

# Belarus and Customs Union: From Subject to Object of Integration

Beginning 1 July 2014, Belarusian authorities will forbid companies to produce, import or sell synthetic underwear.

New regulations came from the Customs Union and show how Russia forces its partners to adopt Russia's own rules of the game.

Belarus is stuck in the middle of the process of integration with Russia. If Belarus had previously been the subject of this process, it is now transforming into an object.

In the past, Lukashenka's regime showed more interest in the development of these projects, having seen long-term perspective for bolstering itself. Now the authorities are trying to stop as many of these integration projects from proceeding forward.

Belarus' lack of involvement into any other integration projects only deepens its dependence on Russia. However, the West still can help Belarus to emancipate it from its complicated relations with the Russian Federation.

## Topics for Private Conversation

On 8 February, [Alexander Lukashenka](#) took a ski ride with Russian PM Dmitry Medvedev. The two leaders have plenty of subjects for private conversation, as the Kremlin is seeking the sale of Belarusian enterprises. Both of them looked cheerful, though the Belarusian leader had little reason to celebrate.

Two days earlier, on February 6, Dmitry Medvedev announced

that Russia could start its anti-dumping investigation against Belarusian dairy products. Belarus subsidises its own agriculture and guarantees its high quality and affordable price for all of its the dairy products. Over the past year [Belarus exported](#) dairy products to Russia for a total of about \$ 2bn. It might come to pass that the Russian authorities force Belarus to sell milk production.

Hitting dairy production can significantly damage Belarus' already deteriorating economy. The dependence Belarus' has on the market of the Customs Union with Russia and Kazakhstan, combined with the protectionist policies of the European Union, leave little chance for diversification.

It seems that the Belarusian authorities will soon put up for sale its domestic machine manufacturing. Last week, Prime Minister [Mikhail Miasnikovich](#) said that the level of consumer complaints towards Belarusian-produced tractors has grown by 25%, while the Belarusian Ambassador in France [Pavel Latushka](#) said that Belarusian equipment has often broke down, even during presentations abroad.

Self-criticism remains an unusual feat for the Belarusian authorities. Therefore, suspicions emerge that these statements must convince Belarusians about the necessity of the sale of the Minsk Automobile Plant and the Belarusian Automobile Plant to Russia.

The Kremlin, with increasing assertiveness, seeks retribution for the financial assistance that it provides to Lukashenka

Such governmental regulations as the ban on the sale, importing and producing of synthetic underwear show that Belarus is stuck in its integration projects with Russia. The Kremlin, with increasing assertiveness, seeks retribution for the [financial assistance](#) that it provides to Lukashenka. The Belarusian authorities have few means at their disposal to resist the pressure. These problems are the result of Belarus'

off-balance foreign policy.

## **Belarus in the fold of Russian projects**

Belarus remains Russia's main ally in its economic and political integration process, although the Belarusian role of as a partner is more of a lord-vassal relationship. The number of various integration initiatives in Russia may confuse even an experienced observer.

Belarus is one of the three founders of the [Commonwealth of Independent States](#). The leaders of the Belarusian Soviet Socialist Republic, Russian Soviet Federative Socialist Republic and Ukraine signed an agreement on 8 December 1991 in Belavezha Forest, in Western Belarus, that launched the CIS. Minsk hosts the headquarters of the organisation. This structure briefly pledged economic integration, but in the end it became little more than a discussion platform.

In 1993, Belarus joined the Russia-controlled Organisation of Collective Security Treaty. This military alliance unites Russia, Kazakhstan, Armenia, Tajikistan and Belarus. In 2009, Belarus refused to sign the agreement on a joint rapid reaction force, as is “Russia undermining the economic security of Belarus.” Later on, the parties were able to resolve this conflict and Belarus signed the document with no further public protest.

Belarus has long promoted the idea of the Union State with Russia. The project began in 1997, has its own budget and built its own system of governing bodies. Lukashenka personally [became the leader](#) of the process and had even at one time planned to become the president of the Union State.

While Lukashenka saw great promise for himself, he was ready to integrate as much as possible. When Putin became president of Russia and Lukashenka lost his ambitions, the desire for the Belarusian authorities to get dissolve Belarusian independence similarly evaporated.

Politically, this project is more dead than alive, however it brings benefits to many ordinary Belarusians. For example, students from Belarus receive scholarships in Russian universities on the same terms as Russian citizens.

[The Eurasian Economic Community](#), established in 2001, includes Belarus, Russia, Kazakhstan, Kyrgyzstan and Tajikistan. The organisation became a preparatory structure to a common market of these countries. EEC gives Belarus stabilisation loans and requires the privatisation of enterprises in return. Formally, the international organisation gives loans for reforms, but de facto Russia gives credits and requires Belarusian companies to be sold off to Russia.

The conversion from a partner to a vassal became most noticeable during the creation of the Customs Union

The conversion from a partner to a vassal became most noticeable during the creation of the Customs Union between Belarus, Russia and Kazakhstan, and the Common Economic Space consisting of the same countries. The first organisation originated in 2010, the second in 2012.

These structures lay the groundwork for the functioning of a common market. Belarusian officials have to make regulations, often harmful to Belarus and its national interests, which has become the main thrust of their criticism of Eurasian integration. However, there is nothing they can do except to adopt the laws that Russia requires of them.

Belarus looks like a wagon in a Russian train, one which is moving towards the full-fledged creation of the Eurasian Economic Union. The organisation will start its work in 2015.

### **Relations with Other Integration Processes**

While the integration processes with Russia continue to evolve, Belarus lacks institutional linkages with other

structures. In 2009 Belarus became a dialogue partner in the Shanghai Cooperation Organisation. However, Belarus has little say in it.

According to the European Integration Index 2013, Belarus has [the weakest relationship with the EU](#) among all the Eastern Partnership countries. To reconcile the EU, Belarus and other EP countries, Lukasz Byrski of Batory Foundation proposed to hold Eastern Partnership summits in Belarus and other EP countries.

Not only would European ministers or leaders come to visit with the leadership in Minsk, but also their large teams would follow. This way it would not not only be [Lukashenka](#) or [Makei](#) who will have an opportunity to talk with Western leaders, but also the heads of the Belarusian ministries would be able to establish ties with their colleagues from the EU.

It is true that the middle-level officials have few, if any, meetings with their Western counterparts, but they meet with their colleagues from the East quite often. More contacts with EU partners could help Belarus emancipate in relations with Russia.

---

## **New Orthodox Patriarch, The Future of the Customs Union, New Year Wishes – Belarus State TV Digest**

The Eurovision Song Contest became the number one event in terms of the frequency of its coverage on Belarusian state

Channel 1.

Belarusian state journalists also afforded viewers a lot of coverage on integration with the Customs Union and other Eurasian structures.

The appointment of patriarch Pavel, the new head of the Belarusian Orthodox Church, attracted less attention on state TV than in the independent media. State TV journalists presented the new patriarch enthusiastically and emphasised that this choice would strengthen the spiritual roots of Belarus.

State TV also proudly reported on the launching of three new logistic centres on the Belarus border with Lithuania and Poland. The centres are supposed to significantly cut border queues with their streamlined services.

## **Society**

[\*\*A new Orthodox patriarch will protect the spiritual legacy of Rus\*\*](#). Belarusian state TV enthusiastically reported the first service in Minsk of the newly elected head of the Orthodox Church. The journalist pointed out that both previous patriarch, Filaret, and the new one know each well.

The previous work of Patriarch Pavel has been of an international character, TV proudly noted. He was last in Belarus in 2013 as a participant in a conference on the original baptism of Rus and its impact on the nations of Russia, Ukraine and Belarus. The news segment added that the selection of the new patriarch is of a somewhat prophetic nature. "The destiny of the Orthodox Church in Belarus is in the hands of the new patriarch Pavel", the journalist commented.

In the words of Lukashenka, the Orthodox Church's "constructive position allows the citizens of our countries to preserve their loyalty to the true historical roots and protect the proper legacy of our ancestors". He also

emphasised that the Orthodox Church supports the integration processes that are taking place in the post-Soviet space.

[Authorities officially congratulated the newly patriarch Pavel](#). In his open letter, Lukashenka underscores the role of the Orthodox Church in Belarus. He made mention that the mutual relations between the Orthodox Church and the state remain that of a partnership. Both parties will continue to conduct a constructive dialogue aimed at solving important social issues facing Belarus today.

[New Year wishes to Belarusians](#). As is tradition on New Year's Eve, the Belarusian head of state gives a short speech on national television. The Belarusian audience were told about the state's successful activities in helping to stimulate positive demographic trends and building new homes. He went on at great length about the motherland, being able breathe freely and being the master of one's own life.

According to Lukashenka, the construction of a power plant in Astraviec, and also the high volume of Belarusian exports proved that the state has accomplished many of the goals it set for itself over the past year. Furthermore, 2013 was year in which Belarus witnessed a noticeable increase in the number of marriages and births.

## **Domestic Affairs**

[Development of the country in 2014](#). Belarusian state TV briefly reported that Lukashenka had signed off on several documents related to the nation's plans for development in 2014. On the agenda appeared several items including increasing GDP by 3.3%, attracting more foreign direct investment in Belarus, and the state's continued support for housing construction.

[Minsk has become an important political actor](#). State TV commented upon the Belarus' holding of the presidency in the Commonwealth of Independent States. During its presidency the parties initiated and agreed upon 70 new projects, as

the anchor proudly pointed out. Minsk has become known as a city where some of the world's top leaders make serious decisions. "Will Ukraine be able to fulfil its duty when it takes over the presidency?", the state TV news anchor asked. Kiev's rapprochement with the EU could disturb its performance in the organisation.

[Logistic centres on Belarus' borders](#). Belarus' does not sufficiently use its transit potential, state TV notes. The Belarusian authorities will support trade through three new logistic centres on its borders with Poland and Lithuania. This unique project will cut the traffic on its borders by up to 30%. The price tag for the investment was 800bn BYR. Despite its high cost, the news underscored the fact that experts have also praised the project for its ability to better utilise the transit capacity of Belarus.

## **Foreign Affairs**

[New currency in Euro-sceptic Latvia](#). Beginning 1 January 2013 Latvia will officially be using the Euro as its own currency, becoming the 18th EU country to do so. Belarusian State TV notes that according to experts many Latvians remained rather sceptical about joining the European Union. The main reason being that "many people still remember that some EU-member states using the Euro were forced to ask for financial support after the crisis in 2009", as the anchor explained.

["Unpleasant Christmas gift for the European Union"](#). State TV reports that the international rating agency, Standard & Poor's, has decreased the long-term credit rating of the European Union, having ranked its short-term credit rating as "stable". They noted that, "the locomotives of the EU, such as Germany and France," could easily achieve a high ranking on their own. However, the EU as a single entity with all of its 28 member states is not able to perform well economically.

[Putin, Lukashenka and Nazarbaev discuss the future of the](#)



**Eurasian Union**. Channel 1 also provided extensive coverage to the “productive meeting” of the leaders of the Eurasian Union's three member states, an event which took place in Moscow. Nikolai Azarov, the Prime Minister of Ukraine, as well as the president of Kyrgyzstan also participated in the event. “They reached a mutual understanding practically on all issues [discussed]”, journalist commented. The officials also discussed a road map for Armenia and its membership in the Customs Union and the Eurasian Economic Community.

In its coverage, state TV emphasised the significance of the previous summit in Minsk. The heads of states addressed a number of issues relating to the process of integration. The countries removed nearly all barriers in their markets and two more countries, Armenia and Kyrgyzstan, have since expressed their interest in participating in the integration project.

State TV showed Lukashenka’s elevated position at the Moscow’s meeting. The Belurasian ruler emphasised his support for the idea of integration and, at the same time, in rather harsh words, he named and criticised certain areas that need to be improved upon. He mentioned the need to clarify issues surrounding the union's formal hierarchy, its relation to each nation's domestic laws and establishing guidelines for holding positions its governing organs.

It was also reported that the Customs Union has already brought in money into each of the three member nation's economies at a time when when the world’s economy suffering. In the words of President of Kazakhstan Nazarbaev the Eurasian Union is not a restoration of the Soviet Union, but is rather a project of innovation. “We are moving forward, not backwards.”

*Belarus Digest prepared this overview on the basis of materials available on the web site of Belarusian State Television 1 (BT1). Freedom of the press in Belarus remains restricted and state media convey primarily the point of view of the Belarusian authorities. This review attempts to give the English-speaking audience a better understanding of how Belarusian state media shape public opinion in the country.*