

Scandal in Vienna: Belarusian Regime Funded by Austrian Business?

Is Belarus sliding into the realm of notoriously corrupt Third World states? New scandal in Vienna involved Belarusian leader and resembled exploits of corrupt politicians from some African and Asian states.

Recently, the Austrian newspaper Die Presse has published an investigative article on doubtful relations between some Austrian businesspeople and Belarusian president. Sports journalist Erwin Roth found out that luxurious holidays for Lukashenka and his family in Tirol have been paid by Leo Walner, the former chairman of Austrian National Olympic Committee (NOC) and owner of Casinos Austria network. The affair presumably happened in 2002, yet it is casting unfavorable shadow on rather lively activities of Austrian business in Belarus under Lukashenka.

The Austrian Olympic Committee itself did not benefit from the affair, says Erwin Roth. Actually, it was not involved in it, because the whole trip was organized by Austrian Casinos, official sponsor of Austrian NOC and "informal fund of Belarusian dictator". Leo Walner then was both NOC Chairman and casinos owner and it helped to solve a problem of the EU prohibition for official contacts with Lukashenka. Mr. Walner organized invitation of the Belarusian leader as the Belarusian NOC Chairman.

Leo Walner explained in an interview that they worked in the best interests of Austrian economy. His subordinate, Gerhard Skof added that not only casinos but also other Austrian firms have had the plans to expand their business in 10-million Eastern European nation, so the trip was both useful and

necessary for them. Austrian businessmen interested in business opportunities in Belarus have paid for Lukashenka. Walner declined to discuss the concrete names of these people. Yet Austrian casinos did not so far open any subsidiaries in Belarus, so Erwin Roth supposes that the whole affair could be just about money laundering and is going to submit the documents on it to state prosecutor office in Austria.

One cannot say, however, that Austrians did not get anything in 2000s in Belarus known for its reluctant attitude to foreign investors. Finally, it was the Austrian Raiffeisenbank which could buy a comfortable share of the major Belarusian Priorbank and only Austrian business could acquire the big bicycle fabric in Minsk and one of three cell phone providers, Velcom. Without noise, just effectively take control – so it went, just some miracles of Austrian entrepreneurship with its secrets securely hidden by both sides.

Quite predictably, the last scandal caused much bigger uproar in Austria than in Belarus and has been followed by other Austrian newspaper, Kurier. According to its investigation there were millions of euros sent to a secret account of the NOC established by Leo Walner in 2001.

There is no need to discuss here fatal implications of financing the holidays of one country's leader by foreign businessmen. They are obvious. The scandal is more interesting in another respect, for it demonstrated nature of Belarusian regime, rather unclear and non-transparent otherwise. And it is opportunism without high dreams or idealistic ideologies. This face have and had numerous regimes in developing countries continuously sinking in poverty and degradation.

And it shows corporate practice which does not distinct between responsible business and befriending some stealing dictators. The place for such doing was perfect – neutral Austria was known in the Cold War time as a place with extremely high concentration of Soviet spies. The Belarusian

regime with its Soviet-time cadres and methods could really feel itself comfortably in Austria they know from that time, as well as they could use its old networks of “comrades”.

Interestingly enough, the current head of Presidential Administration of Belarus, Mr. Uladzimir Makey is known by his special services carrier and work in Vienna. Does Austrian government tolerate the foreign special services dealings on its soil in order to preserve the image of the Alpine Republic as convenient place for murky affairs and even settling scores (sometimes with blood shedding)? So, last year, Western media have frequently written on very high level of activity by Russian special services in this Central European country, presumably eliminating some emigrees, opponents of Russian government.

In this context, Lukashenka's mountain trip seems not so outrageous. He does not harm anyone physically (as far as we know) there and just used some rich Austrians to enjoy himself. Of course, probably it was not only Leo Walner and not only Austrian business to make some deals with the Belarusian strongman. Just Austrian had enough mechanisms to uncover it, although after eight years.

There is another strategic point here. This way could be seen by Belarusian regime as a silent yet effective way out of international isolation. The recipe is simple – if you oppress your people, you just need to be necessary for mighty and influential, make deals with them, and you do not need to change anything in the country you consider your ownership. It is working on business level, as a new Vienna scandal proved and it is working on geopolitical level. Since Russian aggression in Caucasus completed Lukashenka's transformation from a Europe's “last dictator” into quite acceptable leader of the country between the EU and Russia.

He is feeding all interested sides with lavish but empty talk on “liberalization” while holding phony local councils

elections (last Sunday) and doing almost nothing real to undo restrictions on rights and freedoms. Really, for what reason should he? The geopolitical interests are guaranteed by the EU and more trivial needs such as ski in the Alps can be provided for by some eager Western businessman.

Read *Olympisches Komitee: Ein Konto für den Diktator* in [Die Presse](#).

SB