

A pseudo-multi-vector policy. Moldova under the socialists

Kamil Całus

In November 2019 a new government took power in Moldova under Ion Chicu as prime minister. Formally non-partisan, the new cabinet is in fact controlled by President Igor Dodon and the pro-Russian Party of Socialists of the Republic of Moldova (PSRM). The establishment of this government brought an end to the five-month political experiment of Maia Sandu's coalition government, which was composed of the pro-Western ACUM bloc and the Socialists. In essence, the takeover of power by the latter means a halt to any real reforms, a worsening of relations with the West, and a far smaller chance that the legal proceedings currently underway into the country's biggest corruption scandals will have a positive outcome. Also, the multi-vector foreign policy declared by the government and President Dodon, which is aimed at maintaining good relations with both Russia and the EU, will in practice increase the Kremlin's influence in Moldova.

Although President Dodon has gathered quite a significant amount of power, his situation remains uncertain. He does not control the parliamentary majority, and is forced to rely on the support of the Democratic Party of Moldova (PDM), which has been weakened by the crisis. The main challenge for Dodon is the presidential election which is scheduled for the end of this year. However, the weak and increasingly fragmented pro-European opposition plays into the hands of Dodon and his group.

Why the ACUM-PSRM coalition collapsed

The direct cause of the collapse of the Sandu government was the conflict between the coalition members over the position of the Prosecutor General. On 6 November Olesia Stamate, the Minister of Justice nominated by ACUM (this bloc is composed of the Party of Action and Solidarity [PAS] and the Dignity and Truth Platform Party [DA]) invalidated the results of a weeks-long competition aimed at selecting candidates for the position

of Prosecutor General.¹ In justifying her decision Stamate argued that one of the members of the commission had given too low or too high grades to the candidates, which influenced the final result of the selection procedure. It quickly turned out that the person in question was Petru Bobu, a lawyer assigned to the commission by PSRM. He had given lower grades to the independent

¹ The Prosecutor General from the list provided by the commission was to be eventually selected by the Supreme Council of Prosecutors.



candidates from civil society, Ștefan Gligorov and Vlad Gribincea, compared to those given by the other members of the commission.

Sandu's government interpreted these actions as an attempt to exert political influence on the selection process, and to prevent blocking the candidates that were not supported by PSRM. Thus, also on 6 November, the government amended the law on the prosecutor's office. The amendment eliminated the competition procedure and gave the prime minister the right to present candidates to the Supreme Council of Prosecutors. The change in regulations was introduced by the method of 'the government's assumption of responsibility for the law', a characteristic procedure for the Moldovan legal order. A document passed within the framework of such procedure does not require a parliamentary majority, and it can be only blocked by a vote of no confidence in the government. PSRM and President Dodon refuted the accusations made by ACUM representatives, and fiercely criticised both the government's amendment and the way in which it was passed. They also called for the coalition partner to withdraw from the proposed changes and to discuss them in parliament. Sandu continued to refuse to make any concessions. As a result, on 8 November PSRM filed a motion on a vote of no confidence in her government.

From the perspective of the ACUM bloc, the appointment of a Prosecutor General is a key element in the de-politicisation and de-oligarchisation of the state apparatus. Control over the prosecutor and courts were the foundations of the rule of Vlad Plahotniuc, the billionaire and oligarch who had effectively ruled Moldova from late 2015 until June 2019.² It was also important for ACUM's image to maintain a very decisive position in this regard. From the very beginning, repairing the corrupt legal system and returning its independence to it were elements of this political bloc's agenda and the basis of its popularity. However,

² K. Calus, 'Moldova: from oligarchic pluralism to Plahotniuc's hegemony', *OSW Commentary*, no. 208, 7 April 2016, www.osw.waw.pl.

the high representatives of PSRM could not allow someone fully independent to become Prosecutor General as this would threaten their political and financial interests, and even the personal freedom of its senior figures. It seems certain that some PSRM members have been involved in different scandals in recent years. The Socialists co-operated closely, although unofficially, with the Democratic Party of Moldova (which at that time was led by Plahotniuc) and worked with its politicians, who had probably participated in numerous corruption schemes (likely including the theft of US\$1 billion from Moldovan banks in 2014). The PSRM's finances are not transparent, and in some areas have very unclear origins (investigative journalists, for example, have suggested that the money may have come from tax havens).³ The Socialists are also accused of receiving regular financial support from the Kremlin. One of the key pieces of evidence supporting this assumption is a recording that was revealed by the Moldovan media in June 2019 in which Dodon admitted that the PSRM was receiving US\$1 million per month from Russia.⁴ Ever since they formed the government together with ACUM (June 2019), the Socialists have been doing everything they can to take control over the judiciary, fearing criminal liability and the loss of their positions.

The political scene's new shape

Only six days after the collapse of the ACUM-PSRM coalition, the Socialists, with the support of the Democratic Party of Moldova, established a new minority government with Ion Chicu as prime minister. The swiftness with which the new government was established indicates that negotiations in this regards had started long before the crisis over the Prosecutor General. Just like the Socialists, the Democrats too, who feared being held accountable for the time they were in power, wanted to have Prime Minister Sandu

³ I. Sanduța, 'Baniii lui Dodon din Bahamas', *RISE Moldova*, 28 September 2016, www.rise.md. O. Ceaglei, 'Afaceri offshore la sediul socialiștilor', *RISE Moldova*, 22 September 2016, www.rise.md.

⁴ 'PROBĂ VIDEO 3: Igor Dodon spune câți bani primea, lunar, din Rusia, pentru PSRM: 600-700 de mii de dolari, până la un milion', *Publika.md*, 8 June 2019, www.publika.md.

removed from power and to block the reform of the judiciary system, which ACUM had been pushing. By deciding to support the Socialists, they were probably counting on getting some level of influence on the government's policies. Without their votes, PSRM will not have the parliamentary majority that it needs to pass legislation.

” The new government will imitate structural reforms in order to retain some of the financial support that Moldova has received from the West under Sandu's government.

Chicu, while formally unaffiliated with any party, has worked with both with the Socialists and the Democratic Party of Moldova. During the period of the PDM government (until June 2019) he worked at the Ministry of Finance (first as the secretary general and later as the minister). Among other things, he was responsible for implementing a controversial law allowing the so-called amnesty of capital. These new regulations were likely meant to allow the legalisation of shady financial resources managed by the members of the state apparatus and businessmen, as well as politicians from outside Moldova. Chicu's candidature as a compromise prime minister of the PSRM-PDM coalition government was reportedly considered by Vlad Plahotniuc after the parliamentary elections in February 2019. From June 2019 until he became prime minister, Chicu was an advisor to President Dodon. The new government also included other former advisers to Dodon and Zinaida Greceanîi, the speaker of parliament and head of the PSRM (they took over the portfolios of justice, foreign affairs, defence, education, health and agriculture).

Since the establishment of the new government, President Dodon now controls most of the power in the country. He has direct influence over the government and control over numerous key state institutions. During the time of the ACUM-PSRM coalition he succeeded in gaining control over the Constitutional Court (in August 2019 Vladimir Turcan, an MP from the PSRM, became its chairman), the National Anti-Corruption Centre (since

July 2019 it has been headed by Ruslan Flocea, the secretary of the president's office) as well as the Security and Information Services (SIS).⁵ It appears that the process of neutralising the office of the Prosecutor General, which is a threat to Dodon's power structure, is now underway. Since December 2019 it has been headed by Alexandr Stoianoglo; although he himself enjoys a good reputation, there are serious concerns regarding the independence and integrity of the people who were selected as his deputies.⁶ These include Mircea Roşioru, who was the deputy to Eduard Harunjen (connected to Plahotniuc), and Ruslan Popov, who is accused of corruption.⁷ Undoubtedly the secret services, which are subordinate to the president, are attempting to block the transfer of material evidence to the Prosecutor which could in any way hurt the interests of the Socialists and the politicians who co-operate with them.

Consequences of the PSRM's takeover of power

The PSRM's takeover of power, which has been temporarily supported by the PDM, indicates that there will be a halt to the ambitious reform agenda initiated by Sandu's government. Both the PSRM and President Dodon want to recreate the system of control over state institutions, including the judicial system and the media, which was created by Vlad Plahotniuc in recent years. This is important to the Socialists not only because they would be willing to block some corruption cases which involve PSRM members, but also to reinforce their political positions and get the opportunity to benefit financially from access to the state apparatus and public money.

It can be expected that the new government will imitate structural reforms in order to keep at least

⁵ S. Mihailovici, 'ULTIMA ORĂ // Ruslan Flocea, desemnat pentru funcția de șef al CNA', TV8, 29 July 2019, www.tv8.md.

⁶ 'Тулбуре об Александре Стояногло: Впервые генпрокурор вызывает доверие', Gagauzinfo.md, 20 December 2019, www.gagauzinfo.md.

⁷ 'Дом свекрови, угодыя отца и роскошная жизнь прокурора Чекан', Komsomolskaya Pravda, 4 January 2018, www.kp.md.

some of the financial support which Moldova received from the West under Sandu's government. Continued external support is very important for the state budget's stability. Thus, the plans presented by Chicu's government for the years 2020-2 show that Moldova will receive around €1 billion from abroad: 71% of this money will come from the World Bank, the European Bank for Reconstruction and Development and the European Investment Bank, while only 14% will come from Russia.⁸ EU states are also responsible for over 80% of all investment in the Moldovan economy and around 65% of exports.

” Moldova's relations with the EU have weakened, and this process will continue, despite Dodon's calls for good relations with both the West and Russia.

The collapse of Sandu's government and the Socialists' takeover of power weakened Moldova's relations with the EU. This process will likely continue, despite calls by the government and President Dodon for good relations with both the country's Western partners and Russia to be maintained. In the first decade of this century the Communist Party of Moldova (PCRM) under President Vladimir Voronin had a similar policy of balancing between Moscow and the West. Apart from the purely financial aspect (i.e. receiving money from the West), Moldova needs to maintain this balance in international relations to preserve a good image. The Moldovan public is tired of the geopolitical discourse which dominates Moldova's politics, and expects a conciliatory foreign policy which is based on co-operation with all of the country's key partners. President Dodon, who plans to run for re-election in November 2020, will probably try to meet the voters' expectations. However, there is no doubt that it will be very difficult to build a positive image of the new government among its Western partners. This is illustrated by President Dodon's statement on 14 February 2020, in which he accused several EU ambassadors to Moldova

(without providing their names) of blocking dialogue between the new authorities and the EU, and of providing the European capitals with disinformation on the real situation in the country.⁹

Moreover, despite declaring a multi-vector foreign policy, the Socialists are treating relations with Moscow as a priority. This was evident during Chicu's first foreign visit, which he made to Moscow. As a gesture to build positive relations with the Moldovan government, Russia promised to offer it a preferential loan (with an interest rate of less than 2%) of US\$500 million.¹⁰ According to Prime Minister Chicu, the first transfer (of US\$200 million) could reach Moldova by the end of March 2020.¹¹ There is no doubt that the Socialists' rise to power will lead to greater political and business influence for Russia in Moldova. Back at the end of 2019 Igor Chaika, the son of the former prosecutor general of the Russian Federation Yuri Chaika, took over a controlling share package in Media Invest Service, a company which controls one of the TV channels that had hitherto belonged to PSRM.¹² Earlier, in September 2019, Dodon suggested that Russian firms may be interested in investing in the Moldovan sea port at Giurgiulești.¹³

Dodon's uncertain future

Despite Dodon's unquestioned success in forming the Chicu government, and by extension his effective takeover of power, the president's position in Moldova's politics remains uncertain. The key challenge comes from the presidential

⁸ 'Cine vor fi sponsorii principali ai Guvernului în următorii trei ani', *Mold-Street*, 12 December 2019, www.mold-street.com.

⁹ 'Igor Dodon, mesaj dur către ambasadorii UE: „Unii dintre voi mi se pare că sunteți membri ai PAS cu DA, nu dezinformați Bruxelles-ul”', *Unimedia*, 14 February 2020, www.unimedia.info.

¹⁰ 'Россия готова выделить Молдове кредит на 500 млн долларов для реализации инфраструктурных проектов в нашей стране', *Komsomolskaya Pravda*, 25 November 2019, www.kp.md.

¹¹ 'De la 500 de milioane de dolari – la 200 de milioane. Chicu a explicat în ce condiții se negociază creditul cu Rusia și câți ani va avea Moldova la dispoziție pentru a plăti datoria', *Agora*, 26 February 2020, www.agora.md.

¹² Н. Пахольницкий, 'Игорь Чайка стал совладельцем «Первого в Молдове» и Accent TV', *NewsMaker*, 29 December 2019, www.newsmaker.md.

¹³ В. Соловьев, '«Чтобы Владимир Путин прилетел, нужна четкая и какая-то прорывная повестка»', *Kommersant*, 23 September 2019, www.kommersant.ru.

election planned for the end of 2020, in which Dodon will probably compete against Maia Sandu, the former Prime Minister and the leader of the Party of Action and Solidarity. Dodon and Sandu have similar popularity ratings; in the 2016 elections Dodon beat Sandu by just over 4 percentage points (52.1% as compared to 47.8%), while according to a poll conducted in December 2019 both politicians received around 25% of support each.¹⁴

” Despite Dodon’s success with forming the Chicu government, and by extension taking over power, his position in Moldova’s politics remains uncertain.

Dodon’s main priority is to stay in power, or at least not to allow a candidate from the opposition to become president (this second priority is shared by the PDM). Consequently, it can be expected that both the president and the Socialists, as well as the media outlets connected to them, will orchestrate an intensive media campaign against the ACUM bloc, and against Sandu in particular. Similar activities might be undertaken by the now much weaker but still quite powerful media holding which belongs to Vlad Plahotniuc, who fled Moldova in June 2019.¹⁵

Given the uncertainty of the presidential elections, it is possible that Dodon will decide to bring back the system in which the president is elected by the parliament and not by popular vote. This model functioned in Moldova in the years 2000-16 (at that time the head of state was elected by a three-fifths majority of all deputies), but in March 2016 the Constitutional Court, which was controlled by Vlad Plahotniuc, ruled unconstitutional the

amendment introducing indirect elections which had been passed in 2000. The judges’ decision was regarded as politically motivated and was widely criticised (including by the Venice Commission). It is possible that President Dodon, using his influence in the Constitutional Court, will be able to orchestrate a withdrawal from the 2016 decision, by drawing upon the opinion of the international institutions and justifying it with a will to “fix” the damage done to Moldova’s political system by Plahotniuc. At the moment Dodon has publicly denied considering such a scenario, but the possibility is still open.¹⁶

Another problem for the Socialists is their lack of a stable parliamentary majority, forcing them to cooperate with the PDM, which holds no seats in the cabinet. Since its leader and sponsor Vlad Plahotniuc fled the country, this party is now in a deep crisis of policy, image and finances. These internal conflicts, which are a result of different visions for the PDM’s further development, are the reason why six deputies, led by Andrian Candu, the former speaker of parliament and a member of Plahotniuc’s family, left the party’s ranks on 19 February 2020. In the immediate future the PDM may start to work more closely with the Socialists and some of its members will become ministers in Chicu’s cabinet, a scenario that President Dodon himself has not been excluded.¹⁷ A possible PSRM-PDM coalition would certainly improve the stability of the current government.

Divisions within the opposition

The events of the last months have enforced Sandu’s image as an uncompromising and relentless idealist who is focused on judicial reform and the breakup of the corruption networks that are still present in Moldova. Despite all that, the ACUM bloc seems to be structurally much weaker today than it was before she became prime minister.

¹⁴ A. Ceapăi, ‘Sondaj: Igor Dodon și Maia Sandu, la egalitate în preferințele electoratului’, Radio Europa Liberă Moldova, 5 December 2019, moldova.europalibera.org.

¹⁵ Because of the split which took place within the PDM in February 2020, it is not fully certain which position the above-mentioned media will take in the conflict between ACUM and the PSRM. Some sources indicate that Andrian Candu, who has left the Democratic Party of Moldova, now has a decisive influence on the holding’s information policy. Even though these media outlets will definitely not support ACUM, they may start a campaign against the Socialists.

¹⁶ А. Батанова, ‘«Мы не будем предлагать изменить Конституцию». Додон против избрания президента парламентом’, NewsMaker, 17 December 2019, www.newsmaker.md.

¹⁷ О. Горчак, ‘«Нужна новая кровь». Додон о коалиции с Демпартией и перестановках в правительстве’, NewsMaker, 21 February 2020, www.newsmaker.md.

ACUM's main problem is its increasing fragmentation, which may even lead to its collapse. In recent months the conflict between the parties that make up the bloc has only deepened, as to a great extent they are competing for the same voters. One reason for the worsening divisions was the failure of Sandu's rival, the leader of Dignity and Truth (DA) Andrei Năstase, to win the elections for mayor of Chişinău against the representative of the Socialists Ion Ceban in early November 2019. The tensions between both groups have also been exacerbated by the falling popularity of DA and Năstase himself, who has been accused of shady connections and personal corruption. According to an opinion poll published in December 2019, DA can only count on around 3.3% of votes, which would bring it below the electoral threshold for parliament.¹⁸ At the same time, only 16% of those surveyed believe that the DA leader should run in this year's presidential elections (84% support Sandu's candidacy).¹⁹

” The stability of the political system, controlled by the Socialists, will depend on the PDM's support of Chicu's government, and the result of this year's presidential elections.

The divisions and conflicts among the bloc's leaders will be a serious problem in the oncoming elections.²⁰ It seems unlikely that the pro-Western groups of ACUM will be able to agree on one candidate. This situation will lead to a dispersal of votes and lower Sandu's final result. Regarding her candidacy, it is almost certain that the former

prime minister will run for president, although no decision in this regards has yet been taken.²¹

The right of Moldova's political spectrum could also be destabilised by the unexpected release from prison on 3 December 2019 of Vlad Filat, the former prime minister and leader of the Liberal Democratic Party (PLDM).²² In June 2016 Filat was sentenced to nine years' imprisonment for crimes including his involvement in the theft of US\$1 billion from Moldovan banks in 2014. The former prime minister is not a popular politician among the public, but his presence in the public sphere and his opportunity to make critical speeches could generate tensions and increase divisions among the pro-European groups.

Prospects

The political system established in Moldova at the start of December 2019, and which is dominated by the current president and the Socialists he controls, is inherently unstable. How long it continues will depend both on the PDM politicians' support of Chicu's government, and in the longer term on the results of this year's presidential elections. However, there is no doubt that Dodon's possible reelection will allow for a deeper consolidation of power for his political camp, and incline the Socialist to further subordinate the state's apparatus and state-owned businesses to themselves. Such activities, if accompanied by the expected lack of reforms and violations of the rule of law, will generate greater criticism of Moldova from its Western partners (especially from the EU). This, in turn, will push the Socialists towards ever closer co-operation with Russia.

¹⁸ 'SONDAJ BOP: În caz de alegeri parlamentare, partidul lui Năstase NU ar trece pragul electoral. PSRM pe prima poziție', Telegraph, 30 December 2019, www.telegraph.md.

¹⁹ 'SONDAJ // Năstase detestat de 84% din respondenții unui sondaj. Oamenii NU vor ca acesta să candideze la prezidențiale', Telegraph, 30 December 2019, www.telegraph.md.

²⁰ In September 2019 one DA deputy, Octavian Țicu, left the party and decided to run as an independent for mayor of Chişinău during the elections in October-November 2019. He did so despite the fact that his former bloc was supporting the candidacy of the DA leader Andrei Năstase. In early January 2020 some members of the bloc started to publicly accuse their party colleagues of a lack of loyalty and of representing the interests of PSRM and Plahotniuc.

²¹ 'Maia Sandu: Dacă nu discutăm, nu vom ajunge să avem un candidat comun la prezidențiale', IPN, 31 January 2020, www.ipn.md.

²² S. Mihailovici, 'OFICIAL! Vlad Filat a fost eliberat din penitenciar', TV8, 3 December 2019, www.tv8.md.