

Hit by the Crisis Lukashenka Looks for Money and Strengthens the KGB

Unable to deal with the economic crisis by economic means and fearing a revolution, Belarusian ruler Alyaksandr Lukashenka strengthens the KGB.

Last Thursday the Belarusian rouble fell sharply against the US dollar. Now the rate is 9,000 Belarusian rubles for one dollar. In September, the rate was less than 8,000 rubles. The new fall clearly breached Lukashenka's promise that the Belarusian national currency would be strengthened.

Because of high inflation, wages and salaries are stagnating. Most Belarusians today earn two or three times less than they did a year ago. The situation with pensions is even worse as many retired people have to survive on less than 100 dollars per month.

The Belarus National Bank is trying to convince people to keep their Belarusian rubles. But [no one trusts](#) the national currency anymore. The Government cannot do much to strengthen the national currency because it has no money. On Thursday, Belarus asked Russia to postpone payments for natural gas and suggested paying for 2011 deliveries in 2012.

Earlier this week the Belarusian government asked five of the most profitable national companies, including Belaruskali or Druzhba Oil Pipeline, to quickly transfer a part of their profits to the so-called National Development Fund. Under normal circumstances, such payments would be due only after the end of the year.

The government also ordered Belarusbank, the largest financial

institution in the country, to suspend offering loans for residential developers who plan to complete construction after this year. As a result, a lot of people are struggling to either find a huge sum to pay developers or give up building their own housing.

Although Lukashenka's rule seems today very vulnerable and fragile today, the opposition is still much weaker. No significant protests are taking place in Belarus today. The 'People's rallies,' called for by some opposition activists, took place on the 8th of October. But they [looked](#) more like a farce and were characterized by extremely poor attendance. However, it is difficult to blame the opposition. Opposition activists have had to deal with intimidation and outright violence for years. They were finally crushed after the last year presidential elections and the pressure is increasing.

As the economic clouds get darker, the Belarusian rubber-stamp parliament has almost secretly adopted new amendments to give more rights to the Belarusian KGB, which still keeps its Soviet name. The proposed amendments allow KGB officers to enter any private or public places whenever they wish and to use force almost without restrictions.

In addition, the new legislation puts an absolute ban on foreign grants and financial aid. That will certainly be a hard blow for media, political organizations or civil society which have virtually no resources inside the country. Last but not least, the new amendments introduce harsher punishments for organization of and participation in public protests, as well as broadening the definitions of 'spying' and treason.

Although there is no strong opposition, the Belarusian regime has serious reasons to be afraid. Lukashenka is probably running out of money. The Belarusian authorities were never able to generate or attract serious money. The regime's [arms trade](#) was more akin to a casino game than a sustainable business. Trade in petroleum products was more lucrative but

sufficient only to satisfy regime insiders rather than the country as a whole.

The regime's poverty may turn even its employees against Lukashenka. And a tiny spark of discontent may turn into a real revolution. To avoid it, the Belarusian strongman needs to tighten the screws and find money as soon as possible. And that proves increasingly difficult. Neither Russia nor the West are ready to inject significant amounts into the Belarusian economy. Other solutions include [selling](#) the most valuable national assets such as potash deposits to the Russians and seeking help from China. Iran cannot help much.

So the Belarusian opposition will hardly be able to benefit. Parallels between Belarus and late Communist Poland and calls for a "Round Table" with the regime would not be accurate because Belarusian civil society is weak. The situation in Belarus looks more like late Ceausescu's Romania and their dubious revolution.

The Polish and Romanian regime changes in 1989 were worlds apart. In Poland, strong opposition and civil society forced a military ruler into negotiations which eventually led to establishing democracy and dismantling all essential institutions of the old regime. In Romania, with its non-existent opposition and civil society, the regime insiders just dragged Ceausescu out of the palace and killed him after a kangaroo trial. The old Romanian regime was able to delay a democratic transition for many years.

As many times before in the world history, the sultanistic regime in Belarus is evolving towards full-blown authoritarianism. But how long this authoritarianism will last depends in the first place on the opposition that badly needs to reorganize, and only then on external support.

Russia Saved Lukashenka Yet Again

The weekend brought a pleasant surprise for the Belarusian leadership. It managed to get a big loan from the Eurasian Economic Community – a post-Soviet integration bloc dominated by Russia. This week, Lukashenka will be given 800 million USD, and another 2.2 billion will follow over the next 3 years at a 4.1% interest rate.

The most important requirement of the loan is the privatization of state-owned assets in Belarus which are worth 7.5 billion USD.

Of course, there might be many demons lurking in the unpublished details of the deal, but so far this money seems to be more than just help for Lukashenka. It is his rescue.

The Belarusian government seemed to be desperate last week when it initiated contacts with the IMF about borrowing 3.5-8 billion USD. There was not much hope to get it in times like these when relation with the West are at their lowest point, and the previous loan from the IMF did not lead to real economic reforms in Belarus.

No 'Kyrgyzstan scenario'

The reasons for Russia's rescuing of Lukashenka may be very simple. After all, the Kremlin does not want to repeat in Belarus what unfolded in the Kyrgyzstan scenario with the toppling of the government. The current situation around Belarus, of course, can be compared to that of Kyrgyzstan last year in a very few but important ways.

In 2010, Moscow tried to rein in the Kyrgyz president who had at that moment lost any support from the West. Russia's policy was perceived by the opposition as a signal that the president had no backing and that the foreign powers would prefer some other rulers to run the country. Even though it did not want to do it, Moscow carried out regime change in that Central Asian nation, and the results failed to bring Russia any benefits whatsoever.

And to risk the same in Belarus is apparently more dangerous, both due to the proximity of the country to Russia itself, and due to the consequences it might have for Russian relations with the West. At the same time, Russia needed some alternatives before removing this president, and quite possibly it did not find one in the Belarusian establishment or in the opposition . Lukashenka has neutralized any such moves by building structural barriers for the development of any new politicians (there is no place for public politics in Belarus now), and by the destruction of the support base and public image of old politicians.

Towards Terminal Stability

To survive politically, Lukashenka does not need much. Just some flexibility in order to rearrange his power mechanisms – like through giving in to foreign loan requirements and selling some property. Of course, these weeks the public mood has been very much against his policies and only the lack of an opposition which could organize the discontented citizens has saved the Belarusian government from collapse.

But public grievances, however big they are, can be neutralized by one very common factor – time. That is, if the Belarusians have to live worse, they will do it, yet the decline of living conditions should occur as slowly as possible. Otherwise, even a politically sterilized society

will explode and find itself new political leaders.

The country has no means to survive as it had before. In order to avoid collapse or even revolution, it has either to reform or to accept impoverishment. The former option is not feasible with the current political regime. For the latter, the Belarusian leadership has to buy time. It will mean to bring the households' incomes gradually lower, to untie the prices without shock effects, to give some subsidies and reduce them incrementally. In a word, to draw the people into poverty not in a day, but over many months.

For all these efforts he needs money. Now, he has it, and given that circumstances are as they are, Belarus may be stabilized politically for a long time.

Myth of a European Alternative for Lukashenka

Can Europe do anything? The question sounds rhetorical for Belarusians involved in politics. After all, Europe – with the remarkable exception of Poland – did next to nothing tangible, except for making some verbal statements. The best example is the myth of a European proposal of 3 billion for relatively acceptable (for the EU) presidential elections made by the Polish and German foreign ministers last year.

The proposal was not really made in any serious way. The myth was born when the Polish minister was asked how much financial support Belarus can get from the EU if it accepts the European demands. He took the figures of the EU financial help for Moldova and recalculated them considering the bigger size of Belarus to finally name this sum.

Informally, European officials admit also that this sum, if it even materialized, could not be compared with Russian loans. Moreover, Lukashenka was successful in the past not only in getting money from Russia but also negotiating flexible

timetable for repayment or restructuring or even not repaying the loans at all.

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Appeal to the Members of the European Parliament by Belarusian Civic Leaders



Appeal by representatives of the Belarusian civil society, prepared for the recent session of the European Parliament.

APPEAL to the Members of the European Parliament on the Situation in Belarus

Dear representatives of the nations of democratic Europe,

A dictatorial regime has been ruling in Belarus for 16 years already.

The so-called presidential elections took place in Belarus on the 19 December 2010. The number of representatives from the opposition parties, allowed to join the polling station electoral commissions, amounted to 0.25% of the overall number

those commission members. Independent observers were disallowed to monitor the vote count. At those few polling stations where independent observers were able to prevent the substitution or slipping in of the ballots cast on the voting day, and to secure their public count, A. Lukashenka's electoral support on the 19 December election day was from 32% to 45% .

Similar results were obtained also through independent exit-polls.

Therefore there are good grounds to doubt that A. Lukashenka received an amount of votes exceeding 50% as required to win the elections in the first round.

Yet before the voting ended and prior to the vote count, the state authorities' security services started physical reprisals against A. Lukashenka's political opponents.

The peaceful protests by dozens of thousands of citizens in Minsk against the rigging of election results on the 19 December were brutally suppressed by the police special forces.

Hundreds of people were beaten up to blood and maimed. Seven of the presidential candidates were thrown into the KGB prison even before the election results were officially announced. Over 600 peaceful demonstrators were subjected to administrative arrests. In response to the peaceful protests against the election result falsification the state authorities unleashed a campaign of mass intimidation.

People continue to suffer dismissals from work and expulsion from education. Every day the KGB interrogates political and civil activists, journalists, human rights activists, conducts searches in offices and private flats, as well as equipment confiscations. The country is in the grip of political terror. Lukashenka strives by force to remain in power yet again, for which he has lost either legal or moral right.

According to the figures of the Central Electoral Commission, which is completely under Lukashenka's control, he allegedly obtained 79.65% of the votes. But the final protocol of the OSCE observer mission recorded the fact that the election process failed to correspond to democratic principles and norms, and recognised the elections as unfree and undemocratic. The independent Belarusian observers came to the same conclusion.

We, the voters who nominated the democratic candidates, being also the candidates' initiative group members, election observers, political prisoners and their relatives, are calling on the European Parliament, as well as on all the national and international institutions of the democratic states of Europe, to demonstrate their will to stand for the values on which the community of Europe is based, to stand up for the inalienable democratic rights and freedoms of the Belarusian people, as of one of the European nations. It has been confirmed to all of us yet again that the anti-democratic regime in Belarus is capable of undergoing neither re-education nor evolution, nor changing its substance.

The dictatorial regime in Belarus is a menace to the independence of Belarus, as well as to the European stability.

We propose:

1. Not to recognise the presidential elections in Belarus as free, fair, democratic, or corresponding the OSCE standards, and accordingly, not to recognise their declared outcome as a legitimate expression of the will of the Belarusian people. We support the appeal by the Rada of the Belarusian Democratic Republic (a historical successor in the free world of the Belarusian democratic statehood) and the Belarusian diaspora organisations to the democratic governments to refrain from using the definition of "President of Belarus" in relation to the initiator of the repressions Mr A. Lukashenka.

2. Strongly to demand the immediate release of all the de facto political prisoners, as well as a stop to the wave of political terror in the country. Not to allow A. Lukashenka a possibility to use the prisoners as political hostages in a trade for solving the problems of his foreign relations.

3. To initiate the creation of an international commission made of the European Union parliamentarians to investigate the facts of the mass beating and repressions in Belarus both on the 19 December 2010 and during the period thereafter.

4. To stop any political contacts with the authorities in Miensk until the release of all the political prisoners and a complete stop to political persecutions.

5. To limit the necessary contacts with Belarus authorities to the technical level. To stop all contacts with those ministries and security agencies of the government whose representatives were and remain directly involved in the election rigging and political repressions.

6. To restore and expand the practice of denying entrance to the democratic countries of Europe to all those officials directly or indirectly involved in the election rigging and political repressions. Taking into consideration the previous experience of securing the release of political prisoners, to use all possibilities of targeted sanctions against such persons, as well as against entities under their control.

7. To reconsider the issue of Belarus's participation in the Euronest inter-parliamentary programme not before fair elections take place in Belarus.

8. To bar Belarus from participating in inter-governmental programmes supported in the framework of the "Eastern Partnership", until the fulfilment of the four EU democratisation conditions for Belarus.

9. To compensate the restriction of contacts with the anti-

democratic state authorities by a substantial expansion of assistance to the people and civil society of Belarus:

- to abolish Schengen visas for the citizens of Belarus;
- to provide institutional support, including within the Eastern Partnership framework, to the independent mass media of Belarus and to those mass media broadcasting for the Belarusian audience from other European countries (Belsat TV, Radyjo Racyja, European Radio for Belarus etc.), as well as to the activity of democratic non-governmental organisations;
- to provide political support to those parties, movements and civic initiatives that stand on the principles of democracy and human rights and are in opposition to the regime;
- to include Belarusian citizens in the EU programmes of higher education support;
- to devise a scheme of support for small business in Belarus, in a way as to exclude the state authorities' involvement and influence;
- to bolster all other forms of assistance directly to the society of Belarus, and to the political repression victims in the country.

Belarus has changed after the 19 December 2010. A victory for democracy in Belarus is a task for Belarusians themselves: no one will bring us freedom except ourselves. Your solidarity and support in these difficult times will hasten our people's advance to democracy and freedom.

Bahdanava, Iryna – sister of political prisoner Andrej Sannikau

Bakur, Jurka – participant of the Dec 19 protest action, victim of political repression

Bandarenka, Zinaida – actress, People's Artist of Belarus

Barodka, Zmicier – presidential candidate A.Sannikau's

election agent

Bialacki, Ales – human rights defender

Chadyka, Jury – Prof. Dr. (Physics)

Chalezin, Mikalaj – Free Theatre art director

Chalip, Uladzimir – film director, father of a political prisoner, journalist Iryna Chalip

Dabravolski, Alaksandar – fmr. MP, member of the United Civil Party National Council

Ivaškovic, Viktor – head of Belarusian Popular Front Party, Minsk City Organisation

Kalada, Natalla – Free Theatre director, victim of political repression

Kanius, Hanna – presidential candidate U. Niaklajeu's election agent

Laurouskaja, Iryna – Dr. (Architecture), member of the Public Council on Historical Heritage

Marholin, Leu – deputy chairman of the United Civil Party

Maslouski, Ihar – head of the Belarusian Social Democratic Party, Bierascie Region Organisation

Michniuk, Zinaida – leader of Trade Union of Radio Electronics Industry Workers, Bierascie region

Miech, Ales – parliamentary candidate in the 2008 parliamentary elections

Panasiuk-Šarenda, Palina – member of the presidential candidate A.Sannikau initiative group

Pietrusievic, Fiodar – member of the presidential candidate A.Sannikau initiative group

Placko, Zmicier – member of the presidential candidate V.Rymaševski initiative group, participant of the Dec 19 protest action

Puk, Nadzieja – mother of a political prisoner, journalist Natalla Radzina

Puk, Valancin – father of a political prisoner, journalist Natalla Radzina

Sadouski, Piotra – fmr MP, Ambassador

Šarenda, Andrej – member of the presidential candidate V.Rymaševski initiative group, victim of political repression

Siamdzianava, Halina – fmr. MP, member of the Minsk City Electoral Commission

Šurchaj, Zmicier – member of the presidential candidate V.Rymašauski initiative group, participant of the Dec 19 protest action, a victim of political repression

Sviackaja, Valancina – election monitor in the Minsk City Electoral Commission

Viacorka, Vincuk – co-chairman of the United Democratic Forces, election monitor

11th January 2011

€3 Billion for Development of Civil Society in Belarus?



Jerzy Buzek, the President of the European Parliament meets with a Belarusian activist, Alexander Minkovich

In April 2010 Polish foreign minister Radek Sikorski promised Belarus authorities €3 billion in international aid. The condition was that the country would adhere to basic democratic standards. Now that Belarus authorities have started a full-scale war against the civil society and political opponents, they are unlikely to get any financial aid. If the Belarus regime is not going to get it, should the money then go to the Belarusians and the civil society of Belarus directly? That would be a logical thing to do. Even a fraction of this figure would help tremendously provided that the money reaches the recipient.

Belarusian civil society badly needs help from outside. They cannot get any support from within Belarus where everything is tightly controlled by the state. Nor it is easy for them to access resources abroad. It is important to make more funds available, but also to understand conditions in which Belarus NGOs and other civil society groups have to operate. These conditions are far from those in which NGOs operate in Belgium, Ukraine or even Russia. The government imposed restrictions similar to those which existed during the Cold War. The support strategy of international donors should be adjusted accordingly.

Increase funds and simplify procedures

Currently, Belarus civil society groups applying for use of EU funds have to undergo lengthy registration procedures in Belarus and which eventually end in arbitrary rejections. On the other hand, NGOs have to comply with strict bureaucratic criteria of the EU agencies in charge of resource allocations. The EU goals are clearly undermined when the projects approved for funding are vetoed by Minsk or when the EU assistance is given to government-controlled organizations, eligible for EU grants. The EU procedures need to be revised taking into account the constraints imposed by the official Minsk.

The main weapon of the Belarus regime is not beating by the police, harassment by the KGB or prison sentences. They have something more effective. First, it is propaganda and, second, the fear of people to lose their jobs. Both can and should be addressed by the international community.

Breaking through the information blockade

Despite the recent progress with the TV channel Belsat broadcasting from Poland and efforts by Deutsche Welle and European Radio for Belarus, independent media penetration remains low and does not reach the general population. The EU needs to step up its support for independent media and

increase TV and FM broadcasting to Belarus from Poland and Lithuania. If the Belarus regime will lose the propaganda battle, it will lose the war. The Belarusian regime understands that and uses more repressions against journalists than against any other group. Like the Soviet society, the Belarus society is based on lie, which can be effectively exposed by independent and accessible media.

Helping activists inside Belarus

It is also important to help the repressed activists stay inside Belarus. The Belarus authorities tightly control virtually all employers in the country and many people are dismissed for their political activities. In the absence of any other opportunities in the country, those people have to leave Belarus. Most of them would be happy to stay if they could earn at least something to make ends meet in Belarus. The international community can and should help such people to stay in Belarus and remain active in their communities.

One way to do it is to create jobs for activists inside Belarus (e.g. research projects). Also, it is possible to create temporary job opportunities abroad so that people could leave, earn some money and go back to their families and communities. It is much more difficult to bring up a new generation of activists than to retain those who are already active. In addition, many European countries would benefit from cheap labour force from Belarus.

Helping Belarusians travel and work abroad

To that end, European countries should also radically simplify procedures for obtaining visas and work permits for Belarus citizens. Currently, to get a Schengen visa Belarusians need to collect many documents showing that they have stable income. But how can a Belarusian civil society activist struggling to find a job and make ends meet produce all those documents?

According to the 2009 monitoring report by Stephan Batory Foundation, with the adoption of the Schengen visa regime by new EU Member States in December 2007, the number of visas issued to Belarusians to travel to neighboring Poland and Lithuania has decreased by 73% and 52% respectively. This amounts to "a new 'Iron Curtain' on the eastern Schengen borders," according to the Foundation's assessment. As a result, many have to leave the country, often illegally, seek political asylum never to return to Belarus again. Traveling from Belarus and back to Belarus should be made as easy as possible.

New scholarship programs and incentives to return to Belarus

The EU also needs to establish new scholarship programs for Belarusian students. Ideally, these programs will not only teach the young people about democratic norms, but also encourage them to return in Belarus and share their knowledge with others. Special programs for those people, for instance research grants or funding for civil society initiatives, would help tremendously. Such help should be offered bypassing the official Minsk. This involves risks for those people but there are many courageous people willing to take those risks.

It is time to become realistic about the Belarus authorities. Following the unprecedented violence in December, Belarus authorities still keep most of presidential candidates in prison, make more arrests and searches of human rights and opposition activists every day. Activists are thrown out of jobs, opposition parties are kicked out of their offices. The international community should recall how it supported Polish dissidents and democratic organizations during the Cold War and apply those lessons to Belarus today.