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# Is Russia the future of Belarus?

## As Lukashenko and Putin concluded their Union State talks, it seems that Russia has changed its tactics — but not its objective

On 4 November, Vladimir Putin and Aleksandr Lukashenko signed a package of integration agreements following three years of talks. Some have interpreted this 28-point union framework, previously known as a set of roadmaps, as a breakthrough on the road towards integration and a harbinger of the Russian absorption of Belarus. But is that really the case?

Moscow and Minsk began the dialogue on deepening integration as a way of emerging from yet another heated dispute about energy. Lukashenko believed that he was overpaying for gas and failing to receive indemnification against the gradual growth of the price of Russian oil, which had been taking place for several years because of changes in the taxation of industry in Russia itself.

The Kremlin had clearly grown so weary of Lukashenko, who raised this issue at summits and meetings time and time again, that then-premier Dmitry Medvedev put the question bluntly: either the Belarusian government could opt for a closer union with Moscow according to the 1999 Agreement on the Union State, or Minsk would lose its special privileges.

Lukashenko's only possible response to the ultimatum was to agree to discuss integration. In 2019, talks were progressing smoothly. The presidents met around ten times, as their respective governments attempted to solve an insurmountable problem: how could the integration of such close allies be bolstered without encroaching on Belarusian sovereignty or giving Minsk the opportunity to obstruct economic policy across the union state by having an equal say with Moscow?

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As expected, the talks ended in deadlock, in spite of the decision to forego discussion of the most ambitious conditions of the union agreement: an integrated parliament,

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government, and judiciary, a committee for the rollout of a single currency, and other supranational agencies. Furthermore, Moscow and Minsk were unable to agree on the adoption of a single fiscal code and the creation of combined regulators of energy and customs. The breakdown in talks at the end of 2019 sparked a new conflict – a three-month oil war and a drastic reduction in supplies of Russian oil to Belarusian oil refineries.

Following the 2020 elections, which triggered the most acute political crisis and row with the West in the history of independent Belarus, Moscow and Minsk revived their dialogue on integration. Many observers expected Putin to take advantage of Lukashenko's isolation in order to extract the concessions that he was unable to achieve before.

## Points of divergence

A year later, however, the talks have concluded and reality has once again diverged from the panic-stricken headlines and predictions of relinquished sovereignty. The full text of the 28-point framework has yet to be published, but Moscow itself has released a short summary.

The wording is quite telling, as both parties have agreed, in the vast majority of the 28 points on the agenda, to 'bring together', 'harmonise', 'synchronise' or 'work to align' their respective legislation, to 'enhance the exchange of information', to develop 'joint approaches and principles', and to agree on policy in various sectors. Yet these abstract phrases do not translate into concrete commitments; even rewriting a single legislative provision to match the equivalent provision of the union partner could be classified as alignment or harmonisation.

The fiscal sphere is among the rare exceptions of sectors that contains more or less clear wording. The 'implementation of an integrated system of excise tax administration' is planned. Moscow clearly wants to use this to put an end to Belarusian VAT concessions on the import of certain goods which are then sold on the Russian market. Another fairly concrete formulation – the 'standardisation of legislation' – is used in connection with transport, consumer rights protection, trade, and hospitality. All the same, the extent to which this legislation will be standardised remains unclear.

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In the end, the issue of oil and gas, all-important for Belarus, has been solved by postponing the creation of single markets. No deadline has been set for oil, while for gas the deadline is the end of 2023. It is implied that both parties will be able to reach an agreement on the issues which has divided them thus far. Incidentally, this issue is planned to be resolved within the Eurasian Economic Union by 2024–2025. Clear differences in opinion have emerged between member states as to what the 'single market' constitutes and which responsibilities it would impose on energy suppliers and consumers.

Even assuming that the 28-point framework will be fulfilled according to schedule (two to three years, which seems like pure fantasy given the history of Russian-Belarusian integration), then we will not see the Russian absorption of Belarus or a confederation of sorts, but rather the same two sovereign states with slightly more similar legislation in certain spheres. Of course, separate bargaining processes will take place for each of the areas important to the respective capitals when it comes to interpreting 'harmonisation' and 'integrated principles'.

## New tactics, same goal

Why have Moscow and Minsk signed such a watered-down package of measures? There are several explanations which do not necessarily contradict one another. Firstly, the Kremlin hasn't given up on the idea of reinforcing its influence in Belarus, but has apparently switched to new tactics.

Instead of relying on hundreds of pages of demonstrative roadmaps, which Lukashenko will almost certainly attempt to impede, Moscow is placing emphasis on more tangible and dependable mechanisms of binding Belarus to Russia. The first is military presence. Besides the recent extension of the agreement on its lease of two military facilities on Belarusian territory, Moscow has opened a joint 'military training centre' for the air force and aerial defence near the Belarusian-Polish border.

Since this centre is not formally classified as a military base, there is no publicly-available agreement on how long Russian troops can stay there, whose command they answer to, which equipment and armaments they can keep there, or how their rotation is organised. We know that Russian

S-400 portable missile systems not intended for training purposes, as well as Sukhoi Su-30 fighter jets, have already been positioned in Belarus through this centre.

The second point of leverage involves backing the sectors of the Belarusian economy that have suffered and will continue to suffer as a result of Western sanctions. A partial rerouting of supplies of Belarusian oil products from Lithuanian ports to Russian ones has already taken place. Next in line are supplies currently travelling through Latvia, as well as potash fertiliser, although experts have serious doubts about whether Russia has the free ports and logistical capacities to facilitate the transfer of the entire quantity of Belarusian potassium currently being transported through the Lithuanian port of Klaipeda, which constitutes 20 per cent of global exports of potash fertiliser. It is clear that Moscow is not prepared to take this on at the expense of its own potash manufacturer, Uralkali.

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The same thing will happen in other sectors beyond energy: Belarusian banks, the aviation industry, industrial giants, insurers, and other companies affected by EU and US sanctions will bypass those sanctions through their Russian partners, dummy corporations, and other schemes which will bind the Belarusian economy even more tightly to Russia.

Moscow's aim is to ensure that Belarus remains dependent, regardless of who the reigning president in Minsk is and what their views are. The steps outlined in the 28-point framework, which are scheduled to take years to fulfil, signed by Lukashenko, whose legitimacy both at home and abroad has been left in tatters, are no longer a reliable instrument for this. They may not survive the abdication of the Belarusian autocrat, but getting rid of Russia's military training centre and facilities or disrupting its logistics chains would be much more complicated for any future administration.

## Putin's hands are tied

Finally, it is important not to overestimate Putin's freedom to act. His relationship with Lukashenko is not on a par with the relationship he has with his regional governors. Putin has no magic button to eject Lukashenko.

Putin's attempt to subjugate Lukashenko to create a fully-fledged union state could well result in desperate retaliation from the Belarusian president himself, who is more attached to his own power than he is to friendship with Russia. What would Putin do in that situation? Bring the Belarusian economy to the brink of collapse through economic pressure? But this would play into the hands of the protest movement, which Moscow certainly does not consider as an ally. Putin is a conservative, and he is afraid that revolutionary chaos whipped up by Russian pressure could give way to a new Belarusian administration formed from this very milieu, which would prove to be an even greater headache than Ukraine.

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The bottom line is that the Kremlin would prefer not to generate such problems in Belarus, as it could end up forced to expend far more resources on solving them than those that are currently allocated for Lukashenko. In a recent article, Maksim Samorukov, a Russian expert on Eastern Europe, notes that the ill-defined results of integration talks should be interpreted as Moscow's desire to facilitate a peaceful, pro-Russian transfer of power in Belarus, avoiding the risk of putting too much pressure on Lukashenko for no good reason.

There are a number of genuine causes for concern when it comes to the outlook for Belarusian sovereignty and room for geopolitical manoeuvre. But the 28-point union framework should hardly be considered the main one.