

## FOREIGN POLICY ACCENT

Supplement to BISS Belarus' Foreign Policy Index

Nº22, September-October 2014

Foreign Policy Accent is a special supplement to BISS Belarus Foreign Policy Index offering a detailed description and in-depth analysis of certain aspects and dimensions of Belarus's foreign policy that experts believe are of particular interest

# Belarus-USA Relationship: Any Chance of a Reset?

#### **Dzianis Melyantsou**

The relationship between Belarus and the United States has remained 'frozen' for more than a decade now. In response to human rights abuse and violation of U.S. laws, Washington pursues a policy of sanctions against some Belarusian officials and businesses. Since the diplomatic crisis of 2008, the two countries have had no full-fledged diplomatic missions at the level of ambassadors.

There has been no fundamental transformation within the Belarusian political system, nor has there been any intention of the authorities to bring about any changes; however, over the last two years, we have witnessed a marked increase in the number of contacts between the two countries, some of them being truly unprecedented against the modest backdrop of the bilateral relationship.

An obvious reason for the intensified contacts would be the standard electoral cycle, when the Belarusian authorities traditionally take steps to 'secure the home front' in the run-up to a presidential election and seek to improve their relationships with both Russia and the West. However, the event analysis shows that the United States seems to reciprocate Belarus's efforts this time. It appears that the attempt to 'unfreeze' the relations with Washington is based upon a firmer ground of mutual concern and the process is unfolding amid crucial geopolitical changes in the region, which affect Belarus as well. Under certain conditions, all of this can contribute to the restoration of a full diplomatic relationship between Belarus and the United States.

### Indentifying the interests

Belarus's interest in improving its relationship with the United States is obvious — the country wishes to ensure its security. The United States is regarded by the Belarusian administration as a superpower capable of and ready for tough actions in its foreign policy. Stronger relations with the United States offer hope that Washington will not seek destabilization in Belarus by financing the opposition and supporting revolutionary scenarios. The U.S. support would also come in handy for Belarus's endeavor to accede to the World Trade Organization and it would prove useful in the country's campaign to expand its trade relations as well. Furthermore, because the Kremlin's foreign policy is becoming increasingly unpredictable, it is increasingly relevant for official Minsk to find a way to offset the pressure of Russia. Additional leverage in the form of cooperation with the United States may become a very valuable tool.

It should be noted that in this new foreign policy framework that has been shaped under the impact of the Ukrainian crisis, a reset of Belarus's relationship with the United States



is more important to Minsk than the normalization of its relations with the European Union, because the Belarusian authorities perceive the United States as a leading power — once it revises its approaches, the EU will eventually change its policies accordingly. Belarus's focus has been shifted towards the United States also because the Ukrainian crisis made it obvious to official Minsk that the European Union is incapable of providing real support in case of confrontation with Russia.

The interest of the United States in restoring its relationship with Belarus is a little less apparent. Before the Ukrainian developments, Eastern Europe was of little significance to Washington and was only relevant in the context of the logistical support for NATO troops in Afghanistan — anyway, as one of many options. Therefore, the United States could afford a principled position in criticizing the Belarusian autocratic regime and imposed sanctions with disregard for the consequences.

However, as the Northern Distribution Network (NDN), of which Belarus is part, became increasingly significant (mostly because Pakistan lost its relevance for transit and NATO started to withdraw its troops from Afghanistan), and in view of the dramatic changes in the geopolitical situation resulting from the war in Ukraine, the approach of the U.S. administration started changing. Belarus became interesting as both a safe transit area and a possible element in the strategy to deter Russia and ensure the security of Ukraine (the protection of its northern border).

Back in 2010, Belarus became part of one of the NDN routes¹ to transit non-lethal goods to Afghanistan within the framework of NATO's International Security Assistance Force (ISAF) operation. In 2011, Belarusian rail lines carried 587 TEU and 789 FEU of NATO freights one-way toward Afghanistan. In 2012, the traffic on the Belarusian railway more than doubled to 1,630 TEU and 1,823 FEU. However, in the first half of 2013, the volume of transit dropped, and so did the volume of funds anticipated for 2014, because NATO's operation in Afghanistan had concluded, and troops needed to be withdrawn from the country. According to some sources, the United States paid USD191 for transit of 1TEU via Belarus, and up to USD345 for transit of 1 FEU.²

In April 2013, NATO Secretary General Anders Fogh Rasmussen and Belarusian Foreign Minister Uladzimir Makiej approved an additional agreement to extend the terms of the original agreements on the transit of NATO cargoes to and from Afghanistan. In addition to non-lethal cargoes, the new agreement allowed two-way transit of NATO's armored vehicles, without armament and ammunition, through the territory of Belarus. Therefore, there are reasons to believe that transit has considerably increased this year, compared with the 2013 level, although no exact data are available as of the time of this report.

In addition to direct revenues from NATO's transit, Belarus's involvement in the Northern Distribution Network is an important instrument to improve the country's relations with the United States — both sides appear to have practical interests, which channel their dialogue into a more constructive track.

Washington's approach to Belarus may further improve, as Belarus has demonstrated its willingness to further U.S.' security policy (nonproliferation of weapons of mass destruction, combat against trafficking in persons, terrorism and money laundering) and meticulously complies with all of the international arms trade regimes.

1. For more details on the Northern Distribution Network read the report by the Center for Strategic and Foreign Policy Studies (CSFPS) "Prospects of the extended participation of Belarus in the Northern Distribution Network"

http://csfps.by/files/files/perspektivy\_uglublennogo\_uchastiya\_belarusi\_v\_severnoy\_raspredelitelnoy\_seti\_0.pdf

2. Vladimir Socor, Silent Partner: Belarus in NATO's Northern Distribution Network, Eurasia Daily Monitor Volume: 10 Issue: 147 –

 $\label{lem:http://www.jamestown.org/single/?no_cache=1&tx\_ttnews\%5Btt\_news\%5D=41244&tx\_ttnews\%5BbackPid\%5D=7\&cHash=fbb53b71c0eb97253326e0d737f2709f\#.VFqgK4vkeIV.$ 



#### The Ukrainian factor

Apparently, the intensification of the relationship between Belarus and the United States in 2014 was stimulated by official Minsk's skillful balancing maneuvers with regard to the Ukrainian crisis.<sup>3</sup> President Lukashenka's support for the new Ukrainian authorities and condemnation of separatists were hailed in Washington. In September 2014, representative of the U.S. Department of State Thomas Melia said while on a visit to Minsk that he was "pleased that the Belarusian authorities have not gone so far as to recognize the annexation of the Crimea by Russia and that Minsk agreed to host a meeting to find ways to solve the Ukrainian conflict."<sup>4</sup> Moreover, according to some sources, it was the Ukrainian administration that convinced the United States that such a meeting should be held in Minsk.

Belarus's neutral position in the conflict and its peacemaking efforts caused the United States to seek additional information about the country and explore possibilities for expanded cooperation, which resulted in a series of visits at quite a high level. For its part, official Minsk began capitalizing on its position on Ukraine hoping to improve its relationships with the West. Prime Minister Michail Miasnikovič made this clear as he spoke at the opening of the Belarusian-American Investment Forum in New York: "I do believe that this forum and a series of other major political events initiated by Belarus, including the Ukraine peace process, will result in a serious reset of the relationship between Belarus and the United States."

The lucky combination of geopolitical conditions and the growing mutual interest in the normalization of relations (transit of NATO goods, nonproliferation, etc.) paved the way for a gradual and quite tangible process of the unfreezing of the bilateral relations.

#### Obstacles to cooperation

Some serious obstacles to the resumption of normal bilateral relations still remain, though. The first one is the fact that there are still political prisoners in Belarus — the United States demands that they be released — and there are sanctions against Belarusian officials and companies — Belarus consistently demands during all bilateral meetings that they be lifted. Furthermore, Washington cannot publicly give up on its support for democratic transformation in Belarus, including its support for the democratic opposition, which irritates the Belarusian administration intensely.

During the period that followed the presidential election of 2010, official Minsk was showing an enviable tenacity and disregarded the demands of both the United States and the European Union trying to make its point and prove that external pressure would never have effect. This strategy was partially successful: both Washington and Brussels gradually have come to realize the ineffectiveness of the sanctions applied as an instrument to teach Minsk manners; therefore, they are ready to resume communications with the Belarusian authorities on areas of mutual concern (without forgetting their usual rhetoric about values). Theoretically, this modality may apply to the future pattern of bilateral relations — the United States and Belarus will closely cooperate in some sectors (including security, investments and trade), whereas political contacts will remain limited. There are many examples of such relationships between the U.S. and non-democratic re-

<sup>3.</sup> For additional details on the Ukrainian crisis and Belarus's official position read BISS's reports "What happened to Ukraine and what consequences might Belarus have to face" (http://www.belinstitute.eu/ru/node/1965) and "Battle for Ukraine: the fog of war has not dispersed yet" (http://www.belinstitute.eu/ru/node/2241).

<sup>4.</sup> USA-Belarus: Thank You for Crimea, but You Have to Release the Political Prisoners - http://naviny.by/rubrics/politic/2014/09/10/ic\_articles\_112\_186679/

<sup>5.</sup> Miasnikovič: I believe that we will have a major reset of the relationship between Belarus and the U.S. — http://news.tut.by/politics/416590.html

gimes. There are also certain indications that the United States and the European Union may simply accept Belarus the way it is (just as they have accepted Azerbaijan), when they realize that its rapid democratic transformation is impossible for economic, political and cultural reasons.

Still, there can be no resetting the relationship without eliminating the main obstacles; however, the level of mutual distrust is so high and the wish to save face is so strong that it will be exceptionally hard to address the challenge of political prisoners and sanctions. In this context, a series of consistent and gradual confidence-building measures needs to be implemented for the two countries to abandon their current approaches. By all appearances, this is what we can observe now. According to Foreign Minister Uladzimir Makiej, Belarus and the U.S. have decided to put the most sensitive issues off the table for the time being and "focus on the areas, in which the two countries are capable of making progress." In other words, Belarus and the United States (the EU acts more or less the same way) have 'untied' political issues from other areas for cooperation and are exploring possibilities for deepening relations in areas of mutual concern (economy, security) hoping that their positive cooperation experience will eventually produce a positive impact on the political dimension.

#### To be continued?

Unless there are some radical changes in the political and military situation in the region, the trend towards further intensification of relations on areas of mutual concern will continue. In practice, it may result in a growth in two-way trade and increase in investments, along with the number of American companies operating in the Belarusian market. Further, Belarus may resume its participation in the highly enriched uranium (HEU) replacement program, and the two countries may ultimately increase the number of diplomats in their respective embassies.

The year 2015 will likely see lots of diplomatic contacts between Minsk and Washington. The best-case scenario envisages a visit by a U.S. Congress delegation — this possibility was discussed during the visit of a Belarusian governmental delegation to New York in September 2014.

At the same time, one should not expect a dramatic breakthrough in the relationship between the two countries, until Minsk makes up its mind to release all of the opponents of the official regime, whom Amnesty International recognizes as political prisoners. Moreover, according to some American diplomats, even such a move may not be enough to reset the relations, for Minsk should demonstrate its commitment to continuous improvements in the situation with democracy and human rights. As a token of this commitment towards democracy Belarus could hold a more transparent and fairer election without the usual repression of political opponents. Unless the Belarusian administration makes this move, progress in the bilateral relationship will only reach a level that will hardly satisfy the Belarusian authorities.



<sup>6.</sup> Interview of Belarusian Foreign Minister Uladzimir Makiej to South African newspaper Business Day (11 September 2014) - http://mfa.gov.by/press/smi/b07a84056154debe.html



\*\*\*

# Timeline of major developments in the bilateral relationship in 2013–2014

There was a marked revitalization of the relations between Belarus and the United States back in late 2012 and early 2013, when representatives of the Belarusian authorities started to make active contacts with then Chargé d'Affaires a.i. Ethan Goldrich.

#### A visit of American researchers

Aliaksandr Lukashenka's meeting with a delegation of U.S. researchers led by Glen Howard, the president of the Jamestown Foundation, on 21 January 2013 attests to Minsk's avid interest in improving its relationship with the United States. The official objective of the visit was for the delegation to familiarize itself with the situation in the country and analyze the current status of the Belarus–USA relationship. The American experts also met with Foreign Minister Uladzimir Makiej, representatives of the Defense Ministry, Belarusian Railway, European diplomats accredited in Minsk, and representatives of the Polish Diaspora in Lida. Judging by the composition of the American delegation and nature of their meetings in Belarus, their visit must have focused on cooperation in security, specifically the terms of transit of NATO cargoes to and from Afghanistan.

#### Sanctions lifted from two companies

In late May, the United States discontinued the sanctions imposed on OAO Belarusian Optical and Mechanical Association and ZAO BelTechExport that had been applied two years before. According to official reports, the move did not come as a response to some positive changes in the internal political situation, but was attributed to the expiration of the sanctions. Nevertheless, Minsk appreciated the step, because amid the annual extensions of the sanctions (in June 2013 and 2014), any cancellation of restrictions, even for two companies, looks like a goodwill gesture.

#### Eric Rubin's visit

On 11–12 December, U.S. Deputy Assistant Secretary of State Eric Rubin visited Minsk. He conducted meetings in the Foreign Ministry and met with representatives of the opposition and civil society. Rubin provided few comments on his official meetings in Minsk, but noted that the Belarusian side said it was ready to revise its position on the resumption of the full operation of the diplomatic missions. According to a source in the U.S. diplomatic corps, consultations to this effect started at the end of 2013 and were still underway. Before his meeting with Eric Rubin, Foreign Minister Uladzimir Makiej reiterated that Belarus sought to improve its relations with the United States and "was ready for open and sincere dialogue."

In its "Annual Review of Foreign Policy of the Republic of Belarus and Activities of the Ministry of Foreign Affairs in 2013" the Ministry concludes that "the year 2013 saw some positive changes in the interaction with the United States." "The negotiations [with Eric Rubin] revealed common approaches to issues of mutual concern, allowed identifying concrete steps to build confidence in bilateral relations," the review reads.

The year 2014 became even more eventful.

<sup>7.</sup> Annual Review of Foreign Policy of the Republic of Belarus and Activities of the Ministry of Foreign Affairs in 2013 - http://mfa.gov.by/upload/review\_MFA\_2013.pdf

#### Legal cooperation

On 6 May 2014, President Lukashenka signed a decree approving a draft intergovernmental agreement (IGA) with the United States for improving its compliance with international taxation rules and the implementation of the FATCA<sup>8</sup> provisions. The Ministry of Taxes and Duties was instructed to hold respective negotiations and sign the agreement. The move can be regarded as a concession to Washington with a view to having the U.S. support in Belarus's WTO accession efforts and facilitating improvements in economic contacts.

#### Rubin again

U.S. Deputy Assistant Secretary of State Eric Rubin visited Minsk again on 2–4 June 2014. Mr. Rubin conducted a wide range of meetings, including with Foreign Minister Uladzimir Makiej, members of the Diplomatic Corps, civil society, and relatives of political prisoners. According to an official report by the U.S. Embassy in Minsk, in his meetings, Rubin explored the possibility for continued improved cooperation with Belarus on areas of mutual concern, such as combating trafficking in persons, business contact, and non-proliferation.<sup>9</sup>

During his first visit to Minsk, Eric Rubin must have focused on some general aspects of the bilateral relationship and transit of NATO cargoes, whereas his second coming to Minsk may have centered, among other issues, on the resolution of the Ukrainian crisis and clarification of Belarus's position on that issue. According to some reports, Rubin had meetings with President Lukashenka during both his visits, although there were no official reports.

#### Security consultations

On 17–18 June, Washington held, for the first time in the history of the bilateral relations, Belarusian–American consultations on international security, which addressed non-proliferation of weapons of mass destruction, export control, the activity of the Conference on Disarmament, and the liquidation of chemical weapons. Furthermore, Belarus and the U.S. discussed their engagement in nuclear and information security, and combat against terrorism.

Ironically, a few days prior to that, President Barack Obama extended for another year sanctions against Belarus, saying in a comment: "activities by certain members of the Belarusian government pose an unusual and extraordinary threat to the national security and foreign policy of the United States." This discrepancy is a vivid example of the inconsistency between the idealistic public discourse of the United States and real activities based on real concerns. The same holds for the EU and its policy, and the same is true for official Minsk. The fact that such consultations were held implies that Washington does not consider Belarus to be a threat to international security and is ready for joint actions. In this context, we should also mention the U.S. support for Belarus's initiatives in the United Nations concerning combat against trafficking in persons and human organs.

#### U.S. resumes visa services

Starting this summer, the U.S. Embassy in Minsk began to slowly resume its visa services. In July, it announced that it would be issuing visas for students and participants in cultural exchange programs. Further, beginning July 16, all Belarusian citizens became

<sup>8.</sup> The Foreign Account Tax Compliance Act (FATCA) was passed on 18 March 2010 to prevent tax evasion by U.S. citizens.

<sup>9.</sup> http://belarusian.minsk.usembassy.gov/rubin\_rus\_060414.html



eligible to receive one-year, multiple non-immigration entry visas at no extra cost. These changes were being implemented because the government of Belarus had reduced visa fees for U.S. citizens and agreed to have the U.S. Embassy in Minsk expand its staff to six persons. <sup>10</sup>

#### Visit of a U.S. government delegation

A U.S. Government interagency delegation visited Minsk on 8–11 September 2014.<sup>11</sup> The delegation conducted meetings in the Ministries of Defense, Education, and the Economy, Ministry of Foreign Affairs, and met with opposition and civil society leaders, relatives of political prisoners, representatives of independent think tanks and businessmen.

Judging by the composition of the delegation, its primary mission was to explore, not negotiate. According to official reports, the objective of the visit was to explore the situation in human rights, economic development, security and international relations, as well as possibilities for resuming and expanding cooperation with Belarus on areas of mutual concern.

According to available unofficial reports, in its meetings with the government agencies the delegation addressed anticipated and ongoing reforms and possibilities for the United States to provide assistance, i.e. at least opportunities for 'modernization dialogues' that were previously launched with the European Union. The Belarusian government is obviously interested in having grants from USAID on the model of the Agency's work with Azerbaijan.

#### Belarusian-American Investment Forum

September 2014 saw another event that was unprecedented for the current level of the bilateral relationship. On 22–24 September, a 100-strong government delegation of Belarus led by Prime Minister Michail Miasnikovič visited the United States. The official reason for the visit was the participation in the UN Climate Summit. However, a few other important events were held as well, including the Belarusian-American Investment Forum, a meeting with IMF Deputy Managing Director Zhu Min, a meeting with the UN secretary-general, and a presidential reception, featuring a ceremonial exchange of greetings between Barack Obama and Miasnikovič. The investment forum became the pivotal event that drew the attention of the American business and political community. Importantly, representatives of the Department of State were present in almost all events of the forum, which means official Washington was genuinely interested in the forum.

The most important achievement of the forum was the possibility for American businessmen to receive information about the improving conditions for doing business in Belarus in an informal environment. The Belarusian side did its best to emphasize the importance of the lifting of the sanctions from its companies and make steps towards the resumption of cooperation with the IMF. The forum was also used to informally explore opportunities for intensifying contacts, at least those in trade and the economy, in a new geopolitical setting.

However, the main objective of the forum is long-term, comprising arrangements to build confidence and exchange information in order to set the stage for further expansion of cooperation.

<sup>10.</sup> Following the diplomatic conflict in the spring of 2008, which was caused by Washington's imposing sanctions on Belarusian companies, official Minsk insisted on mutual staff cuts in the two embassies to five people. Prior to the conflict, the U.S. Embassy in Minsk employed 37 persons.

<sup>11.</sup> The delegation comprised USAID Assistant Administrator Paige Alexander, Deputy Assistant Secretary of Defense Evelyn Farkas, and Deputy Assistant Secretary of State Thomas Melia, representatives of the Department of State, USAID Regional Office, and the U.S. Embassy in Minsk.