

MOLDOVA'S RECENT ELECTION



AUGUST 6, 2009

**Briefing of the
Commission on Security and Cooperation in Europe**

Washington: 2012

Commission on Security and Cooperation in Europe
234 Ford House Office Building
Washington, DC 20515
202-225-1901
csce@mail.house.gov
http://www.csce.gov

Legislative Branch Commissioners

HOUSE

ALCEE L. HASTINGS, FLORIDA,
Co-Chairman
EDWARD J. MARKEY, MASSACHUSETTS
LOUISE McINTOSH SLAUGHTER,
NEW YORK
MIKE McINTYRE, NORTH CAROLINA
G.K. BUTTERFIELD, NORTH CAROLINA
CHRISTOPHER H. SMITH, NEW JERSEY
ROBERT B. ADERHOLT, ALABAMA
JOSEPH R. PITTS, PENNSYLVANIA
DARRELL E. ISSA, CALIFORNIA

SENATE

BENJAMIN L. CARDIN, MARYLAND,
Chairman
CHRISTOPHER J. DODD, CONNECTICUT
SHELDON WHITEHOUSE, RHODE ISLAND
TOM UDALL, NEW MEXICO
JEANNE SHAHEEN, NEW HAMPSHIRE
SAM BROWNBACK, KANSAS
SAXBY CHAMBLISS, GEORGIA
RICHARD BURR, NORTH CAROLINA
ROBERT F. WICKER, MISSISSIPPI

Executive Branch Commissioners

VACANT, DEPARTMENT OF STATE
ALEXANDER VERSHBOW, DEPARTMENT OF DEFENSE
VACANT, DEPARTMENT OF COMMERCE

ABOUT THE ORGANIZATION FOR SECURITY AND COOPERATION IN EUROPE

The Helsinki process, formally titled the Conference on Security and Cooperation in Europe, traces its origin to the signing of the Helsinki Final Act in Finland on August 1, 1975, by the leaders of 33 European countries, the United States and Canada. As of January 1, 1995, the Helsinki process was renamed the Organization for Security and Cooperation in Europe (OSCE). The membership of the OSCE has expanded to 56 participating States, reflecting the breakup of the Soviet Union, Czechoslovakia, and Yugoslavia.

The OSCE Secretariat is in Vienna, Austria, where weekly meetings of the participating States' permanent representatives are held. In addition, specialized seminars and meetings are convened in various locations. Periodic consultations are held among Senior Officials, Ministers and Heads of State or Government.

Although the OSCE continues to engage in standard setting in the fields of military security, economic and environmental cooperation, and human rights and humanitarian concerns, the Organization is primarily focused on initiatives designed to prevent, manage and resolve conflict within and among the participating States. The Organization deploys numerous missions and field activities located in Southeastern and Eastern Europe, the Caucasus, and Central Asia. The website of the OSCE is: <www.osce.org>.

ABOUT THE COMMISSION ON SECURITY AND COOPERATION IN EUROPE

The Commission on Security and Cooperation in Europe, also known as the Helsinki Commission, is a U.S. Government agency created in 1976 to monitor and encourage compliance by the participating States with their OSCE commitments, with a particular emphasis on human rights.

The Commission consists of nine members from the United States Senate, nine members from the House of Representatives, and one member each from the Departments of State, Defense and Commerce. The positions of Chair and Co-Chair rotate between the Senate and House every two years, when a new Congress convenes. A professional staff assists the Commissioners in their work.

In fulfilling its mandate, the Commission gathers and disseminates relevant information to the U.S. Congress and the public by convening hearings, issuing reports that reflect the views of Members of the Commission and/or its staff, and providing details about the activities of the Helsinki process and developments in OSCE participating States.

The Commission also contributes to the formulation and execution of U.S. policy regarding the OSCE, including through Member and staff participation on U.S. Delegations to OSCE meetings. Members of the Commission have regular contact with parliamentarians, government officials, representatives of non-governmental organizations, and private individuals from participating States. The website of the Commission is: <www.csce.gov>.

MOLDOVA'S RECENT ELECTION

AUGUST 6, 2009

PARTICIPANTS

	Page
Andrei Galbur, Minister-Counselor, Deputy Chief of Mission, Embassy of Moldova	2
Valentina Cusnir, former Member of Parliament, Republic of Moldova	3
Nadine Gogu, Interim Director, Independent Journalism Center	3
Louis O'Neill, former Ambassador/Head of Mission for Moldova, OSCE	11

APPENDICES

Prepared statement of Nadine Gogu	25
Prepared statement of Louis O'Neill	28

MOLDOVA'S RECENT ELECTION

AUGUST 6, 2009

Commission on Security and Cooperation in Europe Washington, DC

The briefing was held at 10:01 a.m. in room 202/203 Capitol Visitor Center, Washington, DC, Kyle Parker, Policy Advisor, Commission on Security and Cooperation in Europe, moderating.

Witnesses present: Andrei Galbur, Minister-Counselor, Deputy Chief of Mission, Embassy of Moldova; Nadine Gogu, Interim Director, Independent Journalism Center; Valentina Cusnir, former Member of Parliament, Republic of Moldova; and Louis O'Neill, former Ambassador/Head of Mission for Moldova, OSCE.

Mr. PARKER. Good morning, everybody. It's about 10 so we'll get started. My name's Kyle Parker. I'm a Policy Advisor here at the Helsinki Commission. And on behalf of our Chairman, Senator Ben Cardin, I'd like to welcome you all to today's briefing on the recent elections in Moldova.

We have quite a panel here—a couple people who have joined us from Moldova. I'd like to particularly recognize Vlad Spanu and the Moldova Foundation for helping us to put this briefing together. And just so everybody knows, the format we'll use today will be rather informal. Many of us, I know, know each other and hopefully we can have a conversation.

I've asked the speakers to try to limit their remarks to 7 to 10 minutes, which, if we stick to schedule, will give us more than enough time for a lively question and answer and discussion period following. So please, when you're listening to the presentations, please be jotting down your questions and be ready because we like to have that interaction.

Today's proceedings are being transcribed. They will go up on our Web site as soon as possible. Probably later today we'll be able to have the links up and the presentation will be printed and become an official government record just like a hearing would be. And let me see here, I think we will start with Mr. Galbur from the Embassy of Moldova.

And just a few words—the Commission has had quite a history in this part of the world and particularly Moldova has really been able to be a leader in these issues and really engage with the OSCE. We really are, sort of, the institutional memory for the U.S. Government on the OSCE process and work closely with the Department of State and our colleagues in Vienna.

In fact, one of our staffers who has joined us today is permanently attached to the mission in Vienna, Winsome Packer. And I was an observer at the April elections, and unfortunately was not able to make it out this past week. So with that, I think we'll go ahead and get started, and Mr. Galbur, if you'd like to share your views?

Mr. GALBUR. Sure, thank you. Mr. Chairman, ladies and gentleman, and also, I would like to thank the Helsinki Commission for inviting the Embassy to speak today about the recent parliamentary election in my country, and also for the constant interest the Commission has shown in Moldova. I would also like to extend, on behalf of the Embassy, a warm welcome to our distinguished guests from Moldova.

As you all know, early parliamentary elections have taken place on July 29th of this year. The elections had a turnout of almost 1.6 million voters, or 58.8 percent of those registered to vote, which have clearly expressed their political choice, reflected in the party composition of the new legislative body.

The elections were observed by around 3,000 international and local observers. The international election observation mission, consisting of delegations from the OSCE Parliamentary Assembly, OSCE Office for Democratic Institutions and Human Rights—also known as ODIHR—Council of Europe's Parliamentary Assembly, and the European parliament, has evaluated the elections positively on the whole.

Although most of the OSCE and Council of Europe criteria for free and fair elections were respected, the observers have signaled a number of shortcomings which need to be addressed in the context of enhancing the electoral process in Moldova and developing the democratic institutions of the country.

The vast majority of shortcomings mentioned by the international observers deal with the process of registration of electoral lists and the overall tense climate of the electoral campaign. Recommendations in this regard consisting in the need to establish a state electoral registry in order to improve the quality of electoral lists as well as to implement the parliamentary assembly of the Council of Europe resolution adopted after the events that followed the April 5, 2009 elections.

The recommendations also include advice on modernizing the electoral process by introducing electronic voting. Similar conclusions have been voiced by senior European officials, such as Javier Solana and Benita Ferrero-Waldner—also, positive statements on behalf of German Foreign Minister Walter Steinmeier, who all stated that Moldovan elections of July 29 have met most of the international electoral standards.

The E.U. Commissioners encouraged Moldovan political parties to elect a new president and form a new governing coalition in the context of an overall constructive dialogue. The EU has also reiterated its availability to continue offering political and economic assistance to Moldova's efforts in implementing democratic reforms.

The significance of these elections for the Republic of Moldova can hardly be overestimated. First of all, they have underscored yet again my country's dedication to liberty, democracy and modernization, which will enable Moldova to continue to face the challenges inherent to the period of transition to democracy and market economy. Second, they have confirmed that there is no alternative for democratic development and European integration of Moldova.

Regardless of the makeup of the new parliament and government, the European integration will remain at the core of my country's domestic and foreign agenda. There is largely shared opinion in my country that the new central authorities that the par-

liament must soon elect will continue to struggle for economic and social stability, good governance, political development and territorial integrity of Moldova.

In achieving the abovementioned undertakings, the support of the international community, including that of the United States, remains crucial. The considerable financial, political, technical, and humanitarian support that the United States has been offering to my country since its independence contributes in the most efficient way to Moldova's democratic stabilization.

At this very historic moment, when the Moldova society solidifies its choice to return to the European and civilized way of development, the people of the Republic of Moldova are profoundly grateful for the vital and efficient partnership between our two countries. Whatever hope we may derive from the progress of recent years and the prospect of a democratic consolidation, the future of Moldova will depend, among other things, on the continuation of this partnership. I thank you very much for your attention and I welcome any questions that you may have.

Mr. PARKER. Thank you, Mr. Galbur. And I just might add that we particularly appreciate the participation of the Embassy of Moldova. It's very crucial to having a balanced discussion to be able to have the country involved—to be able to participate in our briefings—and we're grateful for your attendance here.

I forgot to add that the witness bios are in the hall and they'll be on the Web site. So I won't take too much time in reading them out. But what we have here are three sort of mini-panels. And with the country of Moldova going first, we'll now turn to our Moldovan panel who have come all the way from Chisinau to be with us.

And I would like to first recognize Ms. Valentina Cusnir, a former Member of Parliament. It's certainly a particular honor to have you here in our Congress. Our Commissioners are mostly Members of Parliament. We do have executive branch Commissioners, but most of our leadership are particularly involved in the OSCE. Our Chairman is the Vice President of the Assembly; our Co-Chairman is a past President, Alcee Hastings. So it's a great honor to have you. And I understand you're also a winemaker, and we know much of Moldovan wine. So happy to have you share your views with us today.

Ms. CUSNER [through interpreter]. Thank you so much and I wonder if we can change the protocol rule a little bit and if my colleague, Nadine, can go before me. Since my presentation is very specific on the topic, I'd like to let her speak before me.

Mr. PARKER. That'd be fine. That'd be fine. We can now proceed to Ms. Gogu, the interim Director of the Independent Journalism Center in Chisinau, one of the largest media-supporting resources in Moldova. She's worked extensively in mass media and corresponded with domestic and international press. Nadine is instructor at the Chisinau School of Advanced Journalism, a Correspondent for Reporters Without Borders, has worked as Deputy Editor-in-Chief at the Timpul newspaper and was Editor-in-Chief and Reporter at the Flux News Agency. Ms. Gogu?

Ms. GOGU. Thank you, Mr. Chairman. Ladies and gentlemen in our audience, I really appreciate the opportunity to speak today in front of you on the state of democracy in the Republic of Moldova. And on behalf of Moldovan civil society, I'd like to express my gratitude for the interests of the Commission expressed in the current situation in Moldova. Also, I would like to thank the Moldova Foundation for making this possible.

I represent the Independent Journalist Center, which is a member of the Civic Coalition for Free and Fair Elections 2009. And today I'd like to share with you our perspective

which we have gained as a member of the coalition while monitoring the electoral process during two election campaigns this year.

I would like to mention that despite the fact that during the last year the Moldovan authorities were asked repeatedly by a series of international organizations to ensure free and fair elections in 2009, the central administration didn't take all the necessary steps to ensure that the campaign for the parliamentary elections of April 5th were conducted in a fair and free manner according to democratic principles according to international standards.

The Moldovan administration failed to ensure a fair environment for electoral contestants. They did not provide, in full, voters abroad the ability to participate in April's poll. Also, not all electoral contestants and civil society experts had access to the public media outlets, which were biased toward the ruling party.

Also, central and local governments heavily misused administrative resources while campaigning. The most significant irregularity, however, was inaccuracy of voters lists. These lists did include names of people who had died, names of people—unknown people actually—who were inserted in these lists at the same addresses as the owners of the properties.

All these reasons determined people—especially young people—to go into the streets and to protest against the way the Parliamentary elections of April 5 were conducted. They did protest against the results of the elections, they did protest against alleged frauds. Unfortunately, these people's protests generated into violence and riots. And the ruling party did blame the opposition parties for all that happened in April.

Even though the Communist Party did win the majority—they did win 60 seats in the Parliament out of 101 seats—they didn't have enough mandates to elect the President of the country. And after the opposition leaders decided not to participate in the election of the President, new parliamentary elections had to be called. Even though so many irregularities were registered during the previous campaign, it seems that the Moldovan authorities didn't learn a lesson because the second campaign was actually conducted in the same way as the previous one.

The main difference was that this campaign was more aggressive, and the media, especially the broadcast media, did resort to manipulating the public opinion. And in some cases, TV and radio channels were used by the political parties as a propaganda machine to promote their electoral strategies and platforms.

It is worth mentioning that the entire period from April 7th to July 29th was dominated by a climate of fear, a climate of anxiety, a climate of distrust, which was perpetuated by the authorities. Tensions started when the Prime Minister appealed to parents to forbid their children to join protests. The Prime Minister threatened that the police would have to use weapons if the protests turned violent again. And these tensions continued with arrests of young people, mistreatment and even cases of torture while in custody.

Tensions continued with harassment of the domestic and foreign journalist media, NGOs, with intimidation of parents, intimidation of organized citizens, by intelligence service officers; with pressures on local businesses discrediting the opposition leaders through the media. The main broadcasters, including the public TV and radio stations, which, by the way, are the only source of information for many people in rural areas, presented only the authority's perspective on post-election events.

All these reasons led to self-censorship among media, among NGOs and business entities. All these reasons led to increased confusion and tension among people, and divided the Nation into two highly antagonized camps. The Coalition 2009 did assess the last election campaign as being not fair and not totally free. Why? Mainly because the Moldovan authorities did not comply with the Central Electoral Commission's standards and did not ensure a fair environment for all candidates.

Thousands of cases of intimidation of contestants and voters, including by the police, were confirmed. Candidates were discriminated by the state authorities. The separation between the state and the Communist Party was not fully ensured. Dozens of cases of misuse of the administrative resources and electoral gift-giving were confirmed.

Like in the previous campaign, the authorities did not ensure the right of all citizens to vote. And the decision to have the Election Day in the middle of vacation season and in the middle of the week could compromise the ability of students, the ability of voters from the Transnistria region and those working abroad to vote. Also, Transnistrian voters were not well-informed on electoral contestant strategies and programs. And some of them couldn't vote in Corjova because the access to the polling stations was blocked by an organized group of individuals.

Local, as well as international, observers, reported, again, on inaccuracy of voters' lists, which, again, included names of long-ago deceased persons and unknown persons. They did report on media bias and misuse of resources by public authorities. Also, they noted that the main TV and radio channels failed to cover all candidates in a fair and balanced manner, favoring the Communist Party and discrediting the opposition parties.

In many cases, the media did not comply with the provisions of the electoral code of the broadcasting code or the central election commission regulations on media coverage during the election campaigns. Unfortunately, the broadcasting coordinating council failed to enforce legislation requiring impartial and balanced coverage of the campaign.

And even under such circumstances, people showed increased interest in these elections and did vote actively, with about 60 percent of voter turnout. These results show that most people in Moldova do realize that they are the ones to decide the future of the country; that they are the ones who can punish a political party by not voting for them or by voting for another party.

So what do we have after July 29th? Five parties did pass the threshold of 5 percent, and did enter the new Parliament. The Communist Party leads with 48 seats and the four opposition parties have 53 seats. Since no party succeeded to win the majority of seats, no one can form the government and elect the new President by itself. Negotiations among opposition parties have started this week. And we hope that they will manage to overcome tensions and will be able to create a broad coalition in order to elect a President, to form a government and to start working. If this will happen, the new government should have several priorities.

First of all, it should develop programs that would ensure the respect of the rule of law and human rights—judiciary reform in order to depoliticize the legal system is needed in this respect. Also, members of the new coalition should develop a platform oriented toward uniting the country. They should join their efforts to bring to an end the political crisis and to diminish the effects of the economic crisis.

Programs that would enhance the investment climate and business environment should be developed and re-establishing normal relations with the International Monetary

Fund and the World Bank should be a priority. Also, the new coalition should focus on eliminating gaps that were mentioned in the country report of the European Union Moldova Action Plan, such as, for instance, ensuring independence of the judiciary, freedom of the media, freedom of expression and fighting corruption. And programs oriented to support the media development to create a freer environment for all media, not based on their loyalty toward the government, should be promoted.

We believe that only in this way the democratization of the country will be possible. Evidently, it is the Moldovan authorities' responsibility to ensure all these changes, all these democratic reforms but the Moldovan administration will need support from governments with greater expertise.

The United States and the European Union have a significant role to play in this respect. The democracy support programs for the United States and the European Union, such as the Millennium Challenge Account and the European Union's Neighborhood Policy, would assist Moldova in its efforts to develop the democratic institutions. Also, strengthening civil society in the press through a series of democratic support programs and activities will benefit not only those organizations but the whole society in the long term. Thank you.

Mr. PARKER. Thank you, Ms. Gogu, and sorry about the lights. We're in the new visitor's center, which you may have read about. It was a long project. I think it doubled the size of the Capitol, and everybody's still getting used to the way the lights work around here and where the rooms are located and whatnot. So thank you.

Let me see here. We are now going to go to Ms. Cusnir. Just for the benefit of those who I know have recently joined us, this is a briefing—it's an informal discussion. Please be formulating questions; we should have almost an hour for back and forth. It is on the record and being transcribed.

I also wanted to particularly recognize some guests we have today. We're joined by a group of diplomats from the OSCE who are visiting under an international visitor program administered by the Department of State. We're certainly happy to have you here. They are accredited diplomats to the various delegations in Vienna. So thanks for joining us.

I'm also going to read the bios because I think we may have run out. Ms. Cusnir is a former Member of Parliament of Moldova from 2005 to 2009 and also a winemaker. She graduated from the Technical University of Moldova, 1977. She's worked at the Calarasi Divin Distillery and Winery in various positions. She was the chief technologist there. She was also a council member of Calarasi County. And where is that county, by the way?

Ms. CUSNER [through interpreter]. About 50 kilometers away from Chisinau.

Mr. PARKER. Which side of Chisinau? North? South?

Ms. CUSNER [through interpreter]. North.

Mr. PARKER. North? OK. Just wanted to place it on the map for folks. And she has received a number of awards, I gather, for the good wine. We actually don't have a whole lot of winemakers in Congress, but I think we do have one—Congressman George Radanovich, a Republican from, I think, Southern California, is a winemaker. I think our only one, actually, on both sides of the Congress. So it's an honor to have you with us and please proceed.

Ms. CUSNER [through interpreter]. Ladies and gentlemen, I would like to thank you so much for this invitation. You are giving me a chance to tell you some terrible truths

that happened in my country. But I also want to thank you for the fact that your country keeps a watch over our country. And you are giving us support in very difficult times, but very important ones, in our struggle for democratic rights.

I'm Valentina Cusnir. I come from the Republic of Moldova. Until the year 2000, it did not break into the news very often. What was known before, however, were our wines and our cognacs, which in our country are called "divin." They are divine drinks. And some of them are produced in Calarasi, where I come from, and where I have been active for the last 32 years in this industry, also, as a chief technologist.

We became known in the year 2001, when the Communist Party, through fair elections, won 71 seats out of the 101 in our parliament. Actually, the Communists had not left power in 1991, when the Republic of Moldova declared its independence from the Soviet Union. It's just that they ran under a different name, like, for instance, the Democratic Agrarian Party led by Petru Lucinschi, who had priorly been a member of the central committee of the Communist Party of the Soviet Union.

We became even more known when, under the Communist leadership, we became the most poor, but also the most corrupt, country in Europe. Under the Communist crush, almost 1 million out of a 4 million population had to go in search of employment abroad so they could support their families who were left at home.

The Communist leadership tried to chop down the very delicate shoots of our democracy, gobbling up everything that they could in their path. Therefore, the citizens punished them in the 2005 elections when the Communists could only get 56 out of 101 seats in Parliament, so they did not have the necessary majority to elect the President of the Republic.

But the Communists found their allies in the opposition parties to the right, especially in the Popular Christian Democratic Party led by Iurie Rosca, who misled both the leadership of the European Union and their supporters in the United States claiming that President Voronin had 180 degrees turn in his views; that he would lead Moldova toward the European Union and not toward the Russian-Belarusian Union, as he had promised earlier in 2001.

I also was elected in the Parliament in 2001. I ran on the slate of the only party to which I had belonged before, which was the Popular Christian Democratic Party. And I was the only 1 out of the 11 members of our party who did not vote for President Voronin to be elected in his office of President on April 4th, 2005. And I didn't because that's what our voters asked us to do, and I wanted to keep my promise toward them.

Iurie Rosca, the leader of the party, stifled any kind of internal democracy in the party. He was the only one who made the decision for the party. And he marginalized the most active members who had not agreed with the vote for the Communist, President Voronin. The pressures and the vendetta from the leadership of the party fell on me, but not only on me; also on my colleagues who had voted for Voronin, but later on expressed their discontent when they saw that they had been misled and used by the leader.

Perhaps I was the one who was treated in the most insulting, humiliating manner. And therefore, about a year later in May 2006, I left the party together with another colleague, and I wanted to continue my mandate as an independent. And on many occasions, I received very open threats both from my former colleagues in the party but also from Communist MPs.

So in the elections of April 5th, 2009, I ran again, but as an independent candidate. But our electoral law is very discriminatory. As an independent you need a threshold of 3 percent of the vote. So in order not to waste my votes and favor the Communist or the Christian Democratic Party, I withdrew from the campaign in the last moment so my votes could go toward the Liberal Democratic Party of Moldova, which is led by Vlad Filat.

During the campaign, I told the truth about the great friendship between the Communists and the Christian Democrat, Rosca. And therefore, I received a lot of threats that I would be shot in the head and my mouth would be silenced forever. I received this through the phone and Internet, but the prosecutor's office rejected my request for protection. During the campaign, either the polls or the meetings with the voters made it very clear that on the Election Day the Communists would lose some of their seats and that the Christian Democratic Party would not be able to secure the 3 percent of the electoral threshold.

The evening of the election, the Communist leader, Voronin, made a speech on TV. And it was clear from his speech—he was so arrogant, so self-assured—that the results of the elections would be manipulated. And he excluded any kind of dialogue with the liberal parties. Such behavior was the last drop in a bucket for our youth, who could no longer imagine a future for themselves in a country led by the Communist, Voronin, and his mafia clan.

The day after the election, on April 6, 2009, the youngsters went out into a square in front of the monument of a great leader of the past, Stephen the Great, with candles in their hands to express their protest, their indignation, toward the results of the elections, which could not have brought the Communists 60 seats in Parliament unless there had been some fraud.

The youngsters had no way of knowing that the Communist, Voronin, and his entourage had devised a very dirty plan to keep power in their hands and to blame the opposition. I was an eyewitness to the days of April 2nd, before the election and April 6th, the day after the election when from the building of the Parliament, piles of documents were removed and loaded into cars and taken away.

So on April 6th—and it's important to know it's April 6th, not April 5 or other dates—I noticed that, in a Parliament building, two floors were packed with special troops, police. I was not allowed to take either papers or personal items from my office. That evening, I went out of my office. I went out into the square in front of the Parliament building. There were no more protestors left; they had all gone away. Yet the people who came to the parliament were the general prosecutor, the deputy prime minister in charge of law enforcement, high officials from the Ministry of the Interior and from the intelligence services.

So at the same time, I saw from the opposite direction, from the Parliament building arrive a group of protestors, obviously they were led by provocateurs. So I was present there—I saw what happened and I even intervened among the protestors and I stopped a van loaded with passengers from being overturned. Yet one of the Directors in the Ministry of the Interior, Petru Corduneanu, claimed that I had organized these events on April 6th. He is the same person who you'll see the next day would beat me up.

So now we are on April 7th, the next day. In the afternoon, voices claimed that there were vandals in the Parliament building. I tried with my colleague, Anatol Taranu to go

up to the 9th floor in the Parliament building where the Deputy Minister of the Interior, Mr. Zubic was throwing tear gas down on the very peaceful protestors.

But they did not throw the same tear gas down on the steps of the Parliament where the other protestors, the provocateurs were so called vandalizing the building. So we were not allowed to go beyond or above the 2nd story of the Parliament building so I wondered how come the protestors, the vandals, are in the building allegedly and how come the Vice Minister who is on the 9th floor is not afraid of the people who are going to vandalize the building?

That evening, on April 7th about 7 in the evening, I went up to my office on the 8th floor and strangely enough I found the door to my office unlocked. So it's 7, after I locked my office I went out and I ran into special riot police were come to take over the security of the building. So later on, some of my colleagues who had come to visit me told me that the Parliament is on fire, there are fires—it's dark inside, you have to go with a flashlight. So I realized that the fires were caused by these special troops who had gone into the building.

So close to midnight I went to accompany my friends. Everything was quiet but on the way back to the building I ran into this Mr. Corduneanu again and his friends who blamed me that I was the one who brought the youngsters into this square to protests, and his assistant, Dumitru Rusu, was screaming that I was the one who was guilty.

I was an eyewitness to the slaughter that took place in the square of the parliament and that was organized by the officials from the ministry of the interior. I am talking about the evening between the 7th and 8th of April. I saw about 50 youngsters were in a square who had been handcuffed, thrown on the ground face down and were being kicked like a football by the officials there. They were being beaten also with the butt of the weapon by the special forces of the force called lightning whose faces were covered by a mask.

Three were really beaten very severely and I heard at one point one of the policemen say, well, leave him there because this guy is all finished. They all started scattering out of fear but none of them could escape. They were all caught and beaten. And I realized that the two officials from the ministry of the interior were the ones who organized and were responsible for this massacre. I was there, present as a member of parliament in my official capacity, too, so the police force there recognized me and allowed me to pass.

So the two that I was referring to before however recognized me and one ordered to the Russian, he spoke in Russian, he said "take her, take her, the bitch." Excuse me. So "take her as well." One grabbed my hair, took away the little tape recorder with which I was taping everything that was happening—they grabbed me, turned me around and dragged me on the ground for about 200 meters.

One punched my on my back right behind my neck. One kicked me in the hip and they threw me on the sidewalk where I hit my head and I lost consciousness. In all this was taken place while shooting was taking place as well, covering all the other noises. And they were not shooting up in the air as you are told, but all around the square. When I came to, I headed home and I was trying to hide behind trees because I knew I was followed.

My case was reviewed by the military prosecutor rather than the general prosecutor's office. I don't know exactly why, especially since I was there in my capacity as a Member of Parliament. And only about 3 months later an investigation was started in the prosecu-

tion but not specifically targeting those two individuals from the Ministry of the Interior. I received numerous threats from the Communist deputies. They threatened to throw me in jail, that they would throw me from the 11th floor if I come into the building to pick up my salary for instance.

So then the case was sent from the military prosecutor's office to the municipal court in the capital city of Chisinau. On April 21st, I made a formal request toward general prosecutor's office to be called as a witness of the events from 6 to 9 of April 2009. But my request was never registered and I was never invited to the hearing. Only now, when I go back home, I will finally get my day in court to witness these events. I was called as a witness by the lawyer of Valery Bobok—one of the three who was beaten to death in these events—and he called me to be a witness in the trial.

Perhaps I went into too many details in telling you these facts, but I wanted you to realize that if I as a member of parliament who had to go through this and I was tortured, can you imagine what the youngsters who had protested, been arrested, thrown into jail where some of them beaten to death, what they had gone through? So all of these events brought about the events of July 2009 and the results that you well so know. So once again I'd like to thank you so much for the opportunity you gave me to present these events here.

I'd like to thank the United States for all the support that you have given us in the past and I'd like to invite you to keep a mindful watch over the events in our country, to continue your support and to guide us so we can make very good use of the results of the last elections. So results of the April will not be in vain. The Communists no longer have the majority and that's why our democratic parties need all your support so we can go back toward the European Union and a fulfillment of democratic promises.

Mr. PARKER. Thank you, Ms. Cusnir, for your statement. When we scheduled the briefing for this week, none of us were quite sure before last week how things would turn out, but certainly very relieved not to see any of the violence repeated that we did see in April.

We finished panel two; now we're going to turn to Ambassador Louis O'Neill who will hopefully be able to sort of place what we've heard into some context, provide an American perspective. Just by way of introduction, Ambassador O'Neill worked in Moscow on legal reform issues as an advisor to the Russian Duma and securities commission upon completion of law school, continued his career as an attorney with the law firm White and Case and then with an investment fund in New York.

In the early 2000's, the Ambassador was a financial crimes prosecutor in New York County district attorney's office. In 2004, he was selected to be a White House fellow and served as Secretary Powell's special planning staff—special assistant for Russian affairs. In completing the fellowship, he was asked to join the policy planning staff at the Department of State, where he covered the countries of the former Soviet Union.

In 2006, the Belgian Chairmanship of the OSCE appointed him as Ambassador and head of the OSCE mission to Moldova. During the 2008 Presidential campaign, Ambassador O'Neill served with then-candidate Obama's Russian-Eurasian foreign policy team. The Ambassador's commentaries and analyses have appeared in various publications, including the Wall Street Journal, the Financial Times, Foreign Policy and the Moscow Times. He's a graduate of Stanford University and Harvard Law School, studied at Moscow State and a Presidential Fulbright Scholar. Ambassador O'Neill?

Amb. O'NEILL. Well, thank you, Kyle. Thank you very much. And thank you for inviting me to share my views on the situation in the Republic of Moldova and the prospects for change and reform following the repeat elections there just, now, last Wednesday. I very much appreciate the Commission's interest in the fate and well-being of this small, but not unimportant country. And I join many others in gratitude for the Commission's public statements in advance of these most recent elections and before and after the elections in April and the troubling events that followed.

It's my pleasure to join Mr. Galbur, Ms. Cusnir and Ms. Gogu today in briefing the panel, and I'm very grateful to Vlad Spanu and the Moldova Foundation for all of their hard work in publicizing and keeping Moldova in everyone's mind. Also, I'm very grateful to see colleagues from OSCE in the back. Welcome. It's good that you're here.

Well, all that we've heard today from our colleagues on the panel, the results of last week's elections have the potential to represent an important step forward for Moldova, as like-minded reform parties now hold a slim majority in parliament. These four parties—the Liberals, the Liberal Democrats, the AMN and the Democrats—are now in serious, but very heated and not simple coalition talks, which, if successful, would put the Communists in opposition for the first time in 8 years.

If they come to agreement, these parties will have enough votes to elect the Speaker of Parliament and ratify the selection of the government by the president of Moldova. But, in a case of *deja vu* all over again, they would not have enough votes to elect the President. That means that, absent some kind of a coalition with the Communists or a defection from the Communists to the liberals' side, Moldova faces the same danger of deadlock and dissolution of parliament that followed the last election.

This could mean a lame-duck legislature and no President until sometime in 2010. And this is an outcome that would be highly disadvantageous for advancing the important cause of reform in Moldova. And added danger is that the Moldovan constitution is extremely unclear on a number of very, very important points of electoral succession, like, for example, when Mr. Voronin should step down as acting President. And the interpreting body, the Constitutional Court, is not seen by all as fair and balanced in its work.

So we can expect some bare-knuckle negotiating, both among the victorious parties, among themselves, and with the Communists, who are weakened, but still the most powerful single force in Moldova. Now, the vote on July 29th was heralded by all major international observers as largely meeting appropriate standards, but as we've heard today, Moldovan observers have been much more critical in their assessment of this vote.

It is agreed, however, that both races—the July race and the April race—were marred by serious irregularities and violations, which included a campaign environment that was colored by subtle, but real, intimidation, bias in media coverage, and perhaps more importantly, even, is an advantageous reach of media that was controlled by the ruling party, real problems with the voter lists and insufficient cooperation by the central election commission to address them, election day problems like carousel voting, dead soul voting, harassment of voters, intimidation and more technical violations, the use of administrative resources by the incumbents, and the threat of politicized criminal prosecutions in the run up to the vote.

These are all serious problems that must be addressed before Moldovans can have full confidence in their political system. But whoever comes to power in Moldova is going to face an enormous economic challenge. I'd like to stress on that today, because we've

heard more about the elections from our colleagues, and this isn't talked about enough. The already-poor country is ill-equipped for the global financial crisis. For years, Moldova's economic and human potential have been trapped due to the lack of transparent, reliable and fair economic and legal playing fields.

Corruption, misuse of official position and predatory advancement of personal interests over national ones remains a serious problem. Rule of law failures mean that resolving disputes in court is not seen as an optimal approach or solution. Inexplicable restrictions on business and arbitrary rules stifle creativity and expansion. Moldova's impressive growth during the pre-crisis years was largely due to remittances.

By some estimates, up to one quarter of the population lives abroad and works abroad, sending money back. In light of the global meltdown, however, we're seeing a real contraction in those remittances—so far, in 2009, about 33 percent year-on-year contraction of remittances. And before the elections, the Communists had quite seriously burned through financial currency reserves to prop up the leu, the local currency.

And they also ensured that social payments were made on time to their constituents—to everyone, but focusing on their constituents. It is not clear that this can continue any longer. Thus, the new government must waste little time in implementing a comprehensive program of economic liberalization, combined with serious measures to combat corruption and attract foreign capital and investment.

If not, it could well take the blame for Moldovans' economic pain. Now, and also, Moldova has not been without its economic suitors, of late, with Russia and China offering loans of \$500 million and \$1 billion, respectively on very favorable terms. Just yesterday, the Russian ambassador to Moldova promised that the loan was going to be made not to Voronin, but to the Moldovan people. And we'll see if that holds true, because before the election, Voronin had said that this was a political decision by Moscow in support of him.

These moves are important because they underscore the relevancy of the U.S. Millennium Challenge Corporation's engagement with Moldova. Having received its threshold grant of \$24.7 million to fight corruption, it is now key that Moldova's new leadership move quickly to ensure the preconditions necessary for the release of the compact money—the much larger sum of money for supporting Moldova.

Now, public opinion polls consistently show that the majority of Moldovans favor a sovereign, independent Moldova with a European future. So to achieve this aspiration, progress is needed in the following areas very, very urgently: first, legal and judicial reform. As I mentioned, there's been a problem with politicized prosecutions against rivals in business and politics. The judiciary has not been up to the task, historically, to act as a check on executive power. Creating a truly professional, independent judiciary is the most significant challenge facing Moldova.

Police reform—we've just heard a very, very harrowing story, and unfortunately, not a unique one. So Moldova needs, clearly, much better police its police and police the agents of the state. Freedom of press and assembly—the government broadcaster, Moldova 1, should be transformed into a legitimate, neutral, public TV station with oversight provided to prevent abuse by politicians. Similarly, freedom of assembly must be guaranteed without undue restriction.

Combating corruption—I think Ms. Gogu said that this is the most corrupt country in Europe; I don't know about that, but corruption does remain the one issue that most directly touches the majority of Moldovan citizens and is very corrosive to society. And

so urgent measures are needed in this area. Again, economic liberalization—I've mentioned that.

And finally, political maturity—you know, our Russian friends say that the fish rots from the head, and the opposition must now do unto others as it would have liked to have been done to it. It mustn't descend into the same kind of retribution and petty squabbling and politicized attacks against its rivals, even if they're not less powerful than they were. Otherwise, no progress will be made to break the cycle of retribution that has tainted Moldovan politics.

So to sum up now, what the United States can do. The outcome of these elections is not an end in itself; it's really just a beginning. It's setting the stage for possible reform. Here's what the United States can do: First, shine a spotlight, as we're doing here today—and I thank, again, the commission for that—on Moldova to keep attention focused on the country's democratic development. High-level visits to Moldova give more bang for the buck than they do to many other countries.

It should encourage principles, like reconciliation, collaboration, and reform, over personalities, while steering clear of being drawn into somebody else's fight. Provide greater aid to Moldovan society and political parties and civil society. NDI and IRI could do quite a bit more here. Make legal reform a top priority; everything else really flows from legal reform in Moldova. The ABA-CEELI program has done very good work in this area, but much more needs to be done.

Ask the MCC's Board of Directors to take a careful and expedited look at moving ahead with compact status for Moldova. The standards must not be lowered, of course, but neither should Moldova be judged more harshly than other countries that have already passed into the compact status. And finally, maybe in a burst of optimism, in the spirit of reset, the United States should encourage Moscow to engage in real, sustained, good-faith negotiations in the 5+2 format to try to resolve the Transnistrian conflict.

It would do a lot of good for Moldova. Moldova's people have expressed their desire for a better future, and now it is up to their leaders to follow through with concrete results. The reform steps I've outlined in this briefing are, by no means, simple. But they can be accomplished with focus, dedication and the appropriate assistance. If implemented, they'll make a lasting improvement in the lives of the Moldovan people. So thank you, Mr. Chairman, and I look forward to answering questions.

Mr. PARKER. Thank you, Ambassador. And I'd like to thank the whole panel for your statements. We have, now, quite a bit of time to open the floor up to audience questions. Like I said, this is an on-the-record briefing and being transcribed. If you have a question—and I'd like to take, maybe, a few at a time, and we can place them to individuals or to the whole panel as you ask them.

If you could just please state the question, keep it fairly brief, state your affiliation and I don't—we don't have any microphones out there, but I think we'll be in a small enough room that, probably, we'll be able to hear, and I'll repeat the question in the mic just for the benefit of the transcribers. Questions? A lot of information was put on the table this morning to discuss.

Well, I will start us off. Just the end of your testimony, Ambassador O'Neill, as far as the so-called "frozen conflict" in Transnistria, the 5+2 format—you know, the prospect of how the Russians may be helpful on this—and I know since we have some unique visi-

tors here from Vienna, a question I have is what—you know, I a few months here, we're facing the historic Kazak Chairmanship of the OSCE.

It's the first time a post-Soviet state will chair the organization. Kazakhstan, it's no secret, has many shortcomings in terms of keeping its own OSCE commitments. And this was a decision that was not without controversy, certainly. In Vienna, and certainly here in the U.S. Government, a variety of views surround that. But I'm just wondering what that portends for Moldova and for the conflict itself. Ambassador, you were appointed by the Belgians. Will the Kazaks replace Ambassador Remler, or is there a term set? And frankly, is there anything positive to think about this, that something the Kazaks might be able to make some headway?

One of the things that is so interesting about this conflict is unlike, of course, Nagorno-Karabakh and some of the other conflicts—obviously, Georgia, particularly here in August—you know, it was just a year ago we saw a Russian invasion and an unfreezing of a conflict—the one in Moldova is interesting, because on the one hand, it looks so solvable, and on the other hand, I guess because it doesn't extract such a high, constant price in terms of you don't have cross-border sniping, you have—you know, on any given night in Chisinau, you can see cars with license plates from Tiraspol eating at the nice restaurants in Chisinau.

And I might add, you know we keep talking about—and it's in the title—about how Moldova is Europe's poorest country. At least, I visited a few times and when I was there last April, it certainly didn't look it. You know, certainly, life in Chisinau is, you know—and even traveling throughout the countryside was not nearly what I had expected it to be from hearing various reports. So I'm just wondering, is there any reason for optimism?

I know following the events of April, it looked like this would be a real setback. And also, is there anything to say about, again, the inability of people, I think, in Corjova to be able to vote—this little enclave that, I believe, is on the other side of the river? I know they tried in April and were blocked, and I don't think it was possible this time. So Ambassador, any other questions to throw out—get the ball rolling? Please.

QUESTIONER. My name is Cristina Batok and I'm a graduate of Georgetown. My question is to, actually, all the panelists [inaudible] and what would happen if the United States doesn't give out—doesn't support [inaudible]? And if Mr. [inaudible] Russia?

Mr. PARKER. This question is from Cristina—and your last name?

QUESTIONER. Batok.

Mr. PARKER. Batok? From Georgetown University to Ambassador O'Neill and Mr. Andrei Galbur. What would happen to Moldova if they don't get the—

QUESTIONER. If they don't get that [inaudible] support and assistance.

Mr. PARKER. The Millennium Challenge? Yeah, so what will happen to Moldova if they don't get the Millennium Challenge Corporation assistance? That's the question. Do we have another question to add? Sure.

QUESTIONER. My name is [inaudible]. Second, I do [inaudible] Ambassador O'Neill until the Transnistrian issue is solved, nothing in the case will be solved. Third, it's about the economy. In a campaign where the underground economy was much stronger than the official one [inaudible]? And I have a question for Mr. Andrei Galbur.

[Cross talk.]

QUESTIONER. There is a huge need for civic education in Moldova, because without civic education, without voter education, without any kind of this kind of education, it's hard to believe that people would make more sense than they do now. Thank you.

Mr. PARKER. Thank you for the question. We're just going to do a little makeshift thing here with the mic so I don't have to repeat the question for the transcribers. One more question and then we'll give the panel an opportunity to respond.

QUESTIONER. Great. I'm Elizabeth Anderson. I'm an Assistant Professor at American University. And I've been traveling to, living in, working in or conducting research in Moldova for the past 12 years. And my question is with regard to the State Department's change in Moldova's ranking with regard to human trafficking that happened last summer.

And that seemed to cause a little bit of ripple in Chisinau when I was there last summer, but I've been wondering if that's had any effect at all on the government's actions toward human trafficking with their transparency. Has that had any positive impact?

Mr. PARKER. Thank you for the question. You know, I might just remind people, you know, trafficking is a really important issue for the Commission. In fact, the trafficking law of 2000 and the reauthorization were written inside the commission. So thank you for the question on trafficking. I think with that, we have quite a bit to respond to. We'll go ahead and respond and take another round as we have time for.

Amb. O'NEILL. Sure, with pleasure. That was a lot of questions and I'll try to take them one by one. On the poverty issue in Moldova, look, of course the visit to Chisinau has a different impression than one who gets out to the countryside.

Mr. PARKER. I was in Balti and Soroca—

Amb. O'NEILL. Right. So you've seen the contrast. And unfortunately, what we've seen over the last 8 years has been remittance-driven, conspicuous-consumption behavior. And the fundamentals for economic growth to unlock the potential of the Moldovan people, which has great potential in this country, have not been set in place, which is why one would hope that the new government would take a new look at disaggregating personal interest from economic benefit to the country.

In any event, we're going to see a lot less of that conspicuous consumption in Chisinau because of what's coming. Moldova had been a little bit insulated, or had a lagging indicator with the economic problems, because people were working overseas in Russia and Western Europe and the United States, and we're seeing a real problem in them keeping their jobs, particularly in construction and rough-necking and physical labor. And so it's going to be a very serious economic problem coming for Moldova.

On Transnistria, look, I've long advocated that it is not wise to wait for someone else to solve this problem. Yes, certain great powers hold the key to resolving the Transnistrian Conflict—there's no doubt about that—but Moldova can do things for itself to help itself. And I've long advocated it should make itself more attractive both to the European Union to be drawn in and to the Transnistrian region to draw it in to be part of Moldova.

And those things—I've listed them today—again, economic reform, civil protections, freedom of the press, no politicized prosecutions, fighting corruption, fighting human trafficking—all these things make Moldova a more attractive place. By having a greater contrast between how one lives—how a young person, say, lives in Moldova versus in

Transnistria is the most effective, the most convincing argument. It doesn't mean it's going to work, but it's better than sitting around and hoping that some great power will come and solve this problem, because it's not going to happen in the near term, so it seems.

And on Corjova, of course, we've seen this problem repeatedly. My team was the monitor in 2007, because the actual official missions can't go onto the left bank. And we had violence in Corjova in 2007 in the polling place with Transnistrian and Moldovan militia and police fighting. So in a way, this represents a small improvement, that there was no fighting, although again, people were denied the right to vote, and that's not acceptable.

Mr. PARKER. Thank you.

Mr. GALBUR. Thank you. Also, I would like to second most of what Ambassador O'Neill mentioned on the Transnistrian track. And as I mentioned in my statement, regardless of what the new makeup of the parliament and what the new government is, the settlement of the Transnistrian Conflict, the reintegration of the country, will remain a key priority for the new central authorities.

And I think our expectation from the Kazak Chairmanship will remain the same as our expectations of all preceding Chairmanships—it's to play an active and engaging role as a mediator—which it is to the 5+2 format, which the United States is also an observer—to play its part and its role in making sure that a lasting political solution to this conflict is identified.

What concerns the question about the assistance on behalf of the U.S. Government, including the Millennium Challenge Corporation and what would happen if this assistance is not granted, I personally don't want to entertain that kind of scenario. And I don't think anyone in the current administration and in the future administration will entertain this kind of scenario.

I think that measures will be continued and steps will be undertaken in order to ensure that Moldova continues to meet the established criteria for being eligible to the full compact. And with that, hopefully, this assistance will finally make it to Moldova and be used for its destination, which is the very important areas for Moldova's future development, including economic development, and that is the road infrastructure, that is the rehabilitation of the old and obsolete irrigation systems which are crucial to the development of the agricultural sector, but also to the improving and developing of the public health sector in the rural areas of Moldova.

So again, I don't think anyone thinks about what happens to Moldova is this assistance is not received. I think people will continue to concentrate their actions on making sure that Moldova receives this assistance. As far as the comment with e-voting in Moldova's concern, by no means, I was saying that this is what is going to happen. I was just saying that it is part of the recommendation of international election observers. And a great deal of it probably deals with ensuring that Moldovans that are abroad have a better chance to express their vote.

And you know, in this regard, I would like to just underline that these are all issues of legislation, of existing legislation, of existing international practices. It's not really an option for an embassy, say, in the United States, to open polling stations on the west coast, in the North or in the South. There are strict provisions and it will be up to the new parliament to work around that and to identify those changes that need to be made

in the legislation to ensure that all Moldovans, regardless of where they find themselves in times of election, get a chance to vote.

And the trafficking in human beings question, the most recent report was just published in June and according to this report, Moldova has remained in the tier two watchlist. It has not been downgraded in this report. And that, you know, can be viewed two-fold. On one side, the authors of the report, the GTiP, they recognize the significant progress that the authorities have achieved in fighting this negative phenomenon. On the other hand, they still—they signal the existence of shortcomings and deficiencies that need to be addressed by the Moldovan authorities.

So this is kind of like when you look at the international election observation mission statement on the election process, that it met the most important international criteria, but there are challenges that need to be tackled. So it's about—you could look at it about the same way. I personally tend to look at this from a rather, you know, optimistic perspective. The people have spoken. The results are clear.

You know, what happened will probably be more detailed in the history books because I don't believe, at this point, anyone has all the facts about what happened in the past. But you know, it's important that there is a new parliament and it has to elect new central authorities and the challenges that the current administration faces will by no means become easier or change as a result of that.

Mr. PARKER. Thank you both. I know we have a couple more questions in the front row. Ed? And Neil, if you wouldn't mind just helping him with the microphone, I'd appreciate it so we can get the——

Ms. GOGU. I haven't answered——

Mr. PARKER. Oh, I'm sorry. Please, Ms. Gogu——

Ms. GOGU. The question was about voters' civic education. Yes, it is true that usually, such programs as voter education and civic education are conducted only during the election campaigns. Even in the OSCE preliminary report, they did mention, as a positive aspect, the fact that the Central Election Commission did conduct such a campaign—voter education campaign—they did produce TV spots and broadcast them.

Some of our colleagues from the Coalition 2009, they did implement several programs on civic education, such as bus campaigns and also, they did broadcast several TV spots. But it is not enough, because everything ends after the Election Day. And in the case of young people, they are more informed because they have access to the Internet, they can communicate with each other through the online social networks like Facebook or Odnoklassniki; it's not the case for older people.

And most voters from villages, from rural areas, on Election Day, they go to the polling stations and, in many cases, they don't know for which party they will vote. And in the election poll station, they are told what to do. That is the problem.

Mr. PARKER. Thank you. We have a few questions here in the first two rows here. I think I see three questions already. Please.

QUESTIONER. Hi. I'm Laura Jewett from the National Democratic Institute. My question is primarily for Ms. Gogu, but I'd welcome responses from the other panelists or perhaps some of the OSCE representatives that are here. And that has to do with election observation. I wonder if you have thoughts on why there was such a discrepancy between the OSCE's preliminary statement and the domestic observers' statements, which were quite critical?

Mr. PARKER. Thank you. Ed?

QUESTIONER. Let me let this—

Mr. PARKER. OK, sure.

QUESTIONER. Valentin Tepordei, the Romanian-American Committee for Bessarabia. Related to the same question, after the first elections, the first press releases, including the American Embassy, said that everything was OK. The second row of so-called independent, international observers concluded the same thing—everything was nice and beautiful, nothing wrong, nothing messed up.

I'm wondering, those international observers, are they watching from their hotel rooms the TV programs and then coming up with the reports? I have a feeling that this was cutoff already.

Mr. PARKER. No, I think it's on. [Laughter.]

QUESTIONER. OK. Why such a discrepancy? Even the American Embassy in Moldova released, first, a statement that everything was OK on the first one.

Mr. PARKER. I'm sorry, just to clarify, are you speaking about the April elections or last week?

QUESTIONER. Both—in both!

Mr. PARKER. Both, OK.

QUESTIONER. So we knew about what the representative of Moldova from the Moldovan press—something is not right somewhere. Those observers are manipulated, those observers are afraid of speaking freely, or what's going on there?

Mr. PARKER. Thank you. And would you—OK, well—no, I guess just to respond to your question directly while it's fresh here, not having been there last week, but in April, at least ours, we didn't observe from our hotel room and we didn't feel intimidated in any manner whatsoever. A number of us—you know, I've observed—from the Commission, we sent two people and there was a lot of observers at both elections.

But myself and a colleague—I've observed about 10 elections with the OSCE in the post-Soviet region, including Tajikistan, Kazakhstan, other places; my colleague had observed about 20 over a period of, say, 30 years—so not being really new to this, you know, and we did get out of the hotel room, as did most of our colleagues on the delegation. I don't know of anyone who observed from their hotel room.

I visited about 15 polling stations spanning from Chisinau all the way up to Soroca. We did a closing in Chisinau. I have to say it was one of the best closings we've ever observed on an election, in terms of the way the count—and that's often, the closing is a place we really like to pay particular attention to in the count.

You know, the one thing I noticed that was a little—some of the polling precincts above Soroca were a little bit lively—you know, these were some of the Roma communities up on the hills in Soroca and there were a lot of people there and there was some confusion about how you use the mobile ballot box and some things like that.

But we didn't see anything that looked like deliberate fraud or ballot-box stuffing or—I also might note that the seals—the ballot-box seals we saw were the best I've seen anywhere. And often, you see these seals that are like some Scotch tape over a box—easily manipulated.

The seals in Moldova were interesting enough, because when they put the wax seal on, they smell of the wax would give me a headache and I'd have to leave the precinct

from it—I remember in the morning, when they were preparing it—but it was a nice—it seemed have a secondary effect of, you know, that smell of the wax melting would tip you off—you know, you wouldn't want to smell it in the middle of the day; in the beginning of the day is when to have it. So I thought that was particularly good.

You know, we didn't see everything. Like I said, I can speak for the 15 places that I saw when I was there, and just exactly what I saw, which was limited. You know, we spend somewhere in the neighborhood of 30 minutes—that's the general guideline—in the polling station. As far as the observers, you know, a good question, Laura—as far as the local observers, you know, same question here as to what was different.

I mean, the OSCE is generally seen as the gold standard of election monitoring and using the method that was pioneered in the early days by NDI. And you know, I'm not sure what methodology the local observation groups were using—perhaps someone knows. But you know, the OSCE has a specific protocol using statisticians, using specific forms to try to impose a certain scientific method on something that isn't quite scientific. So I just, you know, did want to speak for my colleagues in the OSCE PA that none of us were observing from hotel rooms and spanned out over the whole country.

And the number of observers—I mean, 3,000 in this last poll in a small country like Moldova is amazing. I think it was a year or so ago at the Russian elections when OSCE decided not to go, Russia was proposing something and there was some haggling and eventually I think they got to send 50—you know, 50 or 70 for the Russian Federation—11 time zones, 143 million people.

To have 3,000 international observers in a small country like Moldova with the ability to access any polling place at any time without warning, military, hospital, prison—anything, you know, with the credentials—is pretty significant. That's pretty good observation as far as election observations go. Again, not everything is seen. And that is just a day, understanding that, you know a lot of Election Day happens before Election Day and also, some of it happens after Election Day. But I just wanted to mention that.

QUESTIONER. But still your conclusions are completely different and most of the local people and the press sees that. That's what is amazing.

Mr. PARKER. Please, Ambassador.

Amb. O'NEILL. Let me try to address this. I agree with what Kyle said about the methodology. I was following this very, very closely, but I wasn't there; I was in the United States looking at the Moldovan press, looking at Romanian press, looking at the observers, calling people on the phone.

And what happens is, when you see, in the press, say, written about someone who's registered 52 times or you see a bus full of students being stopped or you see Mr. Filat saying—alleging—that in his house were registered two other people, in his very house, who were dead souls—unverified; he just said that; I don't know if it's true; maybe—it gives you an impression of real, real problems, which the OSCE methodology, taking into account the entire country all over, you know, the 33 regions, tries to average out.

So you can have things that look like serious problems, but the total picture can be less detrimental. And so that's why, I think, you see this discrepancy between the local observers and the international observers. But I'd love to hear our colleague's view on this because I'm sure she has something very important to say.

Mr. PARKER. I just want to also add one other question to the mix, since, Ms. Gogu, you mentioned it, and it was so much in the press—you know, what role did the new

media play in this election? You know, we heard so much about Twitter and Facebook in Moldova and then in Iran, and I'm just wondering, you know, how significant was it? Was the network—did there appear to be any effort to disrupt the network?

Because I would assume if you were wondering that things could turn out the way they did in April, that there probably was a lot of work to get this up and running and ready so that, you know, should anything happen, there would be an ability to organize and communicate and potentially, also, call new protests. Was that much of a role in this? I'm just throwing that into the mix.

Ms. GOGU. Well, after the elections on April 5, it is true, especially after the violent protests, that a series of Web portals from Moldova were blocked and people from abroad couldn't access these Web pages. And also, some—for instance, the Internet TV station JurnalTV couldn't be accessed and unimedia.md couldn't also—moldovaeyes.md (ph), which is an IJC program, was blocked.

But during the last campaign, no such cases were registered. And even though I personally was told that, during the Election Day, the Communist Party representatives did call their local offices to be prepared, just in case the protests will take place. So it was, on Election Day and I hadn't heard anything about preparations and about protests on July 3rd. So I cannot say anything about this.

Going back to the differences between the local observers and the international observers' reports, I would say that the preliminary OSCE report actually does include some positive aspects, but also shortcomings. And they also do mention dozens of cases when the local authorities did interfere in the campaign, the police did intimidate people.

And they also mentioned several cases when the Communist Party made the public servants—the people who are employed in hospitals—to attend their meetings with voters. And they were made to watch a movie called, "Attack on Moldova," which was produced by a journalist and which presents only the viewpoint—only the perspective of the Communist Party.

In this movie, all opposition leaders are blamed for what happened in April. So voters across Moldova were made to watch this movie. And it was broadcast several times with the TV stations with nationwide coverage, including the public TV station. Our colleagues from the Coalition 2009, they started observing the electoral process from the very beginning of the campaign. And they did record every violation.

That's why, in our report, we did refer to the campaign as a whole, not only the election day because during the election day, maybe not so many frauds were made. But taking into account the campaign, we couldn't say that these elections were fair and were free.

Mr. PARKER. I think we have some time for a few more questions to add. Microphone—please, Vlad?

QUESTIONER. Vlad Spanu, Moldova Foundation. I want to move ahead and ask the panelists to think about what is happening next for Moldova. And you know, it look likely that Moldova would follow the Ukrainian scenario, unfortunately—the post-Orange Revolution scenario—because of the fragmentation of the opposition parties. And it might be a situation where the Moldovan parties would not be able to go forward and create a coalition.

And probably could be one other opportunity for Moldova would be to look outside the country for other players. And if so, if this is true, who are other players, outside,

who might play a positive role in moving Moldova forward? And what role do you see for these players to play?

Mr. PARKER. Thank you, Vlad. I think we had a few more. Please, sir.

QUESTIONER. Somewhat related to Vlad's question, I'm wondering about——

Mr. PARKER. Could you identify yourself, please?

QUESTIONER. I'm Edmund Rose with the National Democratic Institute. We all have read and heard a lot about the relations with Romania and how complicated they have been, particularly around the time of elections. But I'm also thinking about, in the last elections, there was a group of the European network of election monitoring organizations that tried to field international monitors from a dozen different countries around the former Soviet Union and Eastern Europe.

And they were denied accreditation, there was a delegation from Georgia that was put in detention for 24 hours and sent back to Georgia. The delegation was basically returned back to the various countries from which they came. I'm wondering, is this—would you characterize this as related to just extreme election paranoia and given all the tensions that are existing in Moldova, or is this a greater concern? Should we be worried about Moldova becoming more isolationist, with the exception of Russia? Is there greater concern there? I'm just curious what the panel would think of that.

Mr. PARKER. Thank you. A few more, and we'll try to get to everybody and sort of probably make this the last round of questions.

QUESTIONER. Thank you. I'm Pamela Smith. I was U.S. Ambassador to Moldova in the early 2000s. And I have a question for Mr. O'Neill and, well, everybody, I guess, adding onto what Vlad said. How do you see the dynamics of the coalition forming, and what role do you see Mr. Lupu playing in those dynamics?

Also, I'm interested in whether or not the demographics of Moldova are changing. It used to be that the rural voters were mostly communist and the urban voters were everything else. Is that still the case, and if not, how is that changing? Thanks.

Mr. PARKER. Thank you, Ambassador. I think we have a few more questions here toward the back rows, Ed, if you don't mind. There was a question back there I didn't——

QUESTIONER. Kyle, OK, I'll take the last question, then. I know we're running out of time. Mr. Galbur——

Mr. PARKER. Ed Joseph, Policy Director for——

QUESTIONER. For—I'm with the Commission. Sorry, Kyle. I'll take your encouragement to ask a question and also to thank our participants coming from Moldova. [In foreign language.] Thank you very much for coming. I apologize if I missed this answer, Mr. Galbur, but we heard very serious accusations from Representative Cusnir, who's a member of your parliament. And I was just wondering if you have any reaction to those. Thank you very much.

Mr. PARKER. Thank you, Ed. No further questions. Before we wrap this up—oh, we have one more. Ed—right behind you. Right there. We have a mic there.

QUESTIONER. Thanks. With regard to Ms. Smith's question, could you also speak to——

Mr. PARKER. Your name, sir?

QUESTIONER. My name's Teddy Himmler and I'm an undergraduate at Harvard and I'm an intern here. And throughout Ambassador Smith's question, could you also speak

to the role that the youth vote has played? As we've seen in the 2008 U.S. elections and also in recent unrest in Iran, the youth has played a big role. Now, whether it's because of changing demographics or technology, could you speak to what role you may see for the future of Moldova?

Mr. PARKER. Thank you. I think with that, that gives us more than enough to bring us right up to noon. So why don't we start responding. Who'd like to go first? Ambassador? Sure.

Amb. O'NEILL. I guess I'll start. Ambassador Smith, good to see you here. You asked about the coalition and the politics of the coalition. I just have to say at the outset that it's very important that the Moldovans do subsume their egos and get it together quickly. It's very, very important, for the good of the country, that some kind of working government be formed very quickly to move ahead with reform. You have to strike while the iron is hot in these situations, as we've seen from neighboring countries.

There are tensions, however, between the opposition leaders—we know that. And those will play out going forward. We know that discussions are underway. They have already leaked certain positions that have been, in principle, allocated. Whether that will happen or not is hard to say. At this point, it doesn't look like Mr. Lupu is going to, with his 13 votes, join with the Communists' 48 to make 61 to elect the president. It doesn't look that way right now, but it's far from clear what could happen, and I would be ill-advised to take a prognosis right now on that issue.

But I would like to address, in more detail, the demographic issue, which is very, very important, both for your question and the colleague here's question about that because first of all, it's important to note that 35,000 more people voted in the dead of summer on a weekday in these elections than in April. That shows that people are—and I think young people—are fired up about this and interested in what's going on in Moldova.

Second, I think there still is that split between the rural, older voter for the Communists and younger, urban voters voting right-center and center. And that means that, as time goes by, of course, the advantage will be gathering for the center and center-right coalitions, in terms of just pure demographical split. What remains an open question—and I think the most interesting one—is, what happens to the people who are returning from being overseas workers to Moldova in great numbers?

Can they be tapped to be a political force? Who will tap them? Will the economy be so bad that they may be disenchanting? Will whoever's in power, as I've suggested in my remarks, be so burdened with a bad economy that it may backfire on their success and they may be punished by voters? These are the questions. It seems like, in the April protests, there were a number of people, at least anecdotally I've heard from colleagues in Moldova, who had just come back from overseas.

And a lot had come back from Russia because Russia's had a great contraction in its construction industry and other industries. And so how those people are tapped or where their alliance falls will be very interesting to watch.

Mr. GALBUR. My response concerning who can the other players be and what is going to help after this election, in Moldova, it's really limited to saying that it is up now to all the parties that have passed the threshold that are part of this new parliament to display the appropriate amount of wisdom and solidarity with the national interest of the Moldovan people, of the country, and act in those best interests.

Concerning the NMO question, I cannot go into the specific details, because I do not have that information. However, I do know that out of the list, there was a part of observers that were accepted, that were accredited by the central electoral committee—I believe it was 53 observers—and there were 87 observers that were denied accreditation based on the relevant decision of the CEC. I cannot go into the specifics because I simply do not know them.

Amb. O'NEILL. May I comment on that?

Mr. GALBUR. Oh, sure.

Amb. O'NEILL. I'd just like to comment on that particular issue because what's most troubling and interesting about that deportation of the Georgians was that the Georgians had a right to enter Moldova on a visa-free regime even if they were not accredited as observers. And so it was puzzling that they were actually detained and held for 24 hours and deported when they could legally enter the country without being observers, just as tourists or whatever.

QUESTIONER. [Off mic.]

Amb. O'NEILL. Well, not even getting that far—

Mr. GALBUR. And if I could say something on the youth role question, which is definitely a good question, I do not know again, the specific details of how much of the young population actually voted in this election, but I can speak for the polling section that was open at the embassy. We had 308 people that expressed their vote in Washington, DC. There were 317 people in New York at the polling station there. And the overwhelming majority of them were young people—mostly students that are here on the work and travel program—almost half of those who voted were young people.

So it's a good sign that the young population is becoming involved more and more in the political process in Moldova. And they're our future, basically, and I think it's a natural evolution that the youth become more actively involved in these processes. And I definitely believe that the Internet has played a significant role in that, basically having no boundaries as far as the exchange of information and opinions is concerned.

Oh, yes, I'm sorry—I missed that. What I can say about all the allegations, including that of Madame Cusnir—they do rest with the appropriate authorities of Moldova. There is a due process of law, and as we heard, these processes have gotten to that phase where they will be investigated in detail. And I believe it is up to them to say the final word as to all the allegations concerning the events after the April 5th elections.

Mr. PARKER. Thank you, Mr. Galbur. Ms. Cusnir, any closing remarks or response to any of the questions put out?

Ms. CUSNER [through interpreter]. Again, I'd like to take this opportunity to thank you so much for your invitation. Again, the activism of the youngsters is making me very happy. They had a very important role in the elections.

Whereas in the 2001 and 2005 elections were older, today, the youngsters have taken, as you said, to be very politically active. And for many of them, their parents had gone to work abroad, had sent money back to pay for their tuition or their studies; now their parents—some of them—are coming back home and they see the situation at home.

So that's why the youngsters took to the streets to protest what had happened. I'm also very glad to see the activism of the Moldovans abroad—the fact that the embassies have opened their doors to voters. I'm glad that at only three embassies abroad, the

majority of the voters voted for the Communists; the others, however, for the opposition parties. So all of these are very positive things.

And as far as Transnistria, again, as you said, the problem may not be as severe as in Georgia. I think the problem existed, also, because it was in some people's interest for it to continue, but perhaps now, with a changing Parliament and a new government, within the 5+2 format, the problem can be addressed. I think, as far as the trafficking in human beings, what we have to combat mostly is the reasons that make so many people go abroad to do this.

Mr. PARKER. Thank you, Ms. Cusnir. Ms. Gogu, concluding remarks on the questions? We're just about out of time, but I certainly want to give you the opportunity.

Ms. GOGU. Yes, I just want to add a few words about—it was a question about observers from Georgia and Kyrgyzstan—and I liked the word “paranoia.” I believe that it is the case for Moldova, especially after the last case, when observers from Kyrgyzstan were denied access to Moldova. And after the April 7 protests, the ruling party accused the opposition parties, they accused Romania, they accused some people from Serbia.

And a month ago, if I'm not wrong, there was a piece of news about an employee of the Council of Europe being involved. He's a Serbian and he was denied access to Moldova. He couldn't enter Moldova even though he has a visa. And I don't know why they didn't accuse the United States, for instance, because an American citizen was arrested. He's also a Romanian citizen.

So the impression is that the ruling party does accuse everybody around and does not look into the reasons, into the causes which provoked this situation. I want to thank all of you for being here, for addressing questions and for your interest in the situation in Moldova. Thank you.

Mr. PARKER. With that, we're out of time. I also want to thank, certainly, all the panelists, and especially both Ms. Cusnir and Gogu, traveling all this way to be here with us today, and Vlad Spanu and the Moldova Foundation for helping us put this together, and certainly, for all of you for attending. This is quite an attendance for a briefing in August.

It is the last public briefing the Commission will do before the Senate goes out of session, I think, tomorrow afternoon. We will try to post the prepared statements on the Web site today. Our Web site is C-S-C-E—as in Commission on Security and Cooperation in Europe—dot-gov. And as soon as we have the transcript ready, we'll put that up.

Moldova's certainly something that we will continue to watch very closely as we see how this coalition government may work out. And I encourage you all to visit our Web site—there's a way you can subscribe, if you haven't already, to events and things that we'll be doing when Congress reconvenes in September. Thank you all for coming. [Applause.]

[Whereupon, at 12:04 p.m., the briefing ended.]

APPENDICES

PREPARED STATEMENT OF NADINE GOGU, INTERIM DIRECTOR, INDEPENDENT JOURNALISM CENTER

Mr. Chairman,

Honored Audience,

I sincerely appreciate the opportunity to speak today in front of you on the state of democracy in Moldova and, on behalf of Moldovan civil society, I would like to express my gratitude for the interest the Commission expresses in the current situation in Moldova. Also I would like to thank the Moldova Foundation for making this possible.

I represent the Independent Journalism Center (IJC), one of the leading Moldovan NGOs that supports the independent press and promotes freedom of expression. IJC is a member of the Council of the Civic Coalition for Fair and Free Elections—Coalition 2009, which comprises over 70 domestic NGOs with the goal to contribute to ensuring transparent and democratic elections. Today, I would like to share with you the perspective IJC has gained as a member of the Coalition 2009 while monitoring the electoral process during two election campaigns this year.

Background: Despite the fact that during the last year the Moldovan government was asked repeatedly by a series of international institutions to ensure free and fair elections in 2009, the government did not take all the necessary actions to guarantee that the campaign for parliamentary elections of April 5 is conducted according to democratic principles and international standards. Moldovan authorities failed to ensure a fair environment for all electoral contestants; did not provide in full voters abroad the possibility to participate in April's poll. Also, not all electoral contestants and civil society experts had access to public media outlets, which were biased towards the ruling party; central and local governments heavily misused administrative resources. The most significant irregularity however was the inaccuracy of voters' lists that did include names of long ago deceased persons, names of unknown people who were registered at the same addresses with owners of properties.

All these reasons determined people to go into the streets and protest against the way parliamentary elections of April 5 were conducted; to protest against the results of elections, against alleged frauds. Unfortunately peaceful protests degenerated into violence and riots. After the three opposition parties that entered the Parliament decided not to cooperate with the Communist Party, the Parliament failed to elect the president. Consequently, new parliamentary elections had to be called.

Although so many irregularities were registered during the first campaign, the authorities did learn no lesson: the election campaign for early parliamentary elections of July 29 did not differ too much from the previous campaign. The main difference was that the later was more aggressive and the media did resort to manipulating the public opinion, in some cases serving as propaganda machine for promoting the electoral contestants' platforms.

The pre-election period: The entire period from April 7 to July 29 was dominated by a climate of fear, anxiety and distrust, which was perpetuated by authorities. Tensions started with the Prime Minister appeal to parents to forbid their children to join protests, threatening that the police would have to use weapons if the protests would turn violent

again, and continued with arrests of young people, mistreatment and even cases of torture while in custody; harassment of both domestic and foreign journalists as well as NGOs; intimidation of ordinary citizens by Intelligence Service officers; pressures on local businesses; discrediting the opposition leaders through the media. The main broadcasters, including the public TV and radio stations, which are the only source of information for many people in rural areas, presented only the authorities' perspective on post-election events. All these reasons led to self-censorship among media, NGOs and business entities; led to increased confusion and tension among people and divided the nation into two antagonized camps.

Election campaign for early parliamentary elections: The Coalition for Fair and Free Election—Coalition 2009 did assess the last election campaign as being partly free and not fair. Why? Mainly because the Moldovan authorities did not comply with the Venice Commission's standards and failed to ensure a fair environment for all candidates: dozens of cases of intimidation of contestants and voters, including by the police, were confirmed; candidates were discriminated by the state authorities; the separation between the state and the Communist/ ruling party was not fully ensured, dozens of cases of misuse of the administrative recourses and electoral gift-giving were confirmed. Like in the previous campaign, the authorities did not ensure the right of all citizens to vote. The decision to have the Election Day in the middle of vacation season and in the middle of the week could compromise the ability of students, voters from Transnistrian region and those working abroad to vote. Transnistrian voters were not well informed on electoral contestants' strategies and some of them could not vote in Corjova (a locality under the Moldovan jurisdiction) because the access to the polling stations was blocked by an organized group of individuals.

Domestic, as well as OSCE's and European Parliaments' observers, reported again on inaccuracy of voters' lists which included names of deceased and unknown persons, on the media bias and misuse of resources by public authorities. They noted that the main TV and radio channels failed to cover all candidates in a fair and balanced manner in their newscasts, favoring the Communist Party both in terms of time and tone of coverage, and discrediting the opposition parties; in many cases, the media did not comply with the Broadcasting Code, Electoral Code and Central Election Commission Regulation on media coverage during the election campaign; and the Broadcast Coordinating Council failed to enforce legislation requiring impartial and balanced coverage of the campaign.

Even under such circumstances, people showed increased interest to these elections and did vote actively, with about 60% of voters' turnout. These results show that most people do realize that they are the ones to decide the future of the country, that they are the ones who can punish a political party by not voting for it or by voting for another party.

The post-election period: What do we have after July 29? Five parties did pass the threshold of 5% and did enter the new Parliament, the Communist Party leading with 48 seats and four opposition parties having 53 seats. Since no party succeeded to win the majority of seats in the Parliament, no one can form the government and elect the new president by itself. Negotiations among opposition parties have started earlier this week; hopefully they will manage to overcome tensions and will be able to create a coalition in order to elect a president, form a government and start working.

Priorities: First of all the new government should develop programs and take actions to ensure the respect for the rule of law and human rights. Judiciary reform in order to

depoliticize the legal system is needed in this respect. Also, members of the new coalition should develop a platform oriented towards uniting the country; they should join their efforts to bring to an end the political crisis and, implicitly, to diminish the effects of the economic crisis. Programs that would enhance the investment climate and business environment in order to overcome the economic crisis should be developed, whereas re-establishing normal relations with the International Monetary Fund and the World Bank should be a priority.

Also, the new coalition should focus on eliminating gaps that were mentioned in the country report on EU—Moldova Action Plan, such as ensuring independence of judiciary, freedom of the media and freedom of expression, fighting corruption and guaranteeing fairness in future elections. Programs oriented to support the media development, to create a fair environment for all media, not based on their loyalty towards the government, should be promoted. Only in this way the democratization of the country will be possible.

Evidently, it is the Moldovan authorities' responsibility to ensure all these democratic reforms. But they will need support from governments with greater expertise. The United States and the EU have a significant role to play in this respect. The democracy support programs of the US and the EU, such as the Millennium Challenge Account and European Union's Neighborhood Policy, will assist Moldova in its efforts to strengthen the democratic institutions. Also, strengthening civil society and the press through a series of democracy-support activities will benefit not only those organizations, but the whole society in the long run.

Thank you.

PREPARED STATEMENT OF LOUIS O'NEILL, FORMER AMBASSADOR/HEAD OF MISSION FOR MOLDOVA, OSCE

Mr. Chairman:

Thank you for inviting me to share my views on the situation in the Republic of Moldova and the prospects for change following the repeat parliamentary elections there on July 29. I very much appreciate the Commission on Security and Cooperation in Europe's interest in the fate and well-being of this small, but not insignificant country. I join many others in gratitude for your public statements, Mr. Chairman, in advance of these most recent elections and following the troubles after the April vote. It is a pleasure to join Ambassador Chirtoaca, Mrs. Cusnir and Mrs. Gogu today in briefing the panel, and I am grateful to Vlad Spanu and the Moldova Foundation for their vital, ongoing work in publicizing and explaining events in Moldova to a large audience.

THE CURRENT POLITICAL SITUATION

The results of last week's elections have the potential to represent an important step forward for Moldova, as like-minded reformist parties won a slim simple majority in the legislature over the ruling Communists in a contest seen as largely representing the will of the people.

These parties—the Liberal Party, the Liberal Democratic Party and the Our Moldova Alliance, joined by a Democratic Party revitalized thanks to new leadership under former parliament speaker Marian Lupu—now hold 53 seats to the Communists' 48. The four parties are currently in serious coalition talks, which if successful would put the Communists in opposition for the first time in eight years. Should they come to agreement among themselves, their simple majority gives them enough votes to elect the next speaker of parliament and to ratify the selection of the government by Moldova's president.

Just as after the April vote, however, the very serious problem remains that no group of likely allies currently has the sufficient super-majority of votes—61—required to elect the country's president. This means that absent some kind of coalition with, or defection from, the Communists, Moldova faces the same danger of deadlock and dissolution of parliament that followed the last elections. Only this time the roles are reversed, with the Communists enjoying a blocking minority vote. Moreover, if no president is elected on two secret votes in parliament, then on the one hand the legislature must be dissolved within a short period, but on the other hand the Moldovan constitution only allows for one dissolution of parliament per year, and that has already taken place in 2009.

What this means in practice is that if no presidential candidate garners the requisite 61 votes, then parliament can only be dissolved, and new elections held, sometime in 2010.¹ This means that Moldova would have a lame-duck legislature for a significant period of time, and would have an acting president designated along the lines of succession outlined in the constitution: parliament speaker, followed by prime minister. The lack

¹Unfortunately, the Moldovan constitution and explicative legislation contain significant holes and discrepancies. For example, some scholars have suggested that article 85(3) of the constitution means that dissolution of parliament and repeat elections can take place only after April 5, 2010, i.e. one year from the date the first dissolved parliament was constituted. Others argue that the same section means that such events could take place as early as January 1, 2010.

of a stable, permanent government would present a formidable challenge to moving forward with a comprehensive reform program.

As mentioned, the opposition plus Mr. Lupu's Democrats would have enough votes to elect the speaker of parliament, who might² then become acting president (via succession, because there would be no president elected due to the deadlock) and select a government, all subject to approval by a simple majority. But in any event, this hinges on how long the current acting president, Communist leader Vladimir Voronin, is allowed to remain acting president under a circumstance where no new president is chosen. Moldovan legislation is hopelessly tangled on this point, and even the opposition has stated that this issue can only be resolved by the constitutional court, in whose fairness and balance it has expressed doubt.

Despite all this confusion, we can be sure of two things. First, acting president Voronin will attempt to remain acting president for as long as possible unless and until his preferred candidate, former prime minister Zinaida Greciani,³ is elected president. Second, the opposition will argue that acting president Voronin's mandate to serve as acting president must dissolve upon seating of the new parliament and a vote for speaker. Neither argument seems to have a stronger basis in law, as this question appears to be one of first impression.

Although Mr. Lupu is now in talks with the opposition, it must not be overlooked that his 13 seats, combined with the Communists' 48, would give such a coalition sufficient super-majority seats to elect the president outright, throwing the three allied opposition parties once again into opposition. Thus far, however, Mr. Lupu has conditioned such coalition talks with the Communists on Mr. Voronin's departure from politics, an outcome that does not seem likely. Finally, given Mr. Lupu's strong contacts in parliament thanks to his years as speaker, he has expressed optimism that he might coax eight Communist legislators to vote with the four-party bloc to elect Moldova's president, setting him on a collision course with Mr. Voronin and the Communists' well-known party discipline.

THE JULY 29 VOTE

Before addressing the implications of these events for Moldova's further democratic and institutional development, U.S.-Moldova relations and regional policy, it is important to take a closer look at the conduct of the recent elections, as well as those of April 5.

Both votes were heralded by observers from the OSCE, the Congress of Regional and Local Authorities, the Council of Europe and the Commonwealth of Independent States, among others, as largely free and fair.⁴ As regards the April 5 vote, a certain portion of the populace strongly disagreed with this assessment and took to the streets to express its displeasure with the process. I will not address here the origins of the unprecedented violence by protesters and the human rights abuses by authorities after the April 5 elections, as these have been both widely reported and remain wrapped in a degree of murkiness as to causation and responsibility.

² Again, Moldova's constitution is not clear on this point and this situation has never before been faced.

³ Mrs. Greciani is a well-respected technocrat who served as Moldova's prime minister from March 31, 2008 until May 4, 2009 and is currently acting prime minister as well.

⁴ It must be noted that the purely Moldovan observer groups, such as the League for Defense of Human Rights (LADOM) and others, were much more critical of correctness of the electoral processes in April and July than were the international groups.

It must be stressed, however, that many of the irregularities and violations (and the perception of irregularities and violations) that led to the rampages of April 7 and 8 also reappeared in the July 29 elections. These include:

- A campaign environment colored by subtle intimidation
- Bias in media coverage and advantageous media reach in favor of the ruling Communists
- Real problems with the voter lists and insufficient cooperation by the Central Election Commission in resolving them⁵
- Numerous election day problems, including carousel voting, “dead soul” voting, harassment of voters, intimidation and a host of technical violations
- The use of administrative resources by the incumbents
- The threat of politicized criminal prosecutions in the run-up to the vote

These kinds of issues are corrosive to the democratic process and hinder the free expression of voters’ will. They all still need to be addressed and eliminated by the Moldovan authorities and by Moldovan society in order to inculcate greater trust and confidence in the political system among the Moldova people.

Moreover, an analysis of the exit-polls that were run during the April and July elections provides an interesting window of corroboration of the effect of the irregularities reported by observers. These exist-polls were administered by a consortium of NGOs under the well-regarded and balanced leadership of the Institute of Public Policy. They show that in both elections the Communists improved their showing from exit polls to final results by nearly the exact amount, 4.78% in April and 4.57% in July.

By contrast, the three opposition parties lost nearly the same percentage amount both times, falling by –3.07% in April and –3.97% in July. Mr. Lupu had been a member of the Communist Party and participated with the Communist Party in the April elections. On June 10 he quit the Communists to reconstitute the Democratic Party. Many observers and opposition candidates raised the concern that Mr. Lupu was acting as a Trojan horse for the Communists to draw votes away from the opposition alliance. Mr. Lupu’s subsequent statements and actions appear strongly to belie this theory, but it is interesting to note that he saw his results virtually unchanged from exit poll (12.8% and 13 seats) to final tally (12.61%, still at 13 seats) in the July contest.

It is also worth noting that support from April to July increased for the three opposition parties by only 2.86%. Some analysts suggest that had there been a level playing field and none of the alleged fraud discussed above, then the opposition would have taken a much greater majority in parliament. Putting aside this unanswerable question, several factors help account for the non-Communist forces winning more than half the seats in July.

The first, of course, was the popular Mr. Lupu’s departure from the Communist party and decision to run an independent campaign; Mr. Lupu’s seats, combined with those the Communists won in July, roughly equal the number the Communists with Lupu garnered in April. The next was a narrowing of the field from 12 parties and five independent candidates in April to eight parties and no independents in July. Such a situation, where only the most viable parties participated in the campaign, is a new development for Moldova,

⁵A number of independent Moldovan NGOs reported problems with the lists, including the Moldovan Institute for Human Rights, directed by Vlad Lupan, who testified before this commission in September 2008.

which has seen as many as 30 candidates on the ballot in past votes. Because there were so many more candidates the first time around, but only four crossed the necessary minimum-vote threshold to enter parliament, a greater number of votes were redistributed to the entering parties in proportion to their success.⁶ This meant that the better a party's showing, the bigger the boost it got from the vote redistribution. With fewer reformist parties participating in July and Mr. Lupu's party pulling votes from the Communists, we saw much less cannibalization among parties with similar platforms in these latest elections, giving the opposition a further push. Finally, interest was very high in these elections and the number of voters actually increased by some 35,000 over the April vote, despite the fact that they took place in the dead of summer when many in Moldova are away.

In any event, it is important to remember that Mr. Voronin's Communists remain the single most popular party in Moldova. Although it is clear that they have profited from their control of significant administrative resources, including Moldova 1, the only television station that reaches the entirety of this rural nation, the Communists nonetheless have a strong base of support throughout the country and the best grass-roots organization in Moldova. They are also very popular with Russian speakers and in the Gagauz autonomous region in Moldova's south, where they performed extremely well this time. These facts must be taken into consideration when we discuss ways to get past the rancor of April and help the Moldovans find political consensus and reconciliation that might reflect the competing views in a society still closely split.

THE ECONOMY

Moldova may be Europe's poorest country, but it should not be. It enjoys a good climate and rich soil in which everything grows. It is positioned between east and west, being a direct neighbor of the European Union and a member of the Commonwealth of Independent States. Its people are smart, talented and multi-lingual. Nonetheless, Moldova has failed to throw off its Soviet legacy and modernize its economy, even as other neighboring or similarly situated countries have moved ahead quickly and decisively. What went wrong?

The last years have seen the unfortunate situation where Moldova's economic and human potential has been trapped due to the lack of a transparent, reliable and fair economic and legal playing field. Corruption, misuse of official position and the predatory advancement of personal interests over national ones remain serious problems. Rule-of-law failures mean that resolving disputes in court is not seen as an optimal solution. Inexplicable restrictions on business and arbitrary rules stifle creativity and expansion. Moldova's impressive growth during the pre-crisis economic expansion years was largely due to remittances; by some estimates up to one-quarter of the population lives and works abroad, sending back funds that at one point equaled about 25% of GDP.

Now, in light of the global economic meltdown, those remittances have plummeted by 33% year-over-year. Overseas workers—who are split roughly between Russia (mostly men in construction, roughnecking, and labor) and the west (a more typically female destination involving health care and services)—are beginning to return due to economic

⁶Moldova has always used the D'Hondt Formula for redistributing votes of those parties which fail to pass the threshold for entry into parliament. Now, the Liberal Party is challenging this approach in court.

contractions in their host countries. Before the elections, the Communist government burned through its foreign currency reserves to support the Moldovan leu and to ensure that the social-benefit payments were made on time, especially to its key constituents. It is not clear how much longer this can continue, and it appears that very hard economic times may be ahead. Moldova's penury is also a significant human rights issue, for without doubt it contributes to putting people who have few alternatives at risk of being trafficked for sexual and labor exploitation, a grave and continuing problem in Moldova.

Whoever becomes the next president of Moldova will have a daunting array of economic issues to face, including an enormous budget gap, little value-added production and serious structural deficiencies. These challenges require that the new government waste little time in implementing a comprehensive program of economic liberalization combined with serious measures to combat corruption and attract foreign capital and investment. There is also a chance that if it does not act quickly to establish a substantive base for real economic development (and not just the remittance-driven consumption that gave the mere appearance of growth) then the country's new leadership could be held responsible for continuing poverty in Moldova and punished for it by the electorate.

During the second campaign, the Communists were very successful in drawing pledges of highly attractive foreign loans from the Russian and Chinese governments. These countries do not appear to be using such loans to encourage conformity with human rights norms, or improvements in legislation or greater transparency. A month before the July elections, Moscow proposed a \$500 million credit, which acting President Voronin described as a "political decision" by Moscow, implying for the electorate the Kremlin's support for him. The loan's first tranche, according to Russian Prime Minister Putin, "could reach Moldova within the next six weeks or two months." That means that the money might appear by mid-to-late August. But if the Communists move into the opposition, it remains an open question whether any of this money will be forthcoming.

The Chinese loan, amounting to \$1 billion to be run through China's largest construction company, Covec, would be dedicated to infrastructure and industrialization projects using Chinese equipment and expertise and Moldovan labor. Although the Chinese credit seems to be consistent with China's larger economic interests abroad and at home, Beijing may also be reconsidering its move in light of the electoral outcome.

This underscores the importance of the U.S. Millennium Challenge Corporation's engagement with Moldova. MCC has been working with government and civil society leaders in Moldova over the past three years to implement a \$24.7 million grant to reduce corruption in the public sector through judicial reform, civil society and mass media monitoring, and reforms in health care, tax, customs and police administration. This program is largely complete and the threshold money has been disbursed.

Moldova is currently eligible for a larger-scale assistance package, called a Millennium Challenge Compact, and has been developing proposals for potential investments in transport and agricultural projects intended to reduce poverty through sustainable economic growth. The MCC Board of Directors is expected to decide this year whether to fund this program. The grant money contemplated would be based on Moldova's demonstrated commitment to policies that promote political and economic freedom, investments in education and health, the fight against human trafficking, the sustainable use of natural resources, control of corruption, and respect for civil liberties and the rule of law, as measured by 17 different policy indicators.

It is very important that Moldova's new leadership move quickly to assure the pre-conditions necessary for the release of MCC money. It is equally necessary that the MCC Board take a careful look at the political and economic situation in which Moldova now finds itself and not hold this country to a higher standard than other countries which have successfully moved to the Compact phase. With up to \$700 million at stake, if disbursed rapidly but carefully, these funds could do much to improve the lives of ordinary Moldovans while reinforcing such key areas as the rule of law, fairness in society and judicial independence. The MCC, the EU's new Eastern Partnership program and the IMF⁷ should coordinate to unlock the capacity of this country and help its people to reach their full economic and democratic potential.

TRANSNISTRIAN SETTLEMENT

As they have during every Moldovan election, the Transnistrian authorities complicated voting in the Moldovan-controlled villages on the left bank of the Nistru River, most notably in Corjova. This heavy-handedness is another reminder of the obstacles remaining to Transnistrian settlement with respect for Moldova's territorial integrity and sovereignty, but with a special status for the breakaway region.

The election outcome has done nothing to soften the Transnistrian leaders' insistence on independence for their region and "good neighborly relations" with Moldova. Absent an unexpected sea change in the Kremlin's policy, Moscow will likely keep the Transnistrian conflict on a very low simmer and continue to block any meaningful chance of real, good faith negotiations between Chisinau and Tiraspol in the 5+2 format.

In light of this, as I have long advocated, the only way to change the game is by helping Moldova make itself more attractive to its own population, to the European Union and to its own Transnistrian region.⁸ Given the systemic problems in Moldova, this approach requires a steady step-by-step fortitude to bring real results through the hard work of reform. It is not an overnight solution, but if the Moldovans do pursue meaningful structural change to build a more just, open and prosperous society, they will certainly make it harder for Tiraspol to argue that there is no benefit in being a part of Moldova. What Moscow says, of course, is another matter. But with a linguistic, political and cultural divide growing each year between Moldova and its Transnistrian region, there is no time to waste.

REFORM AND PROSPECTS FOR EUROPEAN INTEGRATION

Public opinion polls consistently show that the vast majority of the Moldovan population favors a sovereign, independent Moldova with a European future. For most of the last decade, the Communist Party has co-opted this desire for political purposes but largely paid lip-service to it when it comes to undertaking the arduous work of reform that would realize this aspiration. We have seen the Communist leadership tack the country's foreign policy orientation east and west repeatedly, most recently turning to the orient once again in advance of these elections.

⁷ Which hopefully will be able to return to Moldova in the nearest future. The IMF left the country in June in frustration over the political uncertainty following the April impasse.

⁸ Transnistrian lead negotiator Valerii Litskai once quipped to me that "Transnistria would join Moldova tomorrow if it were like Switzerland. Alas, it is not and it won't be."

For cultural, historical, linguistic, economic and territorial reasons, there is no doubt that Moldova should have good relations with Moscow. Its immediate neighbor, however, is the European Union and the demographic reality is that a new generation demands European integration. Now that a coalition of reformist and solidly pro-European parties have won a slim majority, it is important that the country strike while the iron is hot to begin the long-deferred reforms that will make it a more vibrant, attractive, prosperous nation. Progress is particularly urgent in the following areas:

Legal and Judicial Reform. Moldova has had a significant problem with politicized prosecutions against the political and business rivals of those in power. These undercut trust in the rule of law and fundamental fairness in society and must be stopped immediately. Moldova's judiciary has not yet been up to the task of acting as a serious check to executive power. Creating a truly professional, independent judiciary is perhaps the most significant—and likely the most difficult—reform challenge facing Moldova.⁹

Police Reform. The brutality by law enforcement officers following the events of April 7 and 8 illustrate a problem that has existed in Moldova since long before young protesters got out of hand and attacked government buildings. Some progress has been made, but torture occurs far too frequently in Moldovan police stations and prisons. Moldova needs to better police its police and provide a more trusted independent review process for claims of torture or other arbitrary behavior by agents of the state.

Freedom of the Press and Assembly. Monitoring reports from the April and July elections emphasized bias in media coverage and advantageous media reach thanks to control of Moldova's only truly national station, Moldova 1, by the ruling Communists. Ideally, Moldova would not have a government-controlled station. In the past, concerns over crony privatization suggested that a better route would be transformation of Moldova 1 into a legitimate public broadcaster. If this is undertaken, great care needs to be taken to depoliticize its regulatory body, the Audiovisual Coordinating Council. Consideration should even be given to adding directors from the European Union to such a reformed broadcaster's board of overseers. Similarly, freedom of assembly must be guaranteed without undue and unreasonable restriction—this has not always been the case in Moldova.

Combating Corruption. There is no issue that more directly touches more Moldovans than the fear of being shaken down for a bribe. From university students taking exams to businessmen trying to expand, corruption remains a bitter tax on this country's potential. Urgent measures need to be taken to change the country's culture of corruption.

Economic Liberalization. As already discussed, Moldova's economy cannot grow without fair business rules that apply to all, without exception. In the face of economic crisis, it is crucial to create a legal structure that encourages small and medium enterprises, foreign investment in Moldova and the de-linking of political power from business success.

Political Maturity. As our Russian friends say, "the fish rots from the head." Although it cannot be legislated or brought about through a program of reform, it is very important that Moldova's new government lead by an example of rectitude and transparency. This means that power must not be seen as a means to advance one's personal agenda but rather to promote the national interest. The opposition will be tempted—we

⁹In 2007 the OSCE Mission to Moldova released a valuable road-map for improvements in the Moldovan judicial system with its "Six-Month Analytical Report: Preliminary Findings on the Experience of Going to Court in Moldova."

have already seen danger signs¹⁰ of this—to exact retribution from the Communists for what it sees as the indignities it has suffered for eight years at their hands. For the good of Moldovan society, it must not fall prey to this temptation, particularly given the structural weaknesses in the rule of law already discussed.

U.S. SUPPORT

The outcome of these elections does not represent an end in itself. Rather, Moldova's new political configuration should be seen as merely setting the table for the laborious steps of reform that still must be undertaken. There is much that the United States can do to help Moldova move beyond its Communist legacy to become a more open and prosperous society.

First, as this Committee has laudably done, is to shine a spotlight on Moldova and keep attention focused on the country's democratic development. The world is filled with serious international threats that are of a higher priority than reform in a small, post-Soviet nation. But even modest support and encouragement—things as simple as regular visits by top policy makers—will give more bang for the buck here than they might elsewhere. It is important to send a clear and early signal that reform must be undertaken now, and sustained without backsliding.

Second, Moldova must avoid the descent into petty, ambition-driven squabbling that has so enervated momentum for reform in neighboring Ukraine following the Orange Revolution. Dislike for the Communists among the opposition will not wish away their significant support among certain segments of the Moldovan population. Moldovan society is looking for leadership and direction from its politicians, not score-settling. The U.S. must encourage principles—reconciliation and collaboration—over personalities and must steer clear of being drawn into someone else's fight.

Third, the time is ripe for greater assistance to Moldova's political parties and civil society. The National Democratic Institute and the International Republican Institute should be encouraged to expand their programs in Moldova to advance good governance, provide better openness and accountability in government, develop youth leadership and continue the necessary work on electoral reform that has been revealed by the irregularities in April and July.

Fourth, legal and judicial reform in Moldova must be a top priority. Groups like the American Bar Association's Central European and Eurasian Law Initiative have done yeoman's work to advance this cause. More training for prosecutors and judges is needed, and self-regulatory organizations, like local bar associations, should be strengthened. Coordination could be improved among the OSCE Mission, the various European groups and U.S. initiatives working to promote development in this area.

Fifth, the MCC's Board of Directors should take a careful and expedited look at moving ahead with Compact status for Moldova. U.S. financial help is sorely needed now, but of course it should not come at the expense of standards. Excitement over the results of one election must not, alone, change the calculus in determining whether to proceed,

¹⁰For example, Moldovan Political analysts Petru Bogatu declared on August 4 that Voronin "should be treated like Milosevic." "The Parliamentary Majority Should Not Negotiate Immunity With Voronin," Info-Prim Neo, August 4, 2009, <http://www.info-prim.md/?x=553&y=24954>.

but at the same time Moldova should not be held to a higher grade than similarly-situated countries which have already passed the threshold.

Finally, in the spirit of “reset,” the U.S. should encourage Moscow to engage in real, sustained, good-faith talks at a decision-maker level in the 5+2 format on resolution of the Transnistrian conflict. There are many reasons why this long-standing issue is eminently solvable—Moldova’s constitutional neutrality, its linguistic plurality, distance from Russia, and the lack of any cultural or religious enmity between the sides—and having genuine negotiations where significant give-and-take is required would, I believe, help improve the situation both across the Nistru River and between Washington and Moscow. It might even solve the conflict.

Moldova’s people have expressed their desire for a better future, and now it is up to their leaders to follow through with concrete results. The reform steps outlined in this briefing are by no means simple, but they can be accomplished with focus, dedication and appropriate assistance. Thank you, Mr. Chairman for the opportunity to present these thoughts.



This is an official publication of the **Commission on Security and Cooperation in Europe**.



This publication is intended to document developments and trends in participating States of the Organization for Security and Cooperation in Europe (OSCE).



All Commission publications may be freely reproduced, in any form, with appropriate credit. The Commission encourages the widest possible dissemination of its publications.



<http://www.csce.gov>

The Commission's Web site provides access to the latest press releases and reports, as well as hearings and briefings. Using the Commission's electronic subscription service, readers are able to receive press releases, articles, and other materials by topic or countries of particular interest.

Please subscribe today.