

BULLETIN

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Parliamentary Elections in Moldova and the Prospects for the Modernization of the State

by Łukasz Adamski

The parliamentary elections in Moldova brought victory for the political parties forming the current coalition: the Alliance for European Integration. It gives hope to speeding up modernization of the country. However, much depends on maintaining a cohesiveness within the pro-Western coalition and its ability to elect the president as well as on developing an internal political consensus on European integration of the country. The EU could support the reform process in Moldova by presenting a more attractive offer with benefits in the short-term perspective and by a simplification of the rules for granting aid. Reforms in Moldova might be better facilitated if increased controls over the movement of goods and people through the cordon with Transnistria and the Moldova-Ukraine border were introduced.

On 28 November, the third parliamentary elections in the last two years took place in Moldova. They had to be carried out due to constitutional rules that imposed on Parliament the obligation to elect the president by a supermajority, or three-fifths, vote, and if not, to shorten the parliamentary term. No such qualified majority was formed in the current parliament. The ruling pro-Western coalition of the Alliance for European Integration, which came to power in August 2009 cemented by its opposition to the Party of the Communists (the party in power from 2001 to 2009) as well as by a desire to modernise the country and to move it closer to the EU, failed to overcome a parliamentary deadlock. The Communists blocked any attempts to elect the president.

With more than 95 percent of the votes in this election counted, three coalition parties gained a total support of about 50% of the population, which is a victory for the pro-Western camp. The Communists, advocating integration with other CIS countries including accession to the Customs Union of Russia, Belarus and Kazakhstan, received about 40% of the votes.

Prospects for Reform. The Alliance victory is a huge chance to reform the country and bring it closer to European standards. However, for several reasons those plans may be at risk.

First of all, it is not sure whether early elections in the next years can be avoided. The Pro-European parties have not received 61 seats in parliament, which would allow them alone to elect the president. They will have to seek a compromise with the Communists, or at least try to persuade some Communist MPs to support the Alliance candidate. If these attempts fail or the Communists do not change their position, the term of parliament would have to be shortened.

The Alliance is also internally inconsistent because of various differences within the alliance and the personal ambitions of its politicians, in particular due to the rivalry between the Democratic Party leader, Marian Lupu, who until 2009 was a prominent member of the Party of the Communists, and Prime Minister Vlad Filat, who is the head of the Alliance's most powerful party, the Liberal Democratic Party. Also the divergent interests of the entrepreneurs connected with all the parties could evoke tensions in the coalition. The cohesion of the Alliance is at risk also due to the memory policy, intensively promoted by the leader of the Liberal Party, Mihai Ghimpu, who also is the acting head of state — he explicitly condemns the Soviet past and heritage as well as promotes a common national identity of Moldovans with Romanians. De-Sovietisation of the public space is obviously very desirable, but it ought to be conducted carefully and with a wide information campaign. If not, the Communists obtain an easy propaganda argument to attack the coalition — huge parts of the Moldovan population remain under the influence of Soviet-era propaganda and mentality. Highly publicised measures also spoil relations with Russia. The pan-Romanian orientation, incidentally

supported by some politicians in Bucharest, is not shared by the vast majority of Moldovan people as well as Ghimpu's other coalition partners. Therefore its intensive promotion gives the Communists arguments to accuse the whole Alliance of high treason and clientelism with Romania.

The success of reforms in Moldova is dependent also on changes in the country's political culture, which is now characterized by strict and non-transparent ties between politics and business. It also requires improvement of labour culture, improved efficiency in the administration and a reduction in corruption. For a pauper, post-Soviet country these tasks are difficult to perform, even in the medium-term perspective, and the small size of the country additionally favours cronyism and nepotism. The relatively simple possibility to obtain a Romanian passport or travel to work in EU countries or in Russia weakens the determination of the venturesome and better-educated part of the population to enforce changes in their own country—they, instead, choose to emigrate.

One major challenge is the economic situation. Moldova is the poorest country in Europe with the average monthly salary around 180 euro, the average pension is about 50 euro. The money transfers of hundreds of thousands of Moldovans working abroad constitute some 30% of GDP. The state largely depends on exports of agricultural products and alcohol, providing more than a dozen budgetary revenue sources. Its biggest customer, Russia, in 2006 and 2010 restrained imports of wines from Moldova, arguing it had not met phytosanitary standards. Fake wine indeed was commonly exported to CIS countries, nevertheless the Russian motives to block the Moldovan export are evidently political—it is an effective instrument of pressure on the elites in Chisinau to include Russia's interests in their policies. These instrument might be used in the future as well.

Many problems have resulted from the unsolved question of Transnistria, a highly industrialized breakaway region, which is authoritatively managed by local *nomenklatura* (Soviet-style administrators) strictly dependent on Russia. Two thirds of it is also inhabited by Russians and Ukrainians. The border between this region and Ukraine is not controlled by Moldovan services, but only by Ukrainians. The cordon between the area controlled by the separatists and the rest of Moldovan territory is also not adequately guarded. This increases the risk of illegal immigration, and, particularly favours large-scale smuggling. Not only political and economic elites from Transnistria, but also those of Chisinau reap the profits of the situation.

Recommendations for the EU. The EU should increase its engagement in Moldova. It needs to induce the country's elite, including the opposition Communists, to reach an internal consensus, to concentrate on the modernization of the state and to bring it closer to EU standards. The chances for the success of these plans will be greater the more attractive and tangible the offer from the EU is, the more Russia understands the desire of Moldova to adopt a Central European model of development and the less frequently some politicians from Chisinau and Bucharest promote pan-Romanian catchphrases.

Financial aid that the EU and some EU-related institutions have granted or promised to grant Moldova is quite substantial. However, there is a huge problem in the capacity of Moldovan public administration to make use of them. For this reason, special attention should be paid to anti-corruption programmes and training for the public administration in the sphere of good governance and the know-how to use EU money. One could also consider a simplification of conditions, according to which financial aid is granted. This would probably increase the percentage of funds embezzled, but in total would exert stronger effects on the overall transformation of Moldova.

The EU should encourage Moldovan elites to reflect on the consequences a hasty reunification could bring, and to prepare a thorough analysis of advantages and disadvantages of reunification. One can not exclude that it would slow down the process of modernization and European integration of the country. The forces that are in favour of maintaining close ties with the CIS area and preserving the current post-Soviet model of development might be significantly strengthened through support of the Transnistrian population and *nomenklatura*. The priority of European integration of Moldova requires, *inter alia*, the transformation of the cordon along the Dniester River into a tight border with customs and border guard checkpoints. One should also increase the staff of the EU Border Assistance Mission. All this would curb smuggling practices and increase the chances to cover Moldovan citizens (with the exception of those inhabiting Transnistria) with visa-free travel rules, which is very desirable. In the long term, enhancing the degree of democracy in the right bank of Moldova, increasing the standard of living of its people and granting them the right to freely travel and work in the EU might encourage the people of Transnistria and the local elite to support the reunification of the whole state. Then the authorities in Chisinau could put conditions, which would enable the country to avoid a regression on the issues of democracy, rule of law and transparency in public life.