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The Belarusian government signals its readiness to talk with the West

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In recent weeks, Belarusian President Alyaksandr Lukashenka has pardoned 13 opposition activists who had been imprisoned for participating in demonstrations during the presidential elections on 19 December 2010. In addition, on 29 August Lukashenka proposed a round table conference in which various social and political groups would participate, including his opponents and observers from the EU and Russia. The Belarusian government has also announced an action plan for the crisis, involving making the country's financial market somewhat more flexible. At the same time, via the Bulgarian Foreign Ministry, the regime has spent the last few weeks probing the options for improving relations between Minsk and Brussels. Both the Belarusian opposition and the EU's diplomats have made their positions dependent on the unconditional release and full rehabilitation of all opposition prisoners.

Comment

- The disastrous state of the Belarusian economy and the resulting public discontent has forced the government to attempt to resume dialogue with the EU. It seems that the pardon of the prisoners and the offer of a round table are Minsk's version of a signal of goodwill, as well as an invitation to Western politicians to hold talks. Lukashenka hopes that the release of political prisoners will gradually bring about greater cooperation with the West, which was much reduced in response to the wave of repression unleashed against the opposition after last year's presidential elections.

- By announcing these changes in economic policy, the Belarusian authorities want to give the impression that the financial market has been liberalised, which is now the main condition put forward by the International Monetary Fund for further support (in late May Belarus asked the IMF for a loan of up to US$8 billion). However, this anti-crisis plan of action is limited to half-measures, and contains many administrative regulations, which is typical of the Belarusian model. We should not expect it to lead to the marketisation of the foreign exchange rate or the stabilisation of the foreign exchange market. It may once again be necessary to devalue the Belarusian rouble.

- Lukashenka will likely seek to limit his moves to symbolic gestures (such as his unspecified offer of round table talks), and making only minor adjustments to the current economic policy. Opposition activists are still being intimidated and repressed, and the state media have accused the regime's opponents of anti-state activities. Even if the opposition is invited to the meeting, we should expect its representatives to be marginalised, and then to be jointly blamed for the economic situation in the country.

- Although it is possible that all political prisoners will be released, Lukashenka will avoid any fundamental changes to the system, for fear of weakening his own power; excessive liberalisation, especially during the economic crisis, could undermine the foundations of his authority. This calls into question how real the extent of his cooperation with the West actually is, including obtaining loans from international financial institutions such as the IMF.

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