

A weakened Moldova enters the Russian orbit

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Overshadowed by the events in Ukraine over the last two years – Euromaidan and the Revolution of Dignity, Russia's illegal annexation of Crimea and the subsequent war in Donbas – developments in the neighbouring Republic of Moldova have rarely made it to the headlines in the West. But developments in this ex-Soviet republic of 3.5 million people wedged between Ukraine and Romania deserve attention.

The country is one of Europe's poorest, and also one of the most unstable. It has been politically and economically mismanaged for a long time. There is the frozen conflict between the central government and the pro-Russian secessionist republic of Transnistria, but Moldova is also geographically close to the fractured Ukraine. At the same time, it is one of the closest neighbours to the European Union (EU). All these factors make Moldova a nugget that Russia might want to include in its sphere of influence as well as a potential new playground for the conflict between Russia and the West.

The political situation in Moldova has been turbulent for some time. The country has had five prime ministers in 2015 alone. The latest parliamentary elections in November 2014 led to the creation of a minority coalition government of two parties, the Liberal-Democratic Party of Moldova (PLDM) and the Democratic Party of Moldova (PDM), each controlled by one of the country's richest oligarchs, Vlad Filat (PLDM) and Vladimir Plahotniuc (PDM).

This unholy coalition of two rival billionaire businessmen and politicians, united in a wish to keep the corrupt system intact, came to an end in October 2015, when Filat was arrested on charges of corruption and abuse of power. This action was initiated by Plahotniuc and facilitated by his control of state institutions, including the law-enforcement authorities and the judiciary.

The parliament, where Adrian Candu, Plahotniuc's godson, is speaker, lifted Filat's immunity and the arrest was ordered by the Prosecutor General's Office, also controlled by Plahotniuc. After skilfully expanding Plahotniuc's party's alliance, the parliament also removed the Prime Minister, Valeriu Strelet, who is a member of the PLDM, from office. The next step in Plahotniuc's takeover of state power was to be appointed Prime Minister himself.

When his nomination was blocked by the President, Nicolae Timofti, Plahotniuc nominated his old friend and party member Pavel Filip, then Minister of Information and Telecommunication Technologies, instead. On 20 January 2016, Filip was approved in a matter of minutes at an extraordinary session by the 101-member parliament with 57 of the 68 deputies present at the time. In breach to normal procedures, there was neither any presentation of the new government's program nor any debate or opportunity for deputies to ask questions. The new government was sworn in close to midnight the same day even without the presence of the media.

This hasty and unconstitutional procedure led thousands of people to take to the streets outside the parliament. Soon they tried to storm the parliament building, but the police managed to disperse the crowd using tear gas. Although two of the three organizing groups of protesters came from pro-Russian parties, the third one – the Platform for Dignity and Truth (DA) – is pro-European. The protesters united first of all against the corrupt oligarchic system.

The main reason behind the political crisis, as well as behind the accusations against Filat, is a bank scandal, revealed in April 2015. According to a leaked report, up to 1 billion USD – equivalent to one eighth of Moldova's GDP – had been stolen from three commercial banks at the time of the parliamentary elections of 2014. The scandal caused a rapid fall in the value of the national currency, the leu, and raised consumer prices and energy tariffs, dealing a powerful blow to Moldovans' living standards. National GDP dropped 2 per cent in 2015. During the autumn of 2015, the bank scandal led to popular protests in the capital, Chisinau, similar to Kyiv's Euromaidan, although smaller. The political crisis and economic collapse also gave rise to the increasing popularity of the pro-Russia parties – the Socialists and Our Party, who benefit from propaganda on Russian television, which (in contrast to Ukraine) is available in Moldova. The pro-Russian parties say they want to renegotiate Moldova's Association Agreement with the EU and develop stronger ties with Moscow.



There have been some successes in European integration during recent years, particularly the signing of the Association Agreement, which includes a Deep and Comprehensive Free Trade Area and visa-free regime with the EU. However, little progress has been made in terms of its implementation and it has yet to benefit ordinary Moldovans. In fact, the current crises as well as the widespread corruption have discredited the concept of European integration within Moldovan society. A majority now supports membership in the Russia-led Eurasian Economic Union. The EU, the International Monetary Fund and the World Bank all suspended their programmes with

Moldova during 2015, pending clarification of the financial crimes and the political situation in the country.

Russia furthermore uses territorial disputes – both historical and contrived ones – instrumentally to increase its influence in its neighbourhood. Russia's strongest card in controlling Moldova is the frozen conflict over Transnistria, which has been de facto independent from the rest of Moldova since a brief war in 1992. Transnistria has effectively halted both Moldova's plans for EU integration (as well as future NATO accession) and the hopes of some Moldovans for unification with neighbouring Romania.

For Russia, Transnistria could serve as a bridgehead which guarantees Russian influence in Moldova and makes it radiate outwards into the eastern Balkans and, importantly, into south-western Ukraine's pivotal Odesa region. Although the idea of creating *Novorossiya* (New Russia) along the Ukrainian Black Sea littoral from Donbas and Crimea all the way to Transnistria seems to have been abandoned for now by the Russian leadership, these plans can be revived at any time. Russia has some 1 500 troops in its Operational Group of the Russian Forces (OGRF) in Tiraspol, the capital of Transnistria. Currently, Russia cannot bring in military hardware or personnel to Transnistria without Moldova's consent, but Moscow has been hinting at intentions to renovate the abandoned airport in Tiraspol. Ukraine stopped Russian military transfers over its territory when the conflict in Donbas started.

The situation in Transnistria is linked to another ethnic territory in Moldova, the Autonomous Territorial Unit of Gagauzia, with a population where the majority is Gagauz, a Turkic people of Orthodox Christian faith. Gagauzia and Chisinau agreed on autonomy for Gagauzia in 1994, but separatist sentiments among the Gagauz have been kept alive and inspired by Transnistrian separatism and, recently, by Russian involvement in Gagauzian affairs. In 2015, the election of the pro-Russian candidate Irina Vlah to the post of *bashkan*, Governor of Gagauzia (and as such also an ex officio member of the Moldovan government), was openly supported by Moscow. The year before, an illegal referendum was held in Gagauzia, where official sources claimed that more than 98 per cent of the voters supported membership in the Russia-led Customs Union and supported Gagauzian independence should Moldova lose or surrender its independence. In a separate question more than 97 per cent of the voters also came out against closer EU integration for Moldova. The referendum, which Chisinau condemned but failed to stop, was openly supported by Russia and financed by a Russian businessman of Gagauz origin.

In close vicinity to Transnistria and Gagauzia, the Ukrainian sub-region of Budzhak, or Southern Bessarabia, has come to the fore as a new area of Russia-supported separatism. In April 2015, the "Bessarabian People's Council" was created by a local group of different ethnic organizations appealing for autonomy for this south-west corner of Ukraine.

But the rhetoric of the movement and its promotion by Russian propaganda – the website of the "People's Council" was registered in Moscow – indicated that it was in fact a Russia-sponsored separatist project. In October the Council proclaimed Independence for "the Republic of Budzhak" and also claimed to include the Moldovan territory of Gagauzia in it. In connection with this proclamation, one of the leaders of the "Bessarabian People's Council" openly admitted that the project had been discussed and financed by Vladislav Surkov, presidential aide inside Vladimir Putin's administration.

The Budzhak region is located between the lower Danube and Dniester rivers on the coast of the Black Sea. Historically it has come under different rulers – the Moldavian Principality, the Ottomans, the Russian Empire, Romania and the Soviet Union. Today, this multi-ethnic sub-region of mostly Ukrainians, Bulgarians, Russians, Moldovans and Gagauz constitutes the southern part of the Odesa region of Ukraine. Geographically isolated from the rest of Ukraine, attached only by a single bridge over the Dniester River, Budzhak is geographically more integral to neighbouring Moldova and Romania than to the rest of the Odesa region. Despite being a largely neglected borderland, Budzhak has disproportionate strategic value along the critical Black Sea littoral and on the Danube. This importance would increase greatly were the region to ally with Gagauzia and Transnistria to the west and north.

Russia thus has several tools to influence Moldova – not to mention Chisinau's energy dependence on Moscow – and has long operated in the region through front groups and proxies. Although the current events regarding Russia's policy towards Ukraine point towards a lowering of the tensions in Donbas and towards more diplomatic activity in Russia's relations with the West, the threshold for the use of the military tool has been lowered since the interventions in Georgia in 2008 and Ukraine in 2014. The tense ethnic situation and current political chaos in Moldova could be used as an excuse for military intervention. While Moldova descends into domestic political turmoil and the EU's attention is turned elsewhere, it may not even be necessary.

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