



Belarus: time for a ‘principled’ re-engagement

by Anaïs Marin

On 15 February 2016, the Council of the European Union lifted the bulk of its sanctions against Belarus. Only an embargo on arms deliveries and restrictive measures against four people involved in the disappearance of dissidents in the 1990s remain in place. Although the lifting of sanctions is officially a response to the absence of violence during the last presidential elections, it also appears to be dictated by pragmatic and geopolitical considerations.

The decision comes three months after the EU revised its European Neighbourhood Policy (ENP). Taking stock of the changing security environment and of Russia’s increasingly assertive foreign policy, the new ENP made *stabilisation* its ‘main political priority’. This is a substantial paradigm shift as it entails a more realistic approach to neighbours than the previous ‘ring of friends’ narrative did. For the sake of building ‘more effective partnerships’, the revised ENP calls for ‘enhanced differentiation’ and ‘greater mutual ownership’ of the policy. Hence the aspirations and interests of partners, including so-called unwilling ones, should be better reflected in the EU’s partnership offer.

What do these changes entail in practice for the EU’s Belarus policy? Given that the new ENP guidelines meet Belarusian expectations of a pragmatic partnership, based on genuine common interests and free

from hard conditionality (sanctions), might it be the start of an overhaul of bilateral relations? After 20 years of isolation policies – or Minsk’s ‘self-isolation’ from the West – new avenues for cooperation seem to be opening.

Minsk will seek to normalise relations with Brussels, however, on its own terms. Preventing this from happening requires spelling out fair but firm conditions: (re-)engagement can be less ‘critical’ and more ‘constructive’ – but it should remain *principled*. Another challenge will be to enhance Belarus’ ‘resilience’ – another buzzword of the revised ENP – without supporting autocratic consolidation or excessively antagonising Moscow. None of these dilemmas are new to Western policymakers. What is new is the possible opening of a ‘third track’ for dealing with Belarus in the spirit of good neighbourliness, irrespective of its autocratic leadership.

From isolation to stabilisation

The EU’s political relationship with Belarus has been largely dominated by sanctions for the last two decades. With the exception of a short-lived thaw – the ‘critical engagement’ phase started in October 2008 – isolation policies were always on the agenda. The widespread repression of dissent after the 19 December 2010 presidential election prompted

the EU to re-enact restrictive measures (a visa ban and assets freeze) against officials involved in human rights violations. As President Lukashenka's regime remained non-compliant, the EU consistently beefed up its response: from June 2011 onwards, the number of blacklisted individuals grew from 40 to 243, and 32 entities deemed to be financing the regime were also targeted.

The efficiency and legitimacy of these sanctions, however, was called into question and their lifting had been discussed for some time. First, isolation policies achieved mixed results. They might have constrained the Belarusian regime's repression of the opposition, but they have not fostered democratic progress. Instead, they were instrumental to a rally round the flag effect. Second, in light of Russia's aggressive behaviour in the region over the past couple of years, isolating Belarus appeared to be increasingly disproportionate. The fact that Azerbaijan, a country with an equally dismal human rights track record, enjoyed a 'depoliticised' and business-oriented partnership with EU countries while Belarus was ostracised looked like double standards. Third, the annexation of Crimea in March 2014 brought the idea of lifting sanctions back into fashion: for Brussels, the values/interests dilemma *vis-à-vis* Lukashenka radically changed with the emergence of Russia as a common, clear and present security threat.

Isolation policies led to a 'less for less' approach within the Eastern Partnership (EaP) framework, too. With the lack of a Partnership and Cooperation Agreement (PCA) between the EU and Belarus, the bilateral track remained virtually closed. Participation in multilateral cooperation was also conditional upon democratic norms that the Belarusian regime rejects. Hence, and unlike their Azerbaijani colleagues, Belarusian MPs are banned from Euronest, the EaP Inter-parliamentary Assembly. Following the lifting of sanctions, 'first track' dialogue is expected to resume, giving Belarus access to the Eurobonds market. Moreover, state-owned entities are likely to be able to apply for European Bank for Reconstruction and Development (EBRD) loans – a much-needed boost for the country given its current economic difficulties.

Yet other eastern partners might interpret the lifting of sanctions as a readiness by the EU to compromise on its values and as a sign of weakness. Lukashenka will certainly celebrate this unilateral goodwill

gesture as a personal victory: having also hosted the tripartite negotiations that led to the signing of the Minsk Agreements, he already believes he has become more acceptable in the eyes of the international community.

Lukashenka's 'dicta-plomacy' toolbox

Yet it should not be forgotten that Lukashenka is a crafty dictator. He never complied with the conditions attached to sanctions, even after the EU shortened its wish list. Protesters jailed during the 2010-2011 crackdown either served their term or were granted a presidential pardon: none of them were *rehabilitated*. Having released opposition politician Mikola Statkevich in August 2015, Lukashenka believes that he and the EU are now quits. He is currently trying to 'sell' Belarus' proclaimed neutrality in the Russian-Ukrainian conflict to placate the EU once again, and expects concessions in return.

As with other dictatorships, Belarus' foreign policy serves the overarching aim of ensuring regime-survival. Playing the West against Russia and courting Brussels to up the bidding for its apparent loyalty are instrumental to this end. With few resources of its own, preserving the geopolitical *status quo* seems like a sensible balancing act. And Lukashenka sees it as the best shield against outside influences aiming to democratise or liberalise the country. Whether

'With few resources of its own, preserving the geopolitical *status quo* seems like a sensible balancing act. And Lukashenka sees it as the best shield against outside influences aiming to democratise or liberalise the country.'

dictated by the EU or by Russia – now also via the Eurasian Economic Union (EEU) – any reform is perceived as a threat to the very foundations of Lukashenka's authority.

Whereas coercion is inherent to Lukashenka's rule, co-optation requires a distribution of favours which Belarus is unable to fulfil. Yet the regime has successfully outsourced the costs of sustaining its uncompetitive command economy and generous social policies to Russia. Added to the transit rent that Belarus cashes in on by re-exporting cheap Russian oil and gas to Europe, subsidies bring in billions of hard currency, accounting for up to 16% of GDP. This model compensates for losses owing to the absence of reforms while serving as a disincentive against change.

The masterful aspect of Lukashenka's 'dicta-plomacy' is his ability to trade his loyalty and bargain over its price: Minsk has taken steps towards meeting Western demands whenever Russian funding was at its lowest. In 2010, for example, Russian



subsidies fell below 4% of Belarusian GDP, prompting Lukashenka to seek compensation from the West by letting several opposition candidates campaign in the December election (only to crack down on them later).

Now familiar with his *modus operandi*, Western leaders are harder to trick. Their new concern is that the slightest *détente* in Minsk's relationship with the West might upset Russia and prompt Moscow to act. The alternative – maintaining the *status quo* – implies agreeing to Russia's claims to a 'sphere of influence' and the resultant weakening of Belarusian statehood. Both options entail dangers for Lukashenka personally, as well as for Belarus' sovereignty.

Sovereignty under threat

In the struggle to win the hearts and minds of Belarusians, Moscow has an incontestable lead over Brussels. In fact, the EU's approval ratings have never been so low in Belarus. Hopes that successful reforms in Ukraine, Moldova and Georgia under the EaP would serve as benchmarks did not materialise. From a Belarusian standpoint, these 'frontrunners' are no example to follow, especially given that two of them suffered a direct Russian military intervention following their 'Colour Revolutions'.

Belarus is structurally dependent on Russia. This dependence is multidimensional (economic and financial, military-diplomatic, cultural) and was institutionalised when Belarus joined the EEU in 2015. The two countries are close allies in bilateral terms (within their Union State), as well as in multilateral fora such as the Commonwealth of Independent States (CIS), Collective Security Treaty Organisation (CSTO) or Shanghai Cooperation Organisation (SCO). As a result of these ties, even a democratically-elected Belarusian leader could not simply opt for joining the EU.

The relative autonomy of Minsk's diplomatic behaviour thus comes as a surprise. A member of the Non-Aligned Movement, Belarus claims to defend the neutrality pledge consecrated in its Constitution. Much to Moscow's annoyance, Minsk consistently refuses to recognise the independence of breakaway territories (South Ossetia and Abkhazia) or the annexation of Crimea as legal. The Belarusian regime is not blindly following the Kremlin in its aggressive

foreign adventurism. For fear of harming trade relations with Ukraine and EU countries, Minsk turned a deaf ear to Russia's calls for joining its anti-Western coalition. Not only did it desert Russia during the diplomatic turmoil, Belarus also profited from the Russian embargo on European food products: it became a major supplier of seafood in a matter of months (despite being landlocked) by rebranding goods. To top it all off, Minsk offered to mediate in the Russian conflicts with Kiev, Western capitals, and now Ankara.

'Arguing that Belarus' sovereignty is at risk could be used as a bargaining chip in Lukashenka's 'dicta-plotomatic' blackmail to obtain an International Monetary Fund (IMF) loan or push the West to accept his regime, warts and all.'

This behaviour could well prove costly for Lukashenka. First, Russia's economic downturn as a consequence of falling oil prices made Russian subsidies plummet, while Belarus 'imported' devaluation and recession. Second, although Belarus is not taking sides in the current row between Moscow and the West, its economy is incurring losses due to mutual sanctions. Third, Moscow now insists that Belarus delivers on its alliance commitments, including by sharing the burden of joint security. Russia's latest strategic desire is to create a Russian airbase on Belarusian territory, while Lukashenka's survival strategy is to delay this surrendering of sovereignty for as long as possible.

Arguing that Belarus' sovereignty is at risk could be used as a bargaining chip in Lukashenka's 'dicta-plotomatic' blackmail to obtain an International Monetary Fund (IMF) loan or push the West to accept his regime, warts and all. This time, however, the threat seems real. Should Putin decide that the time has come for Lukashenka to deliver on his promises (regarding privatisation and integration projects), Russia will deploy both hard and soft power to ensure Belarus complies. Whether the EU is willing and able to interfere is an open question. For now, the pressing issue is to sustain Belarus' resilience without compromising on core democratic values.

Options for a 'third' track

Options for a 'third' track

While coercive diplomacy was the main feature of its 'first track' policy towards Lukashenka's government, the EU tried to help the population through 'second track' policies such as supporting the opposition and civil society. This 'dual track' approach remains necessary on moral grounds – the regime may well jail opponents again, before or after the September 2016 parliamentary election – but it is not optimal for advancing the reform agenda. The revised ENP guidelines provide an opportunity to

explore a ‘third track’ for re-engaging with Belarus as a *country*.

Regardless of the Western funding and training received, grassroots organisations with the aim of liberalising Belarus have so far proved unable to catalyse change. The regime harasses or co-opts those who deal with Western donors. Any initiative that tries to bypass the government or entails criticism of its leadership is doomed to fail. Such was the fate of the ‘European Dialogue for Modernisation with Belarus’ launched in March 2012: it turned into an additional EU forum for discussion among like-minded people (political opponents, independent researchers, human rights activists) while excluding regime insiders it sought to influence (high-ranking civil servants, middle-class bureaucrats, ‘red directors’, trade union leaders, etc.)

Now the regime itself is aware of Belarus’ structural problems, and of the fact that a growing share of the active population, notably private entrepreneurs, wants change(s). Out of fear that liberalising the economy may spillover into the political sphere, however, the regime is postponing reforms. Many know that this (lack of) strategy will soon hit a wall, making some sort of *perestroika* both unavoidable and more painful, and its outcome more uncertain.

Opening a ‘third track’ in the EU’s policies towards Belarus could help reach out to those regime insiders who have an interest in reforming the country before it collapses. The challenge is to help them solve structural problems to enhance Belarus’ resilience in the face of economic and geopolitical threats, while controlling the risk of ‘authoritarian modernisation’ in the process.

This requires: a) navigating a narrow path delimited by a shared understanding of what ‘common’ interests and ‘universal’ values mean; b) using symbolic confidence-building measures, quiet diplomacy and small steps policies to achieve realistic goals; c) tailoring the EU’s institutional capacity-building offer to local administrative realities; and d) refraining from directly offending the leadership.

Building on the lowest common denominators, the goal should be for the EU, Belarusian officials and local civil society actors to draft a joint action plan for gradual reforms in fields where they are most needed *from a Belarusian viewpoint*. Progress should be assessed against the yardsticks of an *agreed* road-map, too. The EU’s partnership offer could focus on issues able to foster endogenous reforms such as:

- energy efficiency – as it can help limit Belarus’ dependency on Russia and improve connectivity

(with European electricity markets), while enhancing the profile of independent environmental NGOs in the year marking the 30th anniversary of Chernobyl;

- youth, education and mobility – to fight declining labour productivity and brain drain. Granting Belarus access to Erasmus programmes and the Bologna process would incentivise university reforms. Provided that negotiations over visa liberalisation succeed, it would also confirm the EU’s commitment to encouraging mobility and people-to-people contacts;
- SME development – with a view to limiting corporate debt and improving company management. This would support domestic demand for better economic governance, where ownership rights are guaranteed and the business climate is more attractive for foreign investors. With time, this can help advocate reforms in more sensitive fields (competition and labour law, bankruptcy rules);
- cross-border cooperation, tourism development and the implementation of local border traffic agreements with EU neighbours – to satisfy social demands. Existing institutions (Euroregions) and instruments (ENI CBC programmes) could be mobilised to build functional cooperation networks that can encourage local administration reform and foster good neighbourliness.

Exploring third track options may require shelving old thinking and rhetoric about ‘the last dictatorship in Europe’. There is underexploited potential for cooperation with Belarus. Yet guarantees must be sought for EU (re-)engagement with the Belarusian authorities to remain a principled one: respect for transparency, representativeness (pluralism) and the rule of law should remain non-negotiable. Large-scale electoral manipulation or human rights violations should prompt the EU to reintroduce sanctions against the regime.

The existence of a third track for technical cooperation in sectors where pragmatism may prevail could ensure progress on the reform agenda even if normalisation along the first track stalls. If turning Belarus into a stable and resilient neighbour is now a strategic goal, preserving EU values in the process requires both caution and innovation.

Anaïs Marin is an Associate Professor and Marie Curie Fellow at the Collegium Civitas, Warsaw.

