the opposition during the election was possible due to the common events in support of Alyaksandr Milinkevich carried out by the majority of the opposition circles³. The milieu supporting Alyaksandr Kazulin was an exception. However, after the election, the democratic opposition supporting Milinkevich started to crack. It is already possible to distinguish visible symptoms of the breaking up of the pre-election coalition. After the election, the United Civic Party (UCP) and its leader Anatol Lyabedzka objected to Milinkevich being the leader of the opposition. The leader of the UCP suggested summoning the second Congress of Democratic Forces, which would be similar to that of autumn 2005, during which Milinkevich was appointed as common candidate for the presidency. However, this appeal did not meet with wide support. The relations with the communists, whose leader is Syarhey Kaliakin, are becoming unclear. It is hard to say whether, six months after the election, they still support Milinkevich. It was hard to expect the full unity of the opposition groups after the election, but the scale of disintegration in this camp is quite considerable.

³ See more: W. Konończuk, *Towards unity. Belarusian opposition before the presidential election 2006*, Warsaw, December 2005, www.batory.org.pl/doc/towards-unity.pdf.

The generation gap is visible in the existing political parties, especially in the Belarusian Popular Front (BNF). Young activists want older leaders to share their influences inside the party with them. However, the fact that a new group of people appeared (many from the young generation) who had not so far participated in politics seems to be a far more important occurrence. This is a result of their activity in Milinkevich’s election campaign and their participation in protests after the election (the tent camp in Minsk, the street demonstrations and flash mob actions). Many of them are also ready for illegal activity.

In this context, Milinkevich’s attempts to create the movement *Za Svabodu* (For Freedom) are very important. This broad-based social movement would unite the opponents of the regime. So far, attempts to form such a movement did not cause any meaningful result. One of the most important reasons hindering the forming of the movement is the relationship between the new initiative and the members of the current coalition of democratic forces. Many opposition politicians are afraid that the new movement could cause their marginalization in the opposition circles and therefore they are not interested in its development. Furthermore, they do not like the fact that Milinkevich would be the natural leader of such an initiative.

The opposition’s foreign activity is particularly important. Milinkevich has made a number of talks on the highest level in Brussels, Berlin, Paris, Prague, Stockholm, Vienna, Vilnius and Warsaw. His visits to many capital cities keep European politicians interested in Belarus but also allow him to talk to about the matters important for the Belarusian society, such as visas or scholarships for Belarusian students. The Belarusian authorities do not wish to talk about such matters or simply have no one to talk about it to. However, one should point out that Milinkevich has sometimes been criticised by the Belarusian opposition circles for too many trips abroad and too small a number of visits to the different regions of Belarus.

1.3. Conclusions and potential scenarios for the future

The authorities' actions

The economic situation will be critical to the stability of the regime in Belarus. The authorities in Minsk realize that economic crisis may result in social unrest on a considerable scale. The Lukashenka regime cannot retain power without Russian support – political and economic, manifested in the offer to Belarus of minimum prices for crude oil and gas. Most dangerous to the regime would be the worsening of a recent problem: the inability to pay salaries.

The regime's actions against the opposition and the independent circles are definitely going to grow more intense. It is impossible to exclude the possibility that Alyksandr Milinkevich will be imprisoned, especially if he manages to unite the opposition. Lukashenka will continue his attack against NGOs, media and political parties. One can expect unwelcome NGOs and political parties to be delegalized and pushed down to the underground.

Lukashenka will, without any doubt, try to control bureaucracy through selective repressions against its representatives. The question remains what impact it will have on the middle and lower levels of the *nomenklatura*, which does not fully support the present regime. One cannot exclude the possibility than if the opposition is strong, a liberal younger wing of the *nomenklatura* will try to engage with it.

No major changes should be expected in foreign policy. Lukashenka will try to apply the same strategy towards Russia as he has in the past, namely keeping as much independence as possible while securing the biggest possible economic benefits. Therefore, Belarusian policy towards Russia will be of a reactive character. Lukashenka will wait for Russia's move and try to minimize the losses caused by the Russian policy. He will not be fighting an already lost battle because there are not many leverages that Russia could

use against Belarus. If Russia takes violent action against Lukashenka, one cannot exclude the possibility that he will hold a referendum on the union with Russia and organize the rejection of this idea. Lukashenka could then play the part of sole guarantor of Belarusian autonomy and thus attempt to win wider support of the society. On the other hand, it can be accepted that Lukashenka will not turn towards the EU and thus, the further development of relationships with autocratic and anti-Western countries is to be expected. However, it is necessary to emphasize that Belarus is an attractive partner for those states because of its relationship with Russia. The deterioration of the Minsk-Moscow relationship would be an impediment to relations between the Lukashenka regime and Iran or Venezuela.

The opposition’s actions

It seems unlikely that the pre-election coalition of the opposition forces would remain fully intact. Hitherto existing parties will be eliminated by the regime. Moreover, they are weak and do not enjoy the society’s support. Therefore, one can expect serious turbulences in the opposition circles. Both UCP and Kazulin’s socio-democrats will probably try to act independently and would support neither Milinkevich nor the For Freedom movement. The position and future of Kalakin’s CPB remains unclear. Regional activists are negotiating the possibility of the UCP, the communists and socio-democrats standing together for the election in January 2007. The establishment of a coalition of politicians in search of support in Moscow is also possible.

The possibility of Milinkevich forming a new coalition of democratic forces based not on the old structures of the political parties but on the broad-based social movement remains open. It would be dangerous to Milinkevich to be perceived by the Belarusian society as a leader created/promoted by the West, a nationalist supported exclusively by the BNF and an opponent of Russia. Hence, the extremely important task for him will be to present himself as a leader of various social groups, of both the west and the east of the country, who wants to cooperate with the EU as well as with Russia.

2. Russia's policy towards Belarus

For years, Russia has tried to gain control of Belarus in a number of crucial issues, above all the matter of its gas and oil transit to the European Union and taking over Belarusian energy assets. After the presidential election, the Kremlin's strategy remained unchanged. The pressure on Minsk, however, grew considerably. Alyaksandr Lukashenka still resists the Russian actions.

2.1. The significance of Belarus to Russia

Russia is actually the only country that for many years has continuously supported the Belarusian regime in the international arena, thus giving it a peculiar one-sided legitimization. After the presidential election in March, when the EU and the USA strongly criticized the election for violating democratic principles, the Russian Duma protested in a special announcement against interfering in Belarusian internal affairs and the disrespect of some Western countries for the Belarusians' choice.

Because of pro-Western tendencies in the politics of Georgia, Moldova and Ukraine that are visible despite Victor Yanukovych becoming the Prime Minister of Ukraine, Belarus becomes especially important for the Kremlin. Therefore, the Russian authorities are very sensitive about the possible shift

of power in Minsk. Lukashenka is good at sensing the feelings prevailing in Russia. He can also count on the goodwill of part of the local elites in a considerable number of Russian regions and some Moscow circles, which are lobbying for his affairs. The illusion of a Belarusian-Russian integration allows the Kremlin to maintain the society’s belief that Russia still holds interest for CIS countries and is able to influence the post-Soviet region. The official propaganda contrasts good relationships with Belarus to the bad ones with Georgia or Ukraine. Consequently, during the presidential election, Russia supported Lukashenka, although at the same time it refrained from openly interfering in their course. Nowadays, Russia does not have any power base in Belarus that could be an alternative for the current authorities. However, Russia still attempts to support other politicians in order to intimidate Lukashenka.

Russia perceives Belarus as crucial for its safety and of great geostrategic importance. At the same time, it is perceived as a peculiar buffer state that separates the Russian Federation from NATO. Such opinion is characteristic of both the Russian military circles as well as a considerable part of the political elite. Nevertheless, in the present political situation in Europe, this opinion should be considered an anachronism. Belarusian defensive space is closely integrated with the Russian one and the Russian army uses 70 per cent of the production of Belarusian military companies. Russia owns two crucial military installations in Belarusian territory: the rocket early warning station and radar in Baranavichy and the Russian navy command and control post in Vileyka. As a result, the most successful element of Belarusian-Russian cooperation in the Union of Belarus and Russia is the military system. What is more, since 1993, Belarus has been a member of the Collective Security Treaty Organization, in which Russia is the indisputable leader⁴.

⁴ The Collective Security Treaty Organization (CSTO) was formed on May 1992 as the CIS Collective Security Treaty. Its main statutory goal is the collective security of its member states. In May 2002, the treaty became an international organization. The current members of the CSTO are: Russia, Belarus, Armenia, Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan.

Military cooperation between Minsk and Moscow has, so far, been independent of small sporadic crises in their political relations. In the middle of June 2006 (a few weeks after Gazprom announced the rise in gas prices), the largest Russian-Belarusian manoeuvres since 1991 took place in Belarus. The defence departments of both countries also announced that in the near future, an agreement on creating a united air defense system would be signed and in April 2006, Russia gave Belarus the S-300 anti-aircraft system. Those actions prove that despite the deterioration of the political climate, military cooperation has been intensified. When making decisions regarding its policy towards Belarus, Moscow surely takes into consideration the symbolic meaning of this country for Russian security. The Russian military installations of strategic significance located in the Belarusian territory could not be quickly or easily moved to Russia.

2.2. Energy issues

After the presidential election in March, the Kremlin did not radically change its policy towards integration with Belarus. As far as the Russian authorities are concerned, we are still dealing with integration rhetoric rather than strategic actions. Moscow is aware that it does not wield many effective instruments of influence over Minsk. However, it realizes that the supplies of low-cost Russian oil and gas are of crucial importance to the Belarusian economy. Therefore, the Russian authorities are trying to put pressure on Lukashenka and to force him into submissiveness by threatening to raise the prices of these raw materials.

In April 2006, after the presidential election, Gazprom announced that it intends to raise the gas price for Belarus from January 2007. The specific price has not yet been set, although the authorities mentioned both the price of 145 USD as well as 220 USD per 1,000 cubic meters. The Russian press reported that on 9 May, Vladimir Putin signed a special decree in which he ordered an end to any direct or indirect forms of subsidizing the

Belarusian economy and to stop reexporting Russian goods through the territory of Belarus. Should this still officially unconfirmed decision come into effect, it would probably have more severe effects than the announced rise of the gas price, as it also concerns the sale of oil.

The Russian announcements may mean that the Kremlin is preparing for an offensive that has a precise goal, namely taking control over the Belarusian network of gas pipelines and the oil refineries in Mozyr and Novopolotsk. Such a theory seems to be confirmed by Gazprom deputy chairman Alexandr Ryazanov, who said “We have an interest in Beltransgaz and low-pressure lines of Belpaliugaz. We could consider the possibility of acquiring petrochemical assets, including the Mazyr oil refinery, in which we have a 42 per cent stake via Slavneft.” Ryazanov also suggested that the gas exported to Belarus at higher prices in future years should be considered a form of payment for these enterprises. So far, Lukashenka does not agree on this transaction. He probably hopes to mitigate the conflict after some slight concessions as has happened several times in the past. He also hopes that the gas price rise will not be too high or severe for the Belarusian economy.

2.3. Conclusions and scenarios

Russia’s policy towards Belarus is a crucial issue for the future of the Lukashenka regime. Belarus is dependent on Russia in many areas, first of all in the economic sphere. The so-called Belarusian economic miracle, constant economic growth in spite of the lack of reforms, may end when Russia raises fuel prices. If Russia’s policy towards Belarus changes considerably, we may finally find an answer to the question of the stability of the Lukashenka regime.

In the last several years one might sometimes have an impression that the relationships between Minsk and Moscow were at a turning point. However, later it turned out that the Kremlin’s aggressive rhetoric was not corresponding to the practical actions in the Russian policy towards Belarus.

Currently, the most important question is whether Alyaksandr Lukashenka, upon making certain concessions to Russia, may still count on its support or whether Moscow will decide to radically revise its relations with Belarus, to support another politician and to achieve actual integration in the form of an union.

It is possible to distinguish four probable scenarios of how Russian-Belarusian relationships may develop by the time of presidential election in Russia in the spring of 2008.

Scenario I

The continuation of the present relationship between Russia and Belarus seems to be the most probable scenario. This means that the Russian authorities will try to increase their control over the Lukashenka regime, mainly by taking over the network of pipelines. They will also try to control the Belarusian trade in petroleum products to a larger extent. As has already been stated, the Kremlin has been undertaking such actions for many years without success and one may suppose that they will once again not bring the desired result. Lukashenka's resistance will remain strong, as he realizes that destabilizing the situation in Belarus would not be beneficial to Russia. Moscow is also afraid that the new Belarusian leader could be even less dependent on Moscow than Lukashenka. First of all, he would have the possibility of cooperating with the EU and the USA – a possibility which Lukashenka never had. From this point of view, the present leader of Belarus is convenient for the Kremlin. One should also notice that a section of the Russian elite is probably benefiting from present Russian-Belarusian relations by participating in the profits from the export of petroleum products from Belarus to the EU. Such an export is more profitable than the direct export of oil from Russia to the EU. Therefore, a lobby probably exists in Russia that tries to maintain the status quo in the relations between Moscow and Minsk.

On the basis of the above premises, it is possible to draw the conclusion that the gas conflict, which is beginning to develop, will lead to a moder-

ate rise in price of Russian gas (a maximum of 95 USD, the price Ukraine is paying today). This rise will not result in a crisis in the Belarusian economy. Lukashenka will do everything in order not to lose control over Bieltransgaz, which is important from a strategic point of view, although one cannot exclude the possibility of his agreeing to the sale of a minority block of the company's shares.

The constitutional deed of the Union of Belarus and Russia will not be signed, which in consequence will mean that Belarusian-Russian integration remains an illusion. Lukashenka has one more bargaining card: he may raise the price for the transit of Russian fuels through Belarus to the West. Currently, Russian companies pay Belarus the lowest rates in Europe.

The three remaining scenarios are far less probable yet cannot be excluded.

Scenario II

The Russian authorities decide to change the regime in Belarus. Russia will considerably raise the price of gas for Belarus (to the level of 150–200 USD). Lukashenka will not accept Moscow's conditions: handing over the control over Beltransgaz and signing the constitutional deed of the Union of Belarus and Russia, as it would mean the end of Belarusian sovereignty and his power. This would cause the most serious crisis in the Russian-Belarusian relations since 1991. As a result of such a course of events, Russia would try to take advantage of the situation, replace the authorities in Minsk and to finish the unification process. However, there are at least four reasons against this scenario:

1. Moscow does not need a conflict with its most loyal (at least as far as propaganda is concerned) ally in the post-Soviet region. It would be construed as a failure of Russian policy in Russia and other CIS countries;
2. A considerable rise in energy prices could cause an economic crisis and evoke mass social unrest. It would undercut stability, the basis of Lukashenka's power. Yet on the other hand, it would contradict Russia's

policy, as Russia is very afraid of any uncontrolled social activity, especially “revolutionary” activity;

3. Nowadays, Russia has no strong power base in Belarus on which it could rely during the possible change of the authorities;

4. During the next dozen months or so, the Kremlin will be busy with the arrangements for the parliamentary and presidential election. Therefore, it will not be able to also focus on Belarus. Paradoxically, a possible serious crisis in Belarusian-Russian relations may cause Belarusian society to consolidate around Lukashenka, thus sustaining the regime.

Scenario III

The Russian authorities break down Lukashenka's resistance and seize control over Belarus by seizing Beltransgaz and the oil refineries in Mozyr and Novopolotsk. They allow a weakened Lukashenka to retain power, but he would be forced to oblige the Kremlin's orders. In such a case, Russia would gradually absorb Belarus under the conditions specified by Moscow, although from the legal and international point of view they would still be separate states.

Scenario IV

There is one more possible solution: the Russian authorities would take advantage of Belarusian-Russian integration in order to solve the problem of the election in 2008. One cannot exclude that by uniting Belarus and Russia, an office of the president of the new federation would develop and it would be taken by Vladimir Putin. However, at present such a solution seems highly unlikely.

3. The EU and Belarus

During the presidential election, for the first time Belarus became a noticeable topic for the media in many EU member states (not counting the tragedy in Chernobyl and its consequences to which much attention has been given for many years). Previously, only the public in neighbouring countries, namely Latvia, Lithuania and Poland, were interested in the events in Belarus. However, Lukashenka's third term of office changed the situation. Many considered Belarus to be the last dictatorship in Europe. There appeared to be a natural decrease in interest in Belarus in the following months but the situation did not return to the point of departure. One can say that nowadays, Belarus is a more noticeable problem than it was several years ago. However, it should be stressed that EU states are still little interested in this country.

3.1. The EU response to the election

It is difficult to explicitly assess EU actions after the presidential election. On one hand, it is possible to say that EU actions are still too small and helplessness can be observed. However, on the other hand, it should be stressed that the EU is certainly much more active nowadays than it was during and after the presidential election in Belarus in 2001. The day after the election, the ministers of foreign affairs of EU members deemed the

election to be undemocratic, basing their opinion on the preliminary conclusions of the OSCE observation mission. At once, a discussion was announced to impose sanctions against the representatives of the regime, who were responsible for holding the election in an undemocratic way. A few days later, Austria, chairing the EU during the first half of the year 2006, made a special statement on behalf of the EU. Apart from the EU, the statement was also signed by, among others, Ukraine and Moldova. The manner in which the Belarusian election was held was also strongly condemned by the European Parliament.

The EU imposed sanctions relatively quickly. In April, a decision was made to impose a visa ban for 36 people, including Alyaksandr Lukashenka. In May, the sanctions were expanded and the EU decided to freeze the accounts of representatives of the Belarusian regime who are deprived of the right of entry to the EU. More importantly, the EU announced that the list of people subject to sanctions is open and may be expanded at any moment. The discussion on imposing sanctions showed a dispute that occurred inside the EU. Some member states, among others the Czech Republic, Lithuania, Poland and Slovakia, were in favour of firm actions as well as expanding sanctions, which were accepted as the result of a compromise. Some members, among others Germany, opted for more lenient sanctions. The German Minister of Foreign Affairs Frank-Walter Steinmeier emphasized that too sharp a reaction could foil future efforts of the EU towards Belarus. It is possible to say that there was still a dilemma inside the EU over whether to impose sharp sanctions or whether to look for the possibility of a dialogue with the regime. In the case of some member states, a certain reluctance to take a definite stand on the matter of Minsk can be seen as reluctance to irritate Moscow, which considered the election to be fully democratic.

However, the following months brought further discussion on expanding the list of people subject to sanctions. More and more people in the EU

support putting more representatives of the regime on the list. The number of supporters of expanding the list grows larger due to further signs of the violation of human rights in Belarus, for which representatives of the regime, not yet subject to sanctions, are responsible. A considerable enlargement of the list, however, is out of question. The majority of politicians and EU officials believe that the following decisions concern individuals. The issue of cancelling trade preferences for Belarusian goods within the generalised system of preferences is also being discussed. It would be a quite severe economic sanction against Belarus – it would cost the country about USD 100 to 300 million annually. The reason for cancelling the trade preferences is the habitual violation of workers rights by the Belarusian authorities.

The EU regularly demands the release of political prisoners, among others Alyksandr Kazulin and the activists of the Partnership organisation, a NGO that was monitoring the presidential election. EU representatives meet with Alyksandr Milinkevich, who is treated as the legal leader of the Belarusian democratic opposition. In April, Milinkevich paid a visit to the European Parliament in Strasbourg and was received by the Chancellor of Austria, Wolfgang Schüssel, leader of the country presiding over the EU in the first half of 2006. However, during Finland's presidency (the second half of 2006), relatively little interest has been demonstrated in Belarus.

3.2. The question of visas

One of the most important matters in the relationships between Belarus and the EU is the issue of visas. For people living under an authoritarian government, the possibility of going abroad and comparing the living conditions in Belarus and democratic countries has a fundamental meaning. The premises of EU policy towards Belarus appreciate the meaning of people-to-people contacts. On one side, there is an announcement of broadening those relations, but on the other hand the Council decided in July 2006 to raise the price of the Schengen visa for the Belarusians from EUR 35 to EUR

60. Taking into account the Belarusian conditions, the new price is too high for many people, because it amounts to one third of an average monthly income in Belarus. Such a rise in visa price is certainly going to hinder the development of people-to-people contacts between Belarusians and citizens of the EU. It seems that the majority of member states do not notice this problem, especially the countries of the Schengen area, and neither does the European Commission. EU members neighbouring Belarus have a different approach. Latvia has cancelled visa fees for Belarusians whilst the two remaining neighbours maintain low price for a single visa: a Lithuanian visa costs 5 EUR and the Polish 6 USD. One of the most alarming issues is the lack of a serious discussion within the EU on the results of accepting new member states (among others: Latvia, Lithuania and Poland) to the Schengen zone for the relations between the EU and Belarus. The consequence of joining the Schengen zone will be an increase in the price of visas issued by those countries to Belarusians to 60 EUR.

The discussion on visa prices for Belarusians should take place immediately, despite the fact that the exact date for Belarusian neighbours to join the Schengen zone is not yet known. According to the present visa policy of the European Union, only those countries participating in a dialogue with the EU on the subject of visas may count on facilitation by the EU. For example, Russia already signed an agreement on visa facilitation and Ukraine is negotiating such an agreement. In both cases, the price of the Schengen visa remains the same as today – 35 EUR. A similar agreement with the Lukashenka regime cannot be reached, as it is impossible to conduct normal negotiations with it. Such a situation is beneficial to the Belarusian leader, because he is certainly not interested in Belarusians visiting the EU. Furthermore, he can announce that the EU does not wish to see Belarusian citizens in its territory. It seems that many Belarusians accept the regime’s propaganda, as it is hard for them to understand why the price of a visa should be raised from 35 EUR to 60 EUR in the case of Germany or France, or even more in the case of Latvia, Lithuania and Poland.

3.3. Actions of member states

Apart from the activity of the whole EU, the actions undertaken by individual member states are also important. One should take into consideration the openness of member states' authorities towards Milinkevich. The leader of the Belarusian opposition has met leaders and high-level politicians in several member countries. His two visits to France (in May and September) were particularly important, as he met the ministers of foreign, internal and European affairs; he also had a conversation with the Chancellor of Germany Angela Merkel in Berlin in April 2006. These visits confirm Milinkevich's position as the leader of the Belarusian democrats.

Another important action carried out by EU member states (Poland, Lithuania, the Czech Republic and Estonia among others) is supporting Belarusian students expelled from universities in Belarus. About 400 students, unable to study at Belarusian universities in 2006 because of political reasons, were given the chance of continuing their studies abroad. One should recognize the current results of this action as a success. For the first time, it was possible to help young people who were repressed in Belarus on such a scale. It is a very important signal for those who would like to become involved in opposition activity, that in the case of being repressed by the authorities they will not be left without help. It is also important that helping the students was possible due to the cooperation of EU member states with the Belarusian initiative for helping the oppressed, which developed after the presidential election in March. EU member countries also support those students who lost the possibility of studying in Belarus even before the election. In March 2006, the Nordic countries gave EUR 2.78 million in financial assistance to the European Humanities University in Vilnius which, together with the EU subsidy, allows 340 students to continue their education for 3 years. In addition to helping students oppressed by the regime, there is an urgent need to support people who have lost their job. It is particularly important in Belarus, because the state employs the majority of citizens. One can already

observe the first signs of this activity. Poland is going to temporarily employ 65 people who lost their jobs in Belarus for political reasons.

3.4. The USA and Canada

The USA and Canada are important partners of the EU in the issue of Belarus. Their policy towards Belarus after the presidential election in March is similar to the EU policy. Both countries imposed sanctions against representatives of the Belarusian regime in the same scope as the EU. They also limited the possibilities of cooperation between their enterprises and the Belarusian companies. There was also a symbolic gesture – Canada refused to allow a Belarusian plane with an official delegation aboard to land for refuelling en route to Havana from Minsk, as the delegation included some of the officials from the visa list. However, Washington’s policy lacks new fundamental suggestions concerning Belarus. Apparently, the question of Belarus remains only one of the many secondary issues for the American authorities.

3.5. Possible actions of the EU

There are two possible set of actions towards Belarus at the EU’s disposal. The first is the continuation of the current actions. This would be displayed in maintaining or expanding slightly the list of people subject to sanctions; further verbal criticism of the Belarusian regime after its successive anti-democratic actions. Unfortunately, this would also continue the present lack of new ways of helping organizations delegalized or acting illegally in Belarus and the small degree of coordinated help from member states.

The second set of actions would assume considerable changes in current policy. It would consist, among other things, of increasing the number of people who are subject to sanctions (hundreds of representatives of the regime). The names of those responsible for further persecutions would

be entered on the list and would thus expand. Considerably more people who contributed to holding the presidential election in an anti-democratic manner would also be listed. The angry response of the Belarusian regime to sanctions and the announcements of its representatives that they would file lawsuits concerning the sanctions to international courts prove that these actions are effective and there is a reason to apply them even more broadly. Therefore, it is hard to explain why some EU politicians resist widening the circle of people subject to sanctions.

It is also necessary to change the visa policy towards Belarusians. Raising the price of a Schengen visa for the citizens of Belarus to 60 EUR cannot be allowed. It would be a good idea to suggest lowering the current visa price or even cancelling the charge for visa. The regime will be more and more interested in isolating Belarusians from the EU. There is a great probability that the number of people going abroad from Belarus will decrease as soon as in 2006. Due to a price of 60 EUR per visa, a further decrease in the number of Belarusians going abroad is to be expected.

Helping the oppressed should remain one of the top priorities of both the EU as a whole and the individual member states. The operation of helping about 400 students, who were allowed to study abroad cannot be considered finished as it requires stable financing for the next few years. This would be proof that the EU is preparing for another wave of repressions in Belarus. Another important issue is increasing the aid for those who were fired from work, both by enabling them to work legally abroad and by supporting funds that give financial assistance to people oppressed for political reasons and who choose to stay in Belarus. Another crucial matter will be assisting illegal social organizations as their number will probably increase as a result of the Lukashenka regime closing down their legal equivalents. All these issues will need a new instrument, namely the European Democracy Agency, suggested since 2005.

4. Conclusions for the EU

1. The democratization of Belarus can only take place as a result of changing the government in the country. The Lukashenka regime is ossified, just as it was in the case of the regime of Slobodan Milosevic in Serbia at the end of the 90s. During the last election, the Belarusian regime crossed the line and there is no turning back. Lukashenka's third term in office is unacceptable. It is hard to imagine a situation where the Belarusian leader would agree to gradually hand over power.

2. The change of government and the transformation in Belarus will be easier, safer and more effective if independent circles and the democratic opposition are stronger. Therefore, support for these circles is crucial for changing the situation in the country. The Belarusian opposition needs to remain as unified as possible. At present, Alyaksandr Milinkevich is its natural leader.

3. The EU and the USA are propagating the necessity to democratize Belarus. This means that their actions towards Belarus have to assist changing the regime in this country. Therefore, EU and USA policy towards Belarus cannot be aimed at democratizing the regime but must help the Belarusian society, especially its most active part, to fight the regime.

4. The issue of Belarus influences EU and US relations with Russia. This is the result of a completely different assessment of the events in Belarus by the EU and the USA and, on the other side, Russia. The Russian political elite perceives Belarus as its ally and is strongly opposing to toughening EU and USA policy towards the country. The EU and the USA cannot allow themselves to be completely silent in the matter of the events in Belarus simply to avoid irritating Russia. If the EU and the USA gave in to pressure from Russia and ceased to criticise the Belarusian regime, it would mean betraying their fundamental principles. Everything shows that this tension between the EU/USA and Russia will escalate together with the further existence of the Lukashenka regime and the Kremlin’s support for it. The EU and the USA cannot remain indifferent to Belarus being united with Russia because Belarusian society currently has no possibility to express its own opinion on the matter. The union would be, in fact, an annexation of Belarus by Russia.

The cooperation of a group of countries which are either authoritarian or ruled by populists (Iran, Cuba, Venezuela and Belarus among others) is becoming more and more visible and is a real challenge for the EU and the USA. To a certain extent, the cooperation of these states takes place under the “patronage” of Russia. Their cooperation is largely of a military character (trade in weaponry and military technologies).

Selected publications issued in the project: European Choice for Belarus

After the presidential election in Belarus (2006) – materials from the conference organized by Stefan Batory Foundation in March 2006 with participation of: Syarhey Alfer, Ales Dzhikavicky, Adam Eberhardt, Andres Herkel, Olga Karach, Paweł Kazanecki, Yaroslav Romanchuk, Wojciech Stanisławski, Roberta Tyszkiewicz. Available in Polish and English.

Belarus before and after 19 March – Possible Scenarios (2006) Jakub Boratyński, Grzegorz Gromadzki, Wojciech Konończuk. Publication presents the possible scenarios of situation development in Belarus before and after the presidential election and analyses the regime and opposition activities. Available in Polish, English and Belarusian.

Active and Cohesive. Tomorrow's EU Policy towards Belarus (2006) Grzegorz Gromadzki, Luboš Veselý. Publication analyses the situation in and around Belarus on the eve of presidential elections in March 2006 and proposes a new EU strategy towards Belarus. The paper was worked out along with the Association for International Affairs in Prague. Available in Polish, English and Belarusian.

Towards unity. Belarusian opposition before the presidential elections (2005) Wojciech Konończuk. policy brief analyses situation inside Belarusian opposition after the Congress of Democratic Forces in October 2005. Available in Polish and English.

Effective policy towards Belarus. A Challenge for the enlarged EU (2005) Grzegorz Gromadzki, Luboš Veselý. Paper presents proposals for the EU policy towards Belarus. Published in cooperation with Association for International Affairs (Prague). Available in English.

Belarus Catching up with Europe (2004); summary of the study elaborated by Belarusian experts featuring proposals of political, economic, social and educational reforms of the country and record of the discussion on possibilities of realisation of the reforms in Belarus. Available in Polish, English and Ukrainian.

Belarus. Reform Scenarios (2003); a comprehensive study by Belarusian experts featuring proposals of political, economic, social, and educational reforms of the country. Available in English, Russian and Belarusian.

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<http://www.batory.org.pl/english/intl/pub.htm#belarus>