



**THE GOVERNMENT OF BELARUS:
CRUSHING HUMAN RIGHTS AT HOME,
MARKETING ARMS TO STATE SPONSORS
OF TERRORISM ABROAD**

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As somebody who closely monitors developments in Belarus and the region and who participated in the Organization for Security and Co-operation in Europe's Belarus election observation mission last December, I am appreciative of this opportunity to share my assessment of what has taken place and my recommendations on how to move forward.

We are here today in part because of what began on the snowy streets of Minsk on the night of December 19, 2010 and has continued over the subsequent weeks and months. As Belarusian and international witnesses have attested, state security forces arrested hundreds of people from among the thousands protesting the outcome of the presidential election. The authorities raided homes, news media offices, and political party headquarters, confiscating documents and computer equipment, and taking detainees' family and friends into custody and holding them in harsh conditions.

The result of these events was not only to undermine completely the legitimacy of the December 15-19 presidential election process, but to impose renewed isolation on the Republic of Belarus, and to dramatically narrow the economic, political, and diplomatic options of the government in Minsk. These events have brought Belarus and the international community to their current impasse. In this testimony I will seek to explain how events might now evolve, and I will propose some broad recommendations for U.S. policy toward Belarus and the region with the aim of undoing the worst consequences of the post-election crackdown and creating the conditions for more positive change in the future.

How We Got Here

Some opposition leaders and Western critics have argued that Lukashenka decided to launch the vicious crackdown on election night primarily to conceal the fact that he actually lost the popular vote, or at least failed to secure the outright majority that would have been required under the election code to avoid an embarrassing second-round runoff.¹ In fact, the causes of the crackdown are more complex, including competition within the ruling regime, division between peaceful opposition protesters and those who actively sought confrontation, and tenuous relations between Minsk and Moscow. Moreover, while the incumbent almost certainly did not win the 79 percent popular mandate reflected in the official results, and while many aspects of the voting process (especially early voting and the vote count) fell far short of international standards for free and fair elections, it is impossible to know for certain whether Lukashenka won a majority.²

That a large number of Belarusian voters would have supported Lukashenka is not surprising. Despite his unpopularity in Brussels, Washington, and Moscow, Lukashenka's regime has carefully courted and maintained support from a range of interest groups at home who have benefitted from his "sharing the wealth" of revenues from state industry and foreign subsidies. He has likewise gained the loyalty of pensioners, state employees and others who depend on the state, to the degree that many speak openly about their support for the president. By contrast, the Belarusian opposition, despite its prominent role in the post-election protests, remains weak. Opposition leaders are distrustful of one another, lack a clear program or message other than antipathy to the regime, and are generally unfamiliar to people outside the cities. As a result, even without manipulating the polls or harassing the opposition, Lukashenka remains for the present the one nationally familiar figure capable of securing nationwide support.

Lukashenka has been popular because he represents stability in uncertain times. Compared with its much larger neighbors Russia and Ukraine, Belarus has grown with less tumult. Income inequality is less extreme, employment is virtually guaranteed, health care remains available, pensions are paid on time, and other basic social services are largely available for all citizens. The price for these comforts is the lack of political pluralism or opportunity for the country's talented people. It is a bargain reminiscent of the old Soviet system, but without pervasive ideology or global pretensions.

Like the Soviet system, Belarus is on an unstable footing. External debt is equivalent to over half the country's GDP, and the current account gap is projected to hit 14% of GDP in 2011, a gap that the IMF has warned to be "unsustainable."³ Although Belarus is ranked 68 of 183 economies in the World Bank's 2011 "Ease of Doing Business" index, well above both Russia (123) and Ukraine (145), the country's relative isolation makes it difficult to attract the quality and quantity of foreign investment necessary to support economic development.⁵

Since independence, Belarus has relied on an uneven exchange with Russia, in which Minsk gave ostensible political allegiance and gained real economic benefits: access to Russia's vast market, and discounted gas and crude oil, which it then refined and re-exported to Western Europe at a profit. Lukashenka has also extracted economic concessions from Russia by flirting with Europe and cultivating Kremlin worries that Belarus could latch onto its Western neighbors to escape the Russian sphere of influence.

The strategy has paid dividends for Belarus with the West as well, even though Lukashenka bears the label of "Europe's last dictator," and targeted trade and travel sanctions have been in place since the last round of post-election repressions in 2006. From 2008, the European Union began softening its stance, offering Minsk a pathway to normalized relations through participation in the EU's Eastern Partnership, which includes promotion of European democratic norms. The United States also suspended some of its sanctions against Belarus in response to the release of political prisoners in 2008, but the U.S. sanctions regime remained in place along with substantial constraints on both sides' diplomatic missions.⁶

From Brussels, the message in 2010 was clear: Minsk could earn a higher level of European engagement, and with it a potentially lucrative path to normalization and inclusion in Europe's economic and travel space, by conducting an election that was more open and democratic. As a first steps toward this goal, the government enacted a revised election code, and invited the Organization for Security and Co-operation in Europe (OSCE) to observe the vote, hoping it would be deemed sufficiently free and fair. Instead, the international observer mission, in which I took part, found that the process lacked transparency and failed to live up to OSCE standards, while the post-election violence and crackdown impaired any residual sense that progress had been made.

Relations between Minsk and Moscow have also been in flux. Lukashenka's ties with Russian president Boris Yeltsin in the 1990s resulted in energy and other bilateral trade terms extremely favorable to Minsk, plus creation of the nominal Russia-Belarus union state, of which, it was rumored, Lukashenka hoped to become president. But with Vladimir Putin's arrival in the Kremlin in 2000, Russia became far less willing to subsidize the ambitions of its

smaller neighbor, and the past decade has witnessed a general downturn in relations, exacerbated by bitter energy price wars between the two countries.

The Kremlin has expressed repeated annoyance with Lukashenka for obstructing its agenda in the post-Soviet space: refusing to recognize the separatist territories of South Ossetia and Abkhazia, providing safe haven to ousted Kyrgyz strongman Kurmanbek Bakiyev, and conspiring to reverse the flow of Ukraine's Odessa-Brody pipeline. Lukashenka has sought to enhance his freedom of action by courting Chinese investment and signing agreements to buy Venezuelan oil, but neither can replace low-cost Russian energy supplies and duty-free access to the Russian market. Even with these subsidies, Minsk will likely be forced to cut social benefits—provoking domestic backlash—and privatize state enterprises, an opportunity that Kremlin-backed Russian oligarchs will be well positioned to exploit.

In the run-up to the December election, a series of anti-Lukashenka programs ran on Russian state-controlled television, which has a large market share in Belarus, and the Kremlin gave tacit backing to several opposition candidates. A few days before the vote, however, Moscow and Minsk struck a framework agreement on gas pricing, signaling Moscow's apparent acceptance of a Lukashenka victory. After the election, the two governments agreed to a new deal on Russian oil exports, where Belarus will buy at a premium of \$46 per ton and Russia will provide a subsidy of over \$4 billion.⁷ In addition, despite opposition from neighboring Lithuania and from domestic activists citing the ongoing crisis in Japan and the upcoming twenty-fifth anniversary of the Chernobyl disaster, Putin and Lukashenka signed a deal in March providing a nearly \$10 billion Russian loan to pay for construction of a new Russian-designed nuclear reactor for Belarus.⁸

Although Belarus has profited in the short term from the renewal of exclusive economic ties with Moscow, Lukashenka is unlikely to give much long term trust or confidence to his relationship with Russian leaders who have tried to undermine and defeat him in the recent past. He also recognizes that with the benefits of Russian subsidies comes dangerous dependence on Russia, and Belarus will remain vulnerable to a future decision by Russia to raise the oil price or turn off the gas spigot, as it has done to Ukraine. Moscow's support for alternative routes to export Eurasian gas to Western Europe, such as Nord Stream, underscores this possibility. At the same time, Lukashenka's leverage with Moscow is limited as long as relations with the West remain frozen, and as long as he remains vulnerable to domestic political unrest.

Lukashenka may have managed to hold onto power through yet another election, but Belarus' current predicament is unstable for at least three reasons. First, Lukashenka faces a genuine groundswell of public frustration and anger following the botched elections, and has acknowledged the need to find ways to reach his opposition's "minds and hearts, because otherwise it is impossible to unite the society, save the country and solve the problem confronting us."⁹ Second, the Belarusian economic model is unsustainable without severe cuts to government spending; continued external subsidies, whether from Russia or the West; or wholesale privatization of state assets. Finally, Lukashenka's cardinal goal to maintain power and freedom of action is jeopardized by his current isolation from the West and dependence on Russia. With domestic political and economic constraints bearing down, pressures are mounting on Lukashenka to take measures to restore engagement with the West, if only to enhance his bargaining power with Moscow.

What to Do

U.S. and European policy toward Belarus must take into account both values and interests, including the fates of those still detained, the broader welfare of the people of Belarus, and relations with the authorities in Minsk and other governments in the region. Any policy response to the current crisis in Belarus must also recognize the importance of ensuring not only a reversal of the recent repression, but also moves by Belarus toward greater stability, prosperity and freedom which can be enjoyed by all of its citizens in the long term.

After the crackdown, Western governments and societies feel understandably compelled to adopt a strong moral stance, severing public engagement with Minsk, withdrawing all previously offered incentives, and imposing new penalties. Yet an approach centered solely on coercion and punishment is less likely to help the people of Belarus, who will suffer most from sanctions and isolation, but presently lack the leadership, organization, or resolve to confront their iron-fisted government and force change. A policy response that balances targeted punishment for those responsible for the abuses with sustained engagement with the Belarusian people and clear positive incentives for the authorities to change course is still the best option for the West to influence events in Belarus.

Any reversal of recently enhanced sanctions should be expressly tied to the government's undoing the immediate consequences of the post-election crackdown, by releasing the remaining political prisoners, stopping politically motivated prosecutions, and ending harassment of opposition leaders, civil society groups, and the independent media. Additionally, Minsk should be clearly told that it must permit the OSCE mission to return and resume operations with a mandate to investigate the violence linked to the elections, in which it must have the full cooperation of the Belarusian authorities. If the government is willing to take these steps, the U.S. and Europe should be prepared to "zero the score" and permit a return to the positive path that both sides were on prior to the election. Until such time, however, there should be no further engagement with the leadership and no additional incentives offered.

In the course of tightening constraints on Lukashenka and others responsible for the recent repressions, it is nonetheless important to recognize recent examples of progress and emphasize that renewed positive engagement will be possible if Belarus complies with the terms above. Last December, for example, Secretary of State Hillary Clinton and Belarusian Foreign Minister Sergei Martynov memorialized a commitment by Belarus to eliminate all of its remaining Highly Enriched Uranium (HEU) prior to the 2012 Nuclear Security Summit in Seoul, South Korea.¹⁰ In exchange for this pledge, the U.S. had previously suggested that Belarus could be invited to participate in the summit. This invitation should be renewed, but only if and when Lukashenka reverses the post-election repressions.

Belarus' continuing record of business and economic reforms also deserves recognition and encouragement. Some reforms have been undertaken in compliance with the terms of more than \$3 billion in IMF and World Bank loans since 2009, including currency liberalization, banking sector reform, and reducing the burden of taxation and regulation on private businesses.¹¹ The President himself announced a new reform package to relax the regulatory climate for doing business at the end of December, while the post-election repressions were in full swing.¹² These reforms should make Belarus a more attractive market for the Western

investment it seeks, and the prospect of that investment can empower pragmatic, reform-minded figures within the current government, like newly appointed Prime Minister Mikhail Miasnikovich, and National Bank Chairman Petr Prokopovich. However, further economic engagement from the West will be counterproductive unless and until the consequences of the post-election crackdown are reversed.

To prevent this necessarily harsh posture toward the Belarusian government from imposing de facto isolation on the people of Belarus, Western governments must sustain and enhance their efforts to engage with ordinary citizens. Poland's approach, which includes elimination of entry visa fees for Belarusians crossing into Poland, doubling of aid for independent media and civil society, and opening Polish universities to Belarusian students, is a step in the right direction. Complementary measures from other governments in the region and from the West more broadly can help sustain the possibility of greater reengagement with Belarus in the future.

Engagement with the people of Belarus should be broad, deep, and long term in nature. The goal must be to develop the skills and capacity among Belarusians to take responsibility for their own political future, and Westerners should seek to catalyze political change that is not yet ripe domestically. As a friend involved in civil society work in Belarus told me, "the real long term challenge in Belarus is social and political change, not regime change. The former gives us Poland, the latter gives us Ukraine."

The weakness of the opposition is not only that it is not well known throughout Belarus—indeed some leaders are better known in Brussels and Washington than in Minsk—but that many of the most outspoken among them are solely focused on ending the Lukashenka regime and not on the many other challenges facing citizens. As long as Lukashenka enjoys substantial domestic popularity, this is obviously a self-defeating strategy. Moreover, without a concrete program of policy change for improving people's lives, focused on economic reform and growth, average Belarusians will see the democratic opposition and its call for free elections as offering only the type of chaos and disorder from which Lukashenka has "protected" Belarus for the past decade.

Opposition political groups, whether based inside or outside Belarus, will continue to enjoy attention and support from Western governments, as indeed they should. But the U.S. and European governments should also invest directly in Belarusian civil society, by empowering aid contractors to make small- and medium-sized grants to grassroots organizations, especially those working outside of Minsk, and especially those with non-political missions. This should include groups working to treat social problems like drug and alcohol abuse and domestic violence, watchdog groups that track implementation of reform laws and monitor corruption, and network-building NGOs, to name just a few examples. Western aid should also be devoted to building capacity and skills for individuals and organizations, with a special focus on making better use of internet and social networking tools, communications skills, basic advocacy, and opportunities for young people to become more engaged in their communities.

Above all, Belarusian citizens will benefit from continued and expanded access to information from independent domestic and international media. Although most print, television and radio is state-controlled, the internet has been largely unrestricted and some

Belarusians have access to satellite TV and foreign radio broadcasts. More financial and technical support is needed to ensure that journalists working in Belarus can file stories that reach audiences in Belarus and the region, whether online or by broadcast media. Belarusian media are hobbled not only by technological and resource limitations, but lack of sufficient training and experience to play the desperately needed role of a domestic watchdog and window into world affairs. Therefore, programs that offer education, exchanges, and professional training directly to journalists working in Belarus should certainly be a priority of Western assistance.

To make civil society assistance most effective, we must recall that a functional civil society is an inherent good. We should avoid thinking about or characterizing it as a wedge to bring about regime change. Such a change, if it is to benefit the people of Belarus, depends on a ripening of conditions domestically in which Western assistance cannot be the primary driver. Moreover, a regime change driven assistance strategy will feed into fears among many in Belarus and the region that Western governments seek to foment “colored revolutions,” with little regard for the welfare of the people, and will certainly alienate both other governments in the region, and those more moderate, pragmatic Belarusian elites who can most effectively apply pressure for gradual reform.

In the near term, we must remain firm and uncompromising in the demand for Lukashenka to release the political prisoners and stop the repression. In the best-case scenario, he could begin to do so several months from now, in the run up to parliamentary elections currently scheduled for 2012. The Belarusian government claims it intends to invite international observers, including the OSCE, to monitor these elections.¹³ It is likely that over the coming year, as the Russian government faces pressures tied to its own parliamentary and presidential elections, Lukashenka will seek to reopen the path to engagement with the West, hoping to restore his leverage and regain the upper hand in his relations with the Kremlin. The best mechanism to prevent another blatantly undemocratic electoral process in Belarus is to invest now in strengthening the independence of the Belarus Electoral Commission and its regional bodies, and in training independent domestic election observers, who lacked the quantitative or qualitative capacity to effectively report on the 2010 vote.

Thus far, the U.S. and the European Union have done an admirable job of coordinating sanctions and public statements. Belarus’ closest European neighbors, Poland and Lithuania, have also coordinated their policy responses, and worked to keep the issue high on the European agenda. Now there is a unique opportunity, thanks to the U.S.-Russia “reset” of the past two years and warming EU-Russia ties, to explore whether we can enhance coordination among Moscow, Brussels, and Washington, rather than allowing Lukashenka alone to define the terms of Belarus’ engagement with East and West. Russia and the West have different interests with respect to Belarus, but there can be some areas of agreement. After all, Russian citizens have been arrested and put on trial in connection with the post-election protest, Lukashenka is no friend to the Kremlin, and the subsidies he continues to extract from Russia represent a financial burden that is increasingly difficult for Moscow to justify in the current economic climate.

If Lukashenka seeks to escape his present political and economic vulnerability in the long term, he must be persuaded to abandon the expectation that he can bargain between Russia and the West to keep Belarus as an unreformed buffer between the two. Until election night

last year, relations with the West were on the mend. Now, there is a deep deficit of trust between Minsk on the one hand, and Brussels and Washington on the other.

Securing a future for the Belarusian people in which they enjoy security and prosperity, with close economic, political, and cultural ties to partners throughout the Euro-Atlantic region is not an easy proposition. There is no simple policy prescription by which the United States, Europe, or Russia can change the nature of the Belarusian regime without exacting painful costs for themselves and the people of Belarus. But there are some urgently needed steps, in the short, middle, and long term that can help to make positive change more likely. It is in our own national interest to pursue these steps with an abiding sensitivity to the welfare and best interests of the people of Belarus.

¹ See, e.g., Ewa Ceglarska, “Belarus Elections in the Focus of Polish Press,” Belarus Digest, <http://belarusdigest.com/2010/12/29/belarus-elections-in-the-focus-of-polish-press>; “Lukashenka Uncovered,” *Economist*, December 20, 2010, www.economist.com/blogs/easternapproaches/2010/12/belarus_election?page=6.

² “Prezidentskie Vybory-2010: “Peyzazh posle bitvy” (Presidential Election 2010: The Scene After the Battle), Independent Institute on Socioeconomic and Political Studies, www.iiseps.org/press1.html.

³ International Monetary Fund, “IMF Executive Board Concludes 2011 Article IV Consultation with Belarus,” Public Information Notice no. 11/34, March 9, 2011, <http://www.imf.org/external/np/sec/pn/2011/pn1134.htm>

⁴ “IMF warns Belarus Over Widening Current Account Gap,” Reuters, March 9, 2011, <http://www.reuters.com/article/2011/03/09/imf-belarus-idUSEBE7DA00320110309>

⁵ World Bank, “Ease of Doing Business in Belarus,” Doing Business 2011, www.doingbusiness.org/data/exploreeconomies/belarus.

⁶ U.S. Suspends Sanctions Against Belarus, *USA Today*, September 5, 2008, http://www.usatoday.com/news/world/2008-09-05-Belarus-US_N.htm.

⁷ ECFR, “The EU and Belarus After the Election,” http://www.ecfr.eu/content/entry/the_eu_and_belarus_after_the_election.

⁸ “Russia, Belarus Ink \$9 Billion Nuclear Deal Despite Activists’ Efforts,” Radio Free Europe/Radio Liberty, March 15, 2011, www.rferl.org/content/belarus_activists_campaign_vs_nuclear_plant/2339184.html.

⁹ President of Belarus, New Year’s Speech, December 31, 2010.

¹⁰ William Potter, “Belarus Agrees to Remove All HEU,” December 1, 2010, CNS Feature Stories, James Martin Center for Nonproliferation Studies, http://cns.miis.edu/stories/101201_belarus_heu.htm.

¹¹ International Monetary Fund, “IMF Completes Fourth Review Under Stand-By Arrangement With Belarus, Approves US\$662.9 Million Disbursement,” Press Release no. 10/119, March 26, 2010, www.imf.org/external/np/sec/pr/2010/pr10119.htm.

¹² Lukashenko Signs Directive on Business Development,” National Legal Internet Portal of the Republic of Belarus, January 3, 2011, <http://ftp.ncpi.gov.by/work/EnglPortal.nsf/NewsBelForInt/79D8C5961B1C280CC225780D0055F5A0?OpenDocument>.

¹³ “Belarus Intends to Invite International Observers for Parliamentary Elections in 2012,” Belarus.by, http://www.belarus.by/en/press-center/news/belarus-intends-to-invite-international-observers-for-parliamentary-elections-in-2012_i_0000002082.html.