

POLITICAL & SECURITY STATEWATCH



Monthly bulletin on Moldova issued by IDIS VIITORUL
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The Bulletin is a bilingual monthly publication aiming to provide analysis on various elements of domestic and foreign policy, as well as on some issues of special interest for Moldova. In order to accurately monitor the major trends and developments, the Institute of Development and Social Initiatives (IDIS) "Viitorul" calculates the Political and Security Statewatch (PSS) indicators. The PSS indicators are calculated using a special methodology.*

The Dynamics of PSS Indicators for the Period July-August, 2005

The indices in the table below demonstrate a positive trend throughout the last six months. The positive dynamics allows us to constatare a relatively stable political environment in Moldova. However, the interpretation of the perceptions in the expert pool denoted that the relative stability is shattered by numerous shortcomings in all fields of public policy.

Indicator	May-June Average	June-July Average	July-August Average	Dynamics
Domestic Policy	3,7	3,25	3,18	↗
Foreign Policy	3,6	3,09	2,99	↗
Security Policy	3,68	3,19	3,11	↗

The values are calculated on an inverted scale, where 1 is the highest value and 5 is the lowest

1. Domestic policy

The beginning of the Parliamentary vacation placed the Government of Moldova under the close watch of the public opinion.

Facing the imperative of implementation of its delayed strategic agenda, the Government has had a hectic month. The previously set Program of the Government was the main inspiration for the Government's actions. On April 19, 2005, the Action Plan for the Implementation of the Government Programme finally received its approval from the Parliament. A new Commission was created to coordinate

the inter-ministerial activity regarding European Integration. The Ministry of Foreign Affairs and European Integration (MFAEI) was officially assigned to coordinate the monitoring of the implementation of the Moldova-EU Action Plan. The Ministry of Economy and Commerce (MEC) was assigned to elaborate a single system of monitoring and evaluation of the progress of the central public authorities in the implementation of the Moldova-EU Action Plan.

There are important internal factors that threaten the implementation

of the Moldova-EU Action plan, signed in February 2005 at Brussels. The universalistic and general approach of the Action Plan can create serious hardships for those interested in its implementation. Although the state institutions were encouraged to take immediate action to fulfill the requirements set in the Moldova-EU Action Plan, hope for its timely execution is little. The Plan is unprotected from uninterested, reticent or incompetent politicians. It is highly probable that conscious inactiveness by the Action Plan implementing authorities will hamper the European integration process for Moldova so far. First, the Action Plan is addressed to "the whole country", not to specific executive institutions, thus failing to assign the responsibilities among

* The calculation methodology of the Political and Security Statewatch Indicators

The PSS methodology is a synthetic model designed to evaluate the perception of a pool of 10 independent experts on political and security risks in three areas: Domestic Policy, Foreign Policy and Issues of Special Interest. The PSS monitoring contributes to the identification of potential and effective threats that impact the stability of public institutions and assures the coherence of early warning analyses. The PSS rating should not be considered an absolute indicator. The reason for PSS indicator is to form general ideas. The dynamics of PSS indicators can be found throughout the text of the PSS and reflects the rhythm and the direction of democratic changes occurring in Moldova. To find out more about the methodology, check the addenda.

the implementation bodies. Second, numerous public officials have been very clear about their irritation with the priorities set in the Moldova-EU Action Plan, but more, with the possibility of them being monitored in a much more scrupulous way than before. There is hardly anyone in the Government to accept that unprecedented audit. Therefore, everyone is trying to escape acquiring more responsibilities for any portion of the Action Plan. The resistance by the bureaucratic apparatus is a serious obstacle for the Government. Both stimulating and coercive resources available to the President and the opposition are inefficient in taming the bureaucrats in the executive structures of the state. Third, the implementation of the Action Plan requires the use of unprecedented competencies given to the executive structures, the readiness for which, Tarlev's government has never shown. Finally, the Moldova-EU Action Plan requires a solid financial base. The Budget for the year 2006 does not contain chapters for this matter, thus implying that the Government plans to finance the implementation of the Action Plan from donated funds.

A similar approach by the Government towards the Strategy for Economic Growth and Poverty Reduction jeopardized its implementation. To avoid the same thing happening to the Moldova-EU

"The personnel in the central administration was cut by 25 percent." Prime Minister Vasile Tarlev said. The criteria by which the dismissed staff was selected are still a mystery.

Action Plan, sound internal reform of the Government is indispensable. The political reform recommended by the European experts could be the only efficient solution, but only in the case when the reform will target the "big fish", not the clerks and the lower personnel, as it did by now.

These facts seem to leave EU uninterested. After having decided on the clause of "refused finality" for the acceding countries, the European Commission is more interested in the reform's substance, rather in the implementation format used by the Moldovan Government. However, the format of the reform is crucial for the successful implementation of the Action Plan. The way the Moldovan authorities will distribute among themselves the implementation responsibilities required by the Action Plan is, therefore, uncertain. It looks like the authorities in the Government regard the Action Plan as just another extra-burden on their responsibilities, not as a Government program. The hazard that Action Plan will be implemented for the sake of preparing an acceptable report for the EU, rather than for the benefit of the country is apparent. The Moldova-EU Action Plan should not be regarded as a

seasonal job, with fixed start and end dates, but rather as a long-term commitment.

The Prime-Minister reported to the Parliament a 25 percent staff cut in the Government. He also committed to wage a new war on "bureaucracy" in the Government. The staff cuts, however, touched only the clerical or low-ranked personnel.

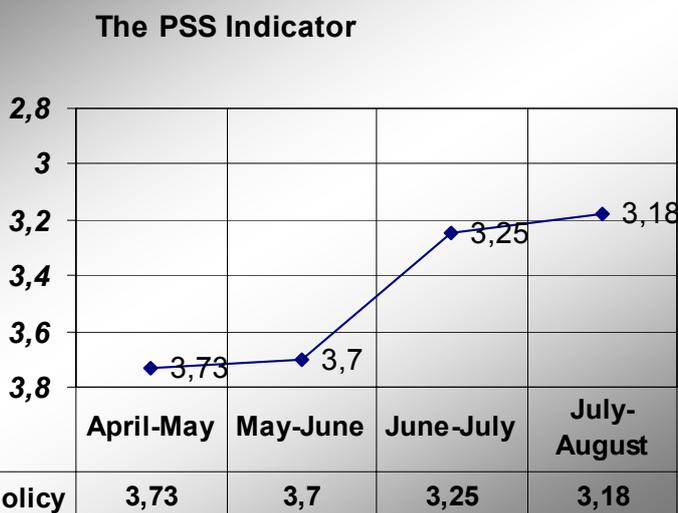
A new institution was created to implement the new internal "reform" in the government. This kind of actions have been repeatedly performed every two years. The effect is still pending. The 2001-2005 period was by far not a constant progress of reform, but rather a mixture of stagnation, reaction and bureaucracy. Even the administration of the Presidential office has suffered from the flourishing bureaucracy in the executive apparatus. The "the Fifth Column" in the Government are consciously holding the reform on place, thus authoring

"...in the last six months, the efficiency of utilization of labor force has grown by only 4 percent. These figures prove that we still have not stepped on the path of the economic modernization. We are still following the traditional path of extensive development."
Vladimir Voronin

a slow, but steady decline of the state. The tactics of the executive bureaucracy has been very efficient. Their only concern with the reform is keeping their own positions and privileges intact. It could happen that the Parliament will unblock the reform process in the right way. However, it is still uncertain whether the Parliament would be able to use the required power checks to outweigh the Government in such a political matter as the reformation of the executive body of the state. If not, it is possible that the Parliament will lose the control over the Government, which could trigger harmful reactions for the Moldovan democracy.

On August 10, 2005, the Government adopted a decision that reformed the State Chancellery and changed its name into Government Apparatus. After the elections, changes have been

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made throughout the Government. The executive branch became short of one of its layers: the Departments. Nevertheless, the reform looks much like relocation. The former Departments have been replaced by Collegiums within the various ministries.

The dynamism of the executive's activity can only be explained as response to the President Voronin's criticism towards the Government, which he made public during the last session of the Parliament. Interested primarily in the accomplishment of his own electoral promises, the President declared then that: "... we should say it straight, that such rhythm [of development] will not allow us to create 300 thousand new jobs, nor to assure a medium wage of 300 UD dollars". Voronin demanded that the Government searches for "... new management methods, new development strategies, other than the ones we use now." However, the President's discourse did not stress the need to bring new people into the Government. Thus, the important structural changes could prove being meaningless.

The President's verve destroyed the illusion that the current government is immune to criticism. The second signal for the stabilization of the Government and the political system came from the masses. The decisions to halt the imports of second-hand goods and the new cultural policy of the Government rose waves of dissent in the masses. The first decision resulted in street protests, while the second one took the form of press advocacy. The fact that the Governmental decisions were so easily taken and again, so easily repudiated, demonstrates clear signs of the Government's incompetence and shortsightedness in approaching executive decisions. The success of the second-hand merchants created a good precedent for other economically challenged groups. There are grounds for that in the nearest future. The recent executive decisions to liquidate street merchants on the streets of the capital city, powered by the Government's tacit

tolerance towards rise in the price for fuels, that will, eventually, boost the prices for all other commodities, can trigger serious mass protests.

The ruling party's tactics of keeping the opposition "on a short leash" turned out to be a success. Nevertheless, a country ruled by a single party could hardly be labeled as pluralist democracy. The Government and the Opposition tend to cooperate only in the matters of European integration and settlement of the conflict in Transnistria. As for the rest of the cases, the ruling party has narrowed the opposition's options down to a set of controversial policies. On the bigger picture of internal political stability, the ruling party continues to decrease the democratic quality of the political decisions taken in the country. Although the fake peace in the internal politics in Moldova brings political stability, we should beware of the constantly decreasing quality of decision-making and governance. The risks facing the Moldovan democracy are as follows: the annihilation of the opposition, the degeneration of the democratic decision-making process by the excessive bureaucratization of the Government, the concentration of power in the hands of the country's President, the social tensions spurred by the incompetence of the bureaucratic apparatus and the stuck reform of state institutions. These risks could trigger a chain reaction that will hamper the implementation of the state's strategic programs. This is just a short description of the real reasons of political stagnation of Moldova.

Forecast:

Despite of a month of Parliamentary vacations in Moldova, political life in August has been vibrant, partly because of the early warnings of social dissent with the domestic policy of the Government in Chisinau, partly because of the pervasive frustration with the broken electoral promises. The social tensions are fueled by the boost of prices for gasoline and,

as consequence, for the main household commodities, mostly gas and central heating. The coming fall looks to be a hard time for the Tarlev government. The Premier will have to re-assess his role in the Government and learn to share the power with President Voronin. This has become truer, since the current power arrangements speak in favor of a new political reform in the executive sector.

Other expectations for the fall of 2005 are linked to the restart of the legislative process that is likely to continue, for the next months, under the sign of partnership between the ruling party and the opposition. The parties will have a hard time resuscitating public interest for the local public elections. The parties will have to dismantle the pervasive belief that the voting results are already set and that the result of the elections would not change much in the lives of the people anyway. As the timing for a new round of elections is not yet right, the parties and the Central Election Committee will have to figure out a way through the imminent elections. Their only options are scarce: either surviving through another round of inconvenient, but legal elections, or, making essential changes in the electoral legislation.

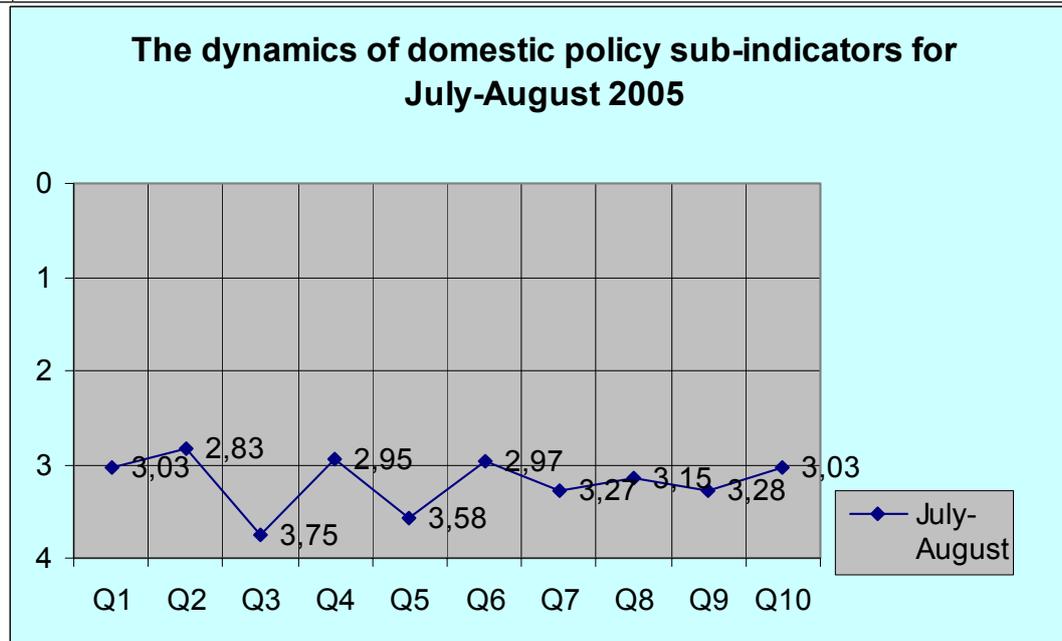
Another hit of the political life in Moldova is the reformation of the Communist Party that could result in the resignation of Vladimir Voronin as president of the Party. This could trigger conflicts, as the party is notorious for its rigid internal order.

Addendum

What is the PSS Indicator ?

The indicator denotes the basic trends of the democratic changes happening in Moldova, through a qualified evaluation of the variables representing concepts of domestic and foreign policy, as well of some special interest issues. The PSS indicator is calculated in function of the answers given by a group of independent experts. The role of the expert group is to assign values of 1 to 5, to the variables measuring the above-mentioned concepts. The value 1 represents the highest level of intensity of a variable, 5 being the lowest. The evaluation of the results was done by using an evaluation table.

I. Domestic Policy		
List of Questions:		Points
Q1	Is the political system in Moldova democratic, pluralist and viable?	3,03
Q2	How efficient are the central public authorities (the Parliament, the Government, etc) of Moldova?	2,83
Q3	How transparent are the decisions taken by the central public authorities in Moldova?	3,75
Q4	How efficient is the cooperation between the Government and the opposition in Moldova?	2,95
Q5	To what extent is the Television in Moldova objective and professional, when covering public and political issues?	3,58
Q6	To what extent are the fundamental human rights and freedoms protected in Moldova?	2,97
Q7	Is the Justice impartial and objective in Moldova?	3,27
Q8	How would you rate the progress in the implementation of the Poverty Reduction strategy and the Moldova-EU Action Plan?	3,15
Q9	How would you rate the living standards in Moldova?	3,28
Q10	How would you appreciate the role and initiative of the civil society in Moldova?	3,03



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2. Foreign Policy

August 2005 was the right time to make use of the advantages gained last month in the field of foreign policy by the Moldovan authorities. The adoption of the law on the status of the breakaway Transnistrian region, added to the important developments in opening an EU Mission in Chisinau and further talks on bringing European observers on the Moldo-Ukrainian border have been a strong complement to the existing options of resolving the conflict in the breakaway region of Transnistria. These, together with the start of the works on the elaboration of the Individual Partnership and Accession Plan (IPAP) between Moldova and NATO, set new requirements for the Moldovan Government. These important developments offer Moldova a rare possibility of reorienting the course of its foreign policy towards European and Euro-Atlantic integration.

Despite an unprecedented favorable situation, the foreign policy of Moldova remains ambiguous. The Government in Chisinau continues to surprise the world with the simultaneous orientation towards the EU and the Commonwealth of Independent States (CIS). Moldova's participation within the CIS has been the main political drawback for its European integration, placing Moldova into Russia's influence zone. That is, at least, how Europe views it it.

In August 2005, the timing to revise the rationale of Moldova's membership in the Community was next to perfect. That is why, the August 26 CIS Summit in Kazan, Russia, was a squandered chance for Moldova. All hopes had been vested in the Moldovan President, Vladimir Voronin. Following a long absence in the works of the CIS,

the President interrupted his vacation to meet with his counterparts, thus feeding the press with expectations of a real sensation. The sensation was, though, a different one. Rather than publicly expressing his country's frustration with the Community, the President signed 15 of the summit's 17 documents and had a taboo-less conversation with the Russian President, Vladimir Putin¹. Following the Snegur-Eltin era clichés, the two presidents decided upon reviving the shattered Moldo-Russian relations. The presidents also exchanged promises to cooperate in the resolution of the Transnistrian issue. The only valuable remark from the part of the Moldovan president, though, was that

Despite of the international context that allows for a drastic change, the foreign policy of Moldova remains ambiguous.

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Moldova would only cooperate with the CIS states in a way, which will not

conflict with the Moldova-EU Action Plan. The same approach was used before by the former president of Ukraine, Leonid Kuchma. Are we witnessing a déjà vu?

Nevertheless, the bilateral meeting was nothing more than an exchange of courtesy declarations and did not yield for Moldova. Russia did not change its decision taken earlier this month, to deliver fuels to Moldova for world prices. Neither did it lift the import restrictions against for the Moldovan agricultural goods. As for Putin's promises concerning settling the Transnistrian conflict, they do not give much hope either. Well, not until Russia stops perceiving Moldova as a "buy one, get one free" (Moldova + Transnistria) promotional package. This very optic is systematically reinstated by important officials of the Russian Duma, while in "business trips" in Tiraspol.

CIS has never been more anachronistic than now. The CIS became a "tolerated evil" for Moldova, because of its constant lack of yield. In his press declaration, Vladimir Putin emphasized that in 15 years since the inception of the CIS, "... it has become clear that the present goals and foundations of the Community are based on outdated forms and methods, fact that numerous colleagues [of Mr. Putin's] have repeatedly mentioned."²

Created with the aim to attenuate the consequences of the fall of USSR, the Community of Independent States did not succeed in replacing the former Union, nor did it become an international organization, a political, military nor economic block. That is especially true for Moldova, as it has never participated in the military initiatives of the CIS, nor has Moldova signed any document regarding military cooperation within the Community.

Moldova has not been invited to join the Community's Single Economic Space (SES). Economically speaking, CIS is notorious for its shortcomings and exclusivist approaches. The SES is torn by internal conflict, where its members are frequently recurring to economic sanctions against each other. The most vivid of all are Russia and Ukraine. Russia sees the SES as an asymmetric tariff regime for its own benefit while Ukraine insists on a bilateral model of economic relations.

As for the Customs Union of CIS, it is another political chimera. Rather than opting for a free of barriers customs zone, the parties advocate for a customs space where "civilized restrictions"³ are applied. For Moldova, these "civilized" measures take, as a rule, the form of import restrictions on agricultural goods applied by Russia whenever the official Chisinau misbehaves, in Russia's terms. CIS has become one of Russia's tools of controlling Moldova. Nevertheless, Moldova cannot refuse to trade with either of the CIS countries, Russia in particular, as they markets of great importance for the Moldova economy. Moldova could and should, though, switch to a bilateral approach in its economic relations with the CIS states, free of the "civilized" communitarian constraints of an unfair trade environment, subjected to the political will of the strongest one. Political regulation from the part of Russia has taken the place of rule of "economic law", which is almost absent in the CIS. At the end of August 2005, the Government of Moldova spoke for the denunciation of the Agreement on the Statute of the CIS Economic Tribunal, enacted on July 6, 1992. The reason has been stated clearly: the tribunal is inefficient and has almost full failure rate when resolving economic disputes between the members of the Community.

and the Union of Russia and Belarus, proves again the heterogeneity of regional interests of the member states. During the 14 years since its inception, CIS has magnified the existing differences between the states and disintegrated the ex-Soviet space. CIS has become a community whose members are integrating with different

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speeds in different directions. Georgia, Ukraine and Moldova have turned to the European Union and NATO, Turkmenistan quit the Community right during the Kazan summit,

the Central-Asian states formed an exclusive alliance and shoot glances to China, while Russia and Belarus opt for a common state. Moreover, the CIS space is home to competing structures, largely supported by the West. This is the case of GUAM⁴, which is heavily supported by the United States of America, as counterweight to Russia in the Europe-Caucasus-Asia region.

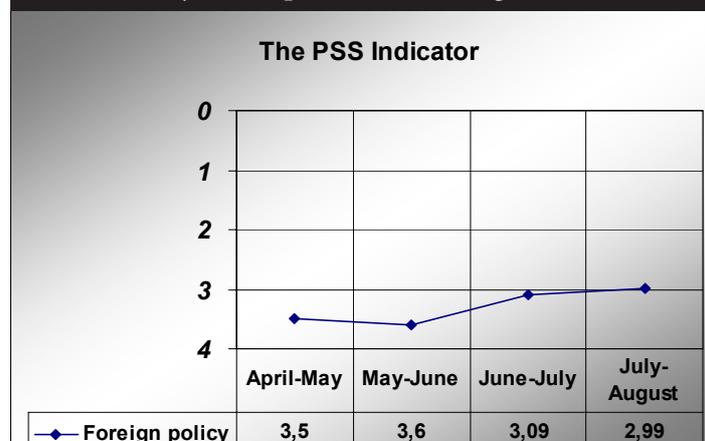
The internal fragmentation of the CIS is amplified by aggressive impulses by Russia. Following its "divide et impera" strategy, Russia has been fueling numerous security risks in the region by placing its troops on the territories of its independent CIS co-members and by supporting separatist tendencies throughout the former

USSR. Therefore, CIS is a Community of unequal members, the written arrangements of which are not respected. The CIS environment is hostile to the respect of state sovereignty and integrity, of the rules of free trade and cooperation and of course, human rights.

Ukraine has a big stake in what is going to happen in the CIS, especially in its Western part. Engaged in a fierce competition for regional primacy against Russia, Ukraine shows clear signs of weakness.

Moscow cheered the destitution of the Ukrainian Government lead by Yulia Tymoshenko. Moscow still hopes to see Ukraine reorienting towards the

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The proliferation of alternative sub-initiatives and structures, such as GUAM and the Shanghai Cooperation Organization, the Central Asian Union

CIS. This would not have been possible due to Ukrainian President, Viktor Yushenko's ambitions to become a hegemon in the Western CIS, rather than a vassal of the Kremlin. However, the internal conflicts and the uncertainty on the external field, determined by the fluctuation of foreign opinion towards Ukraine, make the short-term future of this country very volatile. Contrary to the June declarations by President Yushenko, Ukraine decided to join the Single Economic Space of CSI. However, the Ukrainian officials have stated that the reform of the CIS, especially in the economic sector, is far from being completed. Just like the other members of the SES, Ukraine is trying to maximize its gains from the reform. That is not good news for Moldova. Ukraine's slight turn to the CSI endangers the attempts to settle the Transnistrian crisis and, thus assure its sovereignty.

Turkmenistan's withdrawal and the retreat of the Russian troops from Georgia are another proof of that the Community is approaching its widely predicted natural end. On August 12, 2005 the presidents of Georgia and Ukraine made a call to the leaders of the Black Sea region to create an alternative to CSI: the Community of Democratic Choice⁵. Mikhail Saakashvili and Victor Yushenko invited the leaders who share the idea of NATO enlargement and Europeanization of the region delimited by the Baltic, Black and the Caspian seas, to attend a high level forum to set the base for the new community.

The latest developments in Ukraine are another pillar of the argument of vulnerability of the CIS. The outbreak of the political implosion in Kyiv gives Europe serious reasons to doubt about the stability of the whole region. From now on, Europe, unlike the United States, that perceived the destitution of Timoshenko's government

as a natural fact, will demonstrate sound skepticism and reticence towards the states of the CIS region. The crisis in Ukraine seriously deteriorated the image of the countries previously praised for their democratic revival. Therefore, the crisis in Ukraine can have a great impact on Moldova. The instability in the neighboring country, paired with the shift in EU's optics for the region, endangers the carry-out of the Timoshenko government's decisions regarding Moldova, especially those referring to the efficient overseeing of the Moldovan-Ukrainian border and covering the smuggling "black hole" in Transnistria. The risks could have been stopped if Yushenko had a team of valuable and competent people, partisans to the Ukraine's European vocation. Unfortunately, his surroundings have been seriously infected by individuals who are in the service of the local nationalist oligarchy. As consequence, the political crisis in Ukraine is very likely to promote a new "Kuchma"-style approach to the relations with the neighboring countries.

Forecast:

Following the multi-dimensional obsolescence of the CIS, economics would be the only reason for Moldova to keep its membership in the CIS. The economic aspect of Moldova's participation in the Community was seriously deteriorated following Russia's decisions to suspend Moldova's privileges of buying Russian fuels for reduced prices and to impose import restrictions on agricultural goods from Moldova. These privileges were the original reasons for Moldova, as for the other ex-Soviet states, to join the CIS. The absence of these vital benefits, together with Moldova's exclusion from the Single Economic Space of the CIS and its orientation goals towards the EU, poses a serious and natural question about the need of this costly membership. In the

absence of a convenient export regime for Moldova, Chisinau should consider switching to bilateral a bilateral regime with the CIS countries.

The summit showed that the Moscow-driven structural reforms in the CIS are not congruent with the interests of Moldova. Membership in the CIS is, at least inefficient, if not counter-productive for the settlement of the Transnistrian conflict, as it is for the process of European integration and fighting poverty in Moldova. Moldova should keep good relations with the CIS members, deeming their important share in the exports of Moldova. Therefore, a bilateral approach would be much suitable for the further conducting of a pro-European policy by Chisinau. Moldova should also consider to be more active in GUAM and, possibly, in the new Community of Democratic Choice. There are good grounds for that, according to the declarations of the Prime Ministers of Moldova and Azerbaijan, who agreed, via phone, to strengthen cooperation between the two countries. The opening of a Moldovan Embassy in Baku is a sure first step.

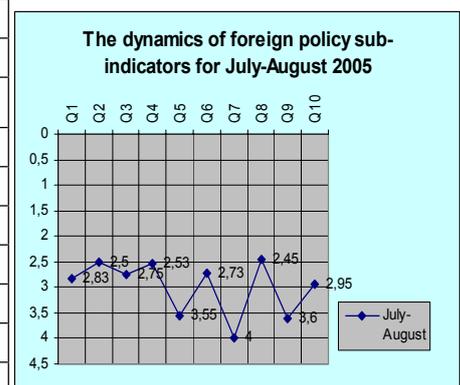
Endnotes

1. The declaration of Vladimir Voronin, President of Moldova, INFOTAG Newslines, August 29, 2005.
2. The declaration of President Vladimir Putin, at the closing press conference of the CIS summit in Kazan, Russia. INFOTAG Newslines, August 29, 2005
3. http://www.newsukraina.ru/news.html?news_id=414984&date=2005-06-24
4. A group of states, namely Georgia, Ukraine, Azerbaijan and Moldova, formed in 1996, looking to enhance regional economic cooperation through development of an Europe-Caucasus-Asia transport corridor. It has also become a forum for discussion on various levels of existing security problems, promoting conflict resolution and the elimination of other risks and threats.
5. V. Socor, Saakashvili-Yushchenko "Borjomi declaration": Europe from the Atlantic to the Caspian, Politicom, 16 august, 2005.

Addendum

II. Foreign Policy		
	List of Questions:	Points
Q1	Is the foreign policy of Moldova more stable and efficient now than several months ago?	2,83
Q2	To what extent is Euro-Atlantic integration a priority of Moldovan foreign policy?	2,5
Q3	To what extent is the foreign policy connected with the national interest of Moldova?	2,75
Q4	How would you appreciate the role of international and regional organizations in fostering the state of law and the economic reform in Moldova?	2,53
Q5	How would you rate the image of Moldova from an outside perspective?	3,55
Q6	How would you rate the relations between Moldova and Ukraine?	2,73
Q7	How would you rate the relations between Moldova and Russia?	4
Q8	How would you rate the relations between Moldova and Romania?	2,45
Q9	To what extent are the interests of Moldova connected to its membership in the CIS?	3,6
Q10	Is Moldova protected by international agreements and strategic partnerships?	2,95

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3. Issues of Special Interest

In August 2005 the Initiatives regarding the settlement of the Transnistrian conflict were in the sole competence of the Chief of Moldovan State. Despite of the efforts made by the Parliament, the core of the policy-making mechanism was set in the President's entourage. As for the Government, it did not stay aside and adopted two important decisions: one relating to guarantees for the Transnistrian population and the other to the regulation of exported goods from Transnistria. The resolutions were adopted within just two days from their creation. The reason for the rush was the will to synchronize the resolutions with a decision by Timoshenko's government to allow the import of goods from Moldova and Transnistria solely on the basis of documents wearing the Moldovan Customs stamps. Another reason for the rush was the start of the EU monitoring mission on the Moldo-Ukrainian border.

A more thorough analysis of the Moldovan President's political discourse denotes that the last month's Transnistria-oriented actions could be framed into a more general strategy, called "The Voronin Plan". Recently announced in New York, the plan is viewed as a common approach of the ruling party and the opposition to the settlement of the Transnistrian conflict. The aim of the plan is to isolate the separatist regime in Transnistria and to decrease Russian hegemony in the region. In the meantime, the plan denotes a greater investment into the people of Transnistria as the new "agent" of democratic changes, indispensable to the settlement of the conflict. According to the plan, he solidarity of the people will be gained by the use of attractive social and economic incentives.

The second resolution allows the legalization Transnistrian businesses, thus, attracting them into the constitutional field of Moldova. Chisinau hopes that these measures, together with an efficient and EU monitored control of the Transnistrian sector of the Moldo-Ukrainian border, will eventually topple Igor Smirnov's regime by bringing it into economic strand.

This is the pivot of Voronin's strategy; at least until the EU mission of the border and the evacuation of the Russian

troops will start yielding results. As for now, the best the Moldovan government can do is to isolate the separatist regime, which would allow Moldova make the best use of the regional alliances and become a "special issue" on the EU security agenda.

Not even the narrowest geopolitical reasons could persuade the US and the EU to tolerate separatist enclaves, or similar structures on the border between Moldova and Ukraine. That is why the federalization scenarios have failed, ruining Russia's plans and orienting all the actors towards a Georgia-scenario for Moldova. That is why Igor Smirnov, the self-proclaimed Transnistrian leader keeps on declaring that: "Physical, political and

The problem is that neither of Chisinau, EU, nor the United States protest. The formal association of the US and EU to a format constructed Moscow officials compromises the chances of a more efficient implication of the West in settling the Transnistrian conflict. Moreover, there is no international legal basis to justify the "special role" of Russia and Ukraine in the framework of the pentagonal negotiation format. Whereas, the only legitimate subject to accept the mediation services is no one else, but the Government in Chisinau. It is curious that the diplomats in Chisinau are not using to the fullest extent this legal opportunity, nor are they using

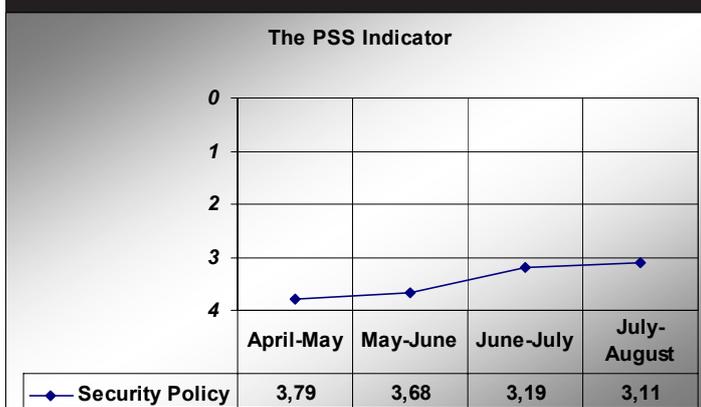
their bilateral relations with the big Europeans: Germany, the Great Britain and France. Nor are they reaching out to the "new Europeans", who would have a word to say to support the reformation of the negotiations format on the Transnistrian issue.

Lately, Moldova's actions to settle the Transnistrian problem have been the following: four joint Moldovan-Ukrainian customs checkpoints have been created in Briceni-Rososani, Medveja-Zelionoe, Larga-Kelmentsi and Giurgiules-ti-Reni; a permanent EU mission for monitoring the joint checkpoints was formed.

Besides giving guarantees, Moldova opened the access to the Common European Market to the population and the businesses from Transnistria, on the basis of Moldovan certificates of origin, of course.

This scenario would be perfect if it wasn't for the Russian factor and its weaponry. The most recently, the political crisis in Ukraine put new hurdles on the way of implementing the above-mentioned strategy. The Russian side is restlessly supporting the thesis that the evacuation of the Russian troops and armament depends on the political solution of Transnistrian problem, which, according to the Russian officials, takes the form of legalization of the unlawful separatist regime of Transnistria, be it via

The PSS indicator reflects the stability level in the Security Policy for the period of July-August, 2005



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military guarantees are indispensable for Transnistria in the process of settlement of the territorial dispute; and only Russian peacekeepers can offer such guarantees." Smirnov also said he would not be against Ukrainian peacekeepers. His position is the following: the least possible number of international peacekeepers and maximum powers to Russia in the settlement process. The stubbornness and courage demonstrated by the separatist leaders could only be explained by massive Russian backing. Russia is the power behind the Transnistrian conflict. Russia continuously downplays the legality of the pentagonal format of negotiations for the settlement of the Transnistrian conflict¹, according to which the US and the EU are assigned observer status, rather than having, as implied by the political circumstances, the full rights of mediators. The main argument of the Russian officials is: "These are the OSCE rules!"

“internationally-observed” elections², or by placing the legitimate and the separatist government on equal footing in the process of negotiations (see the Kozak Plan and the plan issued by the Bertrand Russell University). Other solutions also came to light through the idea of “simultaneous demilitarization of both Moldova and the Transnistrian region” by means that would require the absurd and useless Russian military presence. This solution would also enable Russia with exclusive powers to formulate the policy of Euro-Atlantic “non-Integration” of Moldova. As confirmation could serve the two newly-issued settlement initiatives: the new Russian conflict settlement plan and the OSCE project on “consolidation of trust between the parties of the Transnistrian conflict through simultaneous demilitarization of Moldova and Transnistria”. As for the Russian plan, the Moldovan authorities were informed about it by the press.

At present, the orientation of president Vladimir Voronin’s initiatives towards the Transnistrian conflict is both interesting and courageous. Ignoring the separatist government favors the people-oriented, upward paradigm of toppling the separatist regime in Transnistria. The opportunities offered in the Moldovan constitutional space outweigh those advertised by the chauvinist propaganda. It is obvious that the relevant structures of the Transnistrian Ministry of National Security (MGB) started a campaign to discredit Moldova, especially its democratic foundations and the actions of the Moldovan government

towards Transnistria. However, that should not intimidate Moldova from carrying out actions to protect its citizens, which is the main mission of every state in the world.

Forecast:

The overall picture of Moldovan policy during last month demonstrates a positive development in the pro-Euro-Atlantic discourse. The changes are generated partly by the larger effort to internationalize the “conflict with Russia”, partly by the efforts of the Moldovan authorities to reform the security sector. The Moldovan leaders are in constant search of new persuasion resources to boost the interest of the Great Powers towards Moldova, fact that provokes irritation in the political circles of both Russian and Transnistria. Even if progress is obvious, it should not provoke self-satisfaction, as the future tasks are very demanding in both courage and resources. The behavior of the main parties shows that the negotiation process is unlikely to have an immediate restart. Each of the sides is trying to make best use of its own advantages: Moldova- of the Western support, while the separatists – of the Russian backing. Ukraine is busy regaining the trust of the West while settling the conflict between the oligarchic groups connected to the power in Kyiv; that is why it is likely to show only peripheral interest towards securing the Moldo-Ukrainian border. This situation will make it both risky and difficult for the EU representative in Moldova to organize a timely installation of the border monitoring mission on the Transnistrian

sector of the border. The greater risk is, however, that the mission could get an improper mandate: that advocated for by the Ukrainian side. The mandate regards border monitoring exclusively in the terms of countering the smuggling of weapons. The Moldovan side should insist on the terms agreed upon in the international conventions, and redeem the definition of “contraband” as: all goods exported over the border of Moldova at the transportation of which, the necessary customs procedures were not respected, or the export of which Moldova did not agree on. For the month to come, it is probable that Russia will intensify the political and economic pressure on Moldova. The Government in Chisinau should continue advocating for more European implication into the settlement of the Transnistrian conflict. The political crisis in Ukraine could be a good environment for new settlement scenarios to appear. The job of the Moldovan negotiators is to avoid the occurrence of Kozak Memorandum-like solutions.

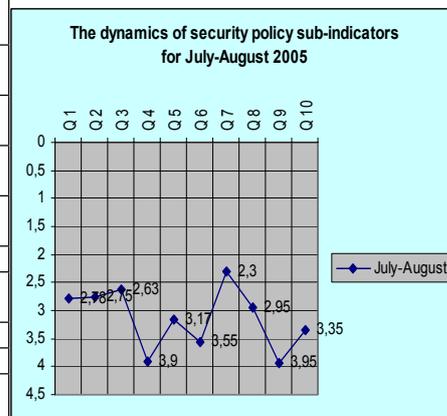
Endnotes:

1. Moldova, the representatives of the separatist government of Transnistria, Russia, Ukraine and the OSCE
2. The elections are intended to be monitored by the OSCE

Addendum

III. Security Policy		Points
List of Questions:		Points
Q1	How would you rate the stability of the security sector in Moldova (the SSC, SIS, the Ministry of Defense, and the Ministry of Internal Affairs)?	2,78
Q2	Is the security of Moldova sufficiently protected by the international and regional agreements and treaties signed by Moldova?	2,75
Q3	How would you grade the course chosen by the public authorities in Moldova in the matter of settlement of the Transnistrian conflict?	2,63
Q4	To what extent is Moldova protected from „energy blackmailing” from the part of other countries?	3,9
Q5	Are the Moldovan institutions able to counter the contraband, smuggling, illegal arm and drug trade?	3,17
Q6	Is Moldova able to deal with a foreign aggression or military intervention from abroad?	3,55
Q7	How would you rate the place of Moldova within the Euro-Atlantic collective security space?	2,3
Q8	To what extent does Moldova need to develop its internal defense capabilities?	2,95
Q9	To what extent the „neutrality clause” corresponds to the national interest of Moldova?	3,95
Q10	How would you rate the efficiency of the policies countering corruption and organized crime, including the transnational crime?	3,35

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