

### Belarus's Post-Georgia Elections: A New Paradigm or the Same Old Balancing Act?

Lukashenka has long performed two simultaneous balancing acts. In domestic policy he has varied the degree of authoritarianism to pre-empt any challenge to his rule while maintaining the populist image of a benign 'batka'. In foreign policy he has developed a 'Titoist' game of playing Russia off against the West – or, more exactly, of making periodic and secondary overtures to the West to secure the maximum gains in the primary game with Russia. More recently he has added a third balancing act: maintaining the welfare populism turned consumerism that is his key 'social contract' with the nation, while trying to partially accommodate the growing pressures for nomenklatura privatisation. Despite his one-time job as a chicken farmer and image in some quarters as a brutish hick, Lukashenka has actually been quite successful in parleying his limited resources in these three strategies. The key question about the recent elections therefore must be the following: are they just the latest recalibration of these various balancing acts, or do they mark a more fundamental shift in the nature of the regime?

#### Luka the Chameleon

Lukashenka survived the Yeltsin era with ease. Relations with Putin were initially more difficult, but the Orange Revolution gave him a second lease of life as Belarus became Russia's laboratory for 'counter-revolutionary technology' in 2005-06. Three powerful pressures have built up in his third term, since 2006, however. First, Russia has recalibrated the price of its support.<sup>1</sup> It has not ended the subsidies regime, but it has made its financial and other support more conditional. The speed with which Russia moved to raise gas prices and win 50% of Beltransgaz as soon as the March 2006 elections were out of the way was a real shock in Minsk – as it was intended to be. Lukashenka's links with the likes of Sergei Ivanov and Igor Sechin (through past oil deals) have also proved a double-edged sword under the new Putin-Medvedev tandem. Second, the EU has belatedly begun to rethink its Belarusian policy. Brussels was under no real pressure from member states to change its isolationist approach between 1997 and roughly

2004. After enlargement, Poland made the running in setting strategy towards Belarus for the 2006 election; but now realises that its one-shot policy of pushing Milinkevich was counter-

<sup>&</sup>lt;sup>1</sup> The increase in gas price to \$100 per 1,000 m3 in January 2007 cost Belarus an estimated \$1.6 billion. The 'stabilisation loan' granted by Russia in December 2007 was for \$1.5 billion. See George Dura, 'The EU's Limited Response to Belarus' Pseudo "New Foreign Policy", *CEPS Policy Brief*, no. 151, February 2008, http://shop.ceps.eu/BookDetail.php?item\_id=1598

productive, allowing Lukashenka the propaganda gift of a 'Polish plot'. Lithuania was tempted to promote a coloured revolution in Minsk in 2006, which also played into Lukashenka's hands; but Vilnius has also since become more pragmatic. By 2007-08, moreover, Poland and Lithuania were joined by other new member states and some older members such as Sweden in pushing for a strategic review of Belarus policy. Kwaśniewski's Belarus Task Force has played a key role in this process.

Third, the balance has shifted within the Belarusian elite from the 'siloviki', who were essential to Lukashenka's survival in 2006, to the 'technocrats' who would like to enrich themselves via nomenklatura privatisation; although it is not yet clear whether this is primarily a political change – due to the purge of pro-Russian siloviki and/or the rise of Viktar Lukashenka - or an economic development. Long-term resource problems are clearly building up, but short-term GDP growth, still strong at 8% in 2007, and the state's fiscal position are currently holding up reasonably well - though Belarus's accounts are not exactly full and transparent.

#### Belarus has 'Siloviki Wars' Too

The internal pressures produced by these multiple balancing acts were already apparent during Belarus's equivalent of Russia's 'siloviki wars' in the summer of 2007. As in Russia during the 2007-08 election cycle, there was a simultaneous clan struggle for power and economic assets. The extraordinary public beating of Zianon Lomat, head of the State Control Committee, in July 2007 coincided with management purges at Belneftekhim in May 2007 and Beltransgaz and the Belarusian Oil Company in July. The fall of KGB chief Stsiapan Sukharenka after the attack on Lomat was the first sign of the waning influence of the strange coalition of interests around Viktar Sheiman, representing certain Russian oligarchs and the domestic oil business as much as a hard line in domestic affairs. This was confirmed by Sheiman's dismissal after the even more bizarre affair of the July 2008 Minsk bombings, along with his ally Hennadz Niavyhlas from his position as head of the Presidential Administration. The removal of Sheiman, Lukashenka's long-term number two, was a dramatic and potentially risky step, as he knows where many bodies are buried - both literally, given his role in the 1999-2000 'disappearancess', and metaphorically, as he has long been at the centre of the local web of kompromat (not to mention the 'Liozna incident', the fake attempt on Lukashenka's life apparently staged by Sheiman in 1994).

The decline of one clan was matched by the rise of another, centred around the President's son Viktar Lukashenka, who has recently built up a strong position in construction and property

development. The reshuffles also showed that clan politics mattered more than competence, as the alliance between Viktar Lukashenka and the 'technocrats' pushed their men forward: both Sukharenka's replacement at the KGB, Yury Zhadobin, moved to head the National Security Council in July 2008, and Zhadobin's successor Vadzim Zaitsaw, were born in Ukraine and lack direct security experience. Zhadobin previously headed the Presidential Guards Service. Zaitsaw was a protégé of Ihar Rachkowski of the State Border Committee, another ally of Viktar Lukashenka. Niavyhlias was replaced at the Presidential Administration by Uladzimir Makei, who is also riding on the President's son's coattails.

The net effect of all this protracted game of musical chairs is clear. The 'old guard' are down and almost out. Only Naumaw and Maltsaw remain at the Ministries of Interior and Defence – assuming Prime Minister Sidorski is now in the 'technocrats' camp. But the new 'technocrats' are just as self-interested a group as the old Sheiman clan. They do not want Belarus to learn from the mistakes of Russia and Ukraine in the 1990s. Quite the opposite. They want to enrich themselves in the same fashion. They want Western support, but they don't want too much Western capital. They want control of key economic assets for themselves; the West is perceived as a useful counterweight to a Russian incursion that comes with too many strings attached. Russian oligarchs like Roman Abramovich are already hovering over the juiciest Belarusian assets.<sup>2</sup>

Some 'technocrats' may be deluding themselves that they can use Lukashenka the younger as a 'battering ram' to win power, just as the 'young Turks' (would-be equivalents of Russia's shock therapy liberals of the 1990s) tried to do with Lukashenka the elder in 1994. <sup>3</sup> However, President Lukashenka is unlikely to be so easily out-maneuvered; nor is he likely to let his son monopolise power. It is often remarked that the precise moment when Lukashenka began to introduce a 'state ideology' in 2003 was ironically also the moment when many of its key tenets were being ditched. But Lukashenka's long-standing rhetoric against oligarchs and corrupt privatisation will be difficult to abandon completely. The introduction of limited curbs on state welfare in May 2007 (pensioners' health subsidies, free student travel) was a significant milestone; but so was the partial backtracking soon after. One interesting sign is that Lukashenka has been reluctant to sanction the establishment of a ruling party (Belaia Rus) that would bind him more closely to the new elite.

<sup>&</sup>lt;sup>2</sup> See http://www.charter97.org/index.php?c=ar&i=412&c2=&i2=0&p=1&Ingu=en

<sup>&</sup>lt;sup>3</sup> Aleksandr Feduta, *Lukashenko: Politicheskaia biografiia*, (Moscow; Referendum, 2005), pp. 72 and 64-66.

#### Belarus and the EU

How should the EU react to the prospect of a new Belarus? First and foremost, it should not over-react. The realist case for direct engagement with the regime has become slightly stronger. But in terms of the EU's twin-track policy adopted in late 2004 and amplified in the Commission's non-paper or 'shadow Action Plan' addressed to the Belarusian people in December 2006 that set out an unofficial road-map of steps that Belarus could take to improve relations,<sup>4</sup> Belarus has not changed much. Arguably the release of political prisoners before the September 2008 elections was a more important change than the cosmetic improvements made for the elections themselves. Allowing in OSCE observers was an important step, but one which was predicated on maintaining a system that would not allow them to see very much. The presence of fifty to sixty opposition candidates led to unseemly speculation, even bargaining, over just how many opposition victories would be necessary for the elections to 'count' - hence the obvious disappointment when none whatsoever won through. The traditional processes of candidate registration weeded out many significant opponents; the opposition was largely excluded from the election committees; a punitive new media law and criminal code were approved in June 2008 (on top of the restrictions, dubbed 'Sukharenka's law', introduced before the 2006 elections); 'active measures' seemed to have been used to split Kazulin's Social Democratic Party, possibly the UDF and others; in June state media soured the atmosphere with a traditional propaganda film 'The Network', pitching the now traditional message of a foreignfinanced and frankly treasonous opposition. And as the OSCE-ODIHR report makes clear,<sup>5</sup> 'transparency' disappeared in the actual counting process.

With little to show in terms of short-term progress, optimistic observers look to the longer term. In time, the 'technocrats' may bring about regime change. Once they become oligarchs, they will develop an interest in the rule of law. But in order to become oligarchs they will abuse the system in the short run. The EU should be pushing for more of a rule of law in the region, not less.

Lukashenka meanwhile is selling himself not as a defender of democracy, but as a defender of Belarusian sovereignty; calculating that, after Georgia, this suits Western realpolitik. The 'technocrats' will of course also want to protect their target assets with a stronger state in the future. But the West should not rush into adopting a new policy on Belarus before it has decided on its general approach to the region as a whole. The EU (and NATO to a lesser extent) must face the reality of a newly competitive environment in the 'Neighbourhood'; but it must also

 <sup>&</sup>lt;sup>4</sup> See 'What the European Union Could Bring to Belarus', at http://www.delblr.ec.europa.eu/page3242.html
<sup>5</sup> See www.osce.org/odihr-elections/item\_12\_32542.html

Belarus's Post-Georgia Elections: A New Paradigm or the Same Old Balancing Act?, Andrew Wilson, 2008

chose between two types of competition. It can accept the reality of spheres of influence politics, and struggle over where to draw the line (Can we shift Belarus? Is Georgia lost? Can Ukraine be brought in?). Or it can choose to compete over the rules instead, and continue to uphold European values against the very different political and business culture that underlies Russia's version of 'neighbourhood policy'.

Some EU politicians have already rushed to declare that the overriding priority after the Georgia war should be to 'counteract Russian influence' in Belarus. Aliaksandr Milinkevich has been reported as saying that securing the country's independence from Russia takes precedence over all other objectives; and that there is therefore 'no alternative to a policy of dialogue' with the current regime.<sup>6</sup>

However the West will be accused of double standards if it accepts Lukashenka's overtures after so little has changed internally in Belarus. On the other hand, the broader Neighbourhood clearly has changed after the war in Georgia. There has been a paradigm shift to which the EU, NATO and the US must all adjust. But Lukashenka has yet to develop into a true Tito. There is, at the moment, no 'equidistance' in Belarusian foreign policy (Yugoslavia was 'non-aligned', though still in the Communist Block). The overture to the West is but one part of a broader strategy of diversifying foreign and energy policy that has involved Belarusian missions to all sorts of energy-rich regimes, including Norway, but also Venezuela, Iran, Azerbaijan, Nigeria and China. The West should not base its policy on the mistaken assumption that Lukashenka is already a full-grown and fully-adept geopolitical balancer; though there is a case for basing its policy on encouraging him to become one.

#### **Policy Implications**

What should happen after the EU's trilateral meeting with Foreign Minister Martynov on 13 October? The mooted reduction in visa fees from  $\in 60$  to  $\in 35$  is a step in the right direction. The travel restrictions on the elite imposed after the 1999-2000 'disappearances' and fraudulent 2004 and 2006 elections should remain, however. The US has moved first over Belneftekhim, but there is only a limited case for the EU to move on GSPs (until labour unions can work in more liberal conditions).

Belarus is not going to turn into a democracy overnight, so the EU should not be wasting its energy by over-reaching and staking its entire policy on an obviously desirable but currently unachievable future. Instead it should be pressing for greater leverage in areas where it already

Belarus's Post-Georgia Elections: A New Paradigm or the Same Old Balancing Act?, Andrew Wilson, 2008

<sup>&</sup>lt;sup>6</sup> Ahto Lobjakas, 'Belarusian Opposition Backs EU U-Turn on Lukashenka', *RFE/RL Belarus, Ukraine and Moldova Report*, 8 October 2008.

has a toehold. For example, if the authorities in Minsk have not really moved on elections, but have released political prisoners; the EU should press for further progress in this latter area, such as a moratorium on the death penalty, following the ruling by the Constitutional Court in 2004.

Supporting the European Humanities University in Vilnius is an excellent project. The EU should also be looking to move back into supporting education and civil society within Belarus.

RTV1 and the European Radio for Belarus have only a limited audience. The EU should be seeking to support a freer media within Belarus itself. Minsk has only recently, and partially, moved to censor the internet. It has put a lot of energy into its youth strategy and does not want to alienate the internet-savvy younger generation. The EU should be pressing for a much lighter system of web regulation.

Both Belarus and the EU have an interest in energy diversification. It is in neither party's interest for Gazprom to gain full control over Beltransgaz. The EU could help Belarus explore the feasibility of linking up with the Odesa-Brody pipeline and of reverse energy supply from Lithuania.

#### Conclusions

The EU is between a rock and a hard place with respect to Belarus. The post-1997 isolation policy has clearly not worked, at least in terms of providing leverage over Minsk. But a new policy is not yet in place, or even on the horizon. The EU has its own balancing acts to perform. On the one hand, there is a case for moving quickly. If Belarus were to recognise Abkhazia and South Ossetia, the window of opportunity for improved relations may close almost as soon as it opened. On the other hand, the EU must situate its Belarus policy within a coherent strategy towards the Neighbourhood as a whole, where the priority should be combating Russian realpolitik.

Andrew Wilson October 2008