

The Origins of Foreign Policy Shifts in Moldova

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Executive summary

This article argues that Moldova's foreign policy has witnessed important shifts that have led to the end of the multi-vector policy of recent years and to embarking on the path of European integration. Despite the relatively good results in some reforms and a few deliverables as an outcome of advanced co-operation with Brussels, public support for European integration has decreased on the background of corruption scandals and society is more polarised. The difficult relations between Moscow and the EU over the Eastern Partnership states have created a situation of a zero-sum game that forces states in the region to take sides.

Several factors influenced the Moldovan orientation towards the EU and the polarisation of society, but above all, the fear of Russia - given the previous mostly negative experience and historical legacies- has created a propensity for Chisinau to look westward.

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The significant shift in public opinion came from the fact that in moments of critical choice, the public is rather cautious and because of the events in Ukraine, puts higher value on personal security than on state strategies. Thus, new challenges in the region, depending on the outcomes of relations between Russia and the West, are likely to have implications for Moldova's foreign policy - and a potential return to a multi-vector policy should not be excluded.

Introduction

As the competing integration projects in the “common neighbourhood” of the EU and Russia became more nuanced, the options for Moldovan foreign policy were narrowed and partly predetermined. Formerly a country with limited willingness to conduct a dynamic foreign policy, today Moldova is playing an active role in shaping what some have called a “success story” in the Eastern Partnership. Despite the significant shortcomings of the Moldovan “success story” and the regress in many reforms, it is still among the best in the region in terms of the path to European integration so far.²

Yet, as European integration became the only game in town for the governing alliance, both in terms of internal and foreign policy, aggressive Russian criticism and actions have followed, intended to put on hold Moldova's plans to sign the Association Agreement with the EU. Moscow's efforts to roll back Moldova's European integration plans, however, have not had the effect that Russia desired on the foreign policy of Chisinau. Under threat from Moscow that Moldova would lose Transnistria and that

² For a detailed comparison of Eastern Partnership states in terms of European integration, please see Index of European Integration for Eastern Partnership States 2014, available at: <http://www.eap-index.eu>

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Russia would fuel separatist movements in the autonomous region of Gagauzia, the government of Moldova signed the agreement with the EU and pursued closer relations with the bloc. Nevertheless, the irreversibility of the process of European integration is not assured, especially taking into account the Russian-Ukrainian conflict.

Moldova's foreign policy trends and causes

Moldova's foreign policy has experienced several trends since independence, but in general three key directions could be underlined. The first that was inherited from the Soviet Union past is a foreign policy carried out within the parameters shaped by Moscow and which does not require a proactive position, because it is based on the principle that Moldova complies with the rules imposed by Russia and Moscow defends Moldova's interests in relation to other actors. Such a policy was in place after 1994 when the first wave of disappointment about independence swept through. This model is of some significance today because it is informally implemented through the creation of the Customs Union. The trade-off is to unofficially surrender to Russia a degree of sovereignty, and Moscow will take care of the country's political, economic and trade regime when negotiating with other actors such as the EU or the WTO³. The second trend that was based rather on emotions than on practical issues was the Romania-centered foreign policy. This trend was shaped simultaneously with the National Liberation Movement in Moldova but lost momentum in the mid-1990s because of lack of substance (concrete projects) in the dialogue. The Romania-centered policy has been returning to the agenda because of the strengthening of Romania and the subsequent increase of its ca-

³ For instance, before the war, Russia proposed to cover the financial obligations of Ukraine to the WTO if Kyiv would join the Customs Union.

capacity, both political and economic, the inefficiency of Moldovan government, but also through people-to-people contacts and projects carried out by Bucharest, making the latter more capable of influencing the agenda of the government in Moldova. The failure of the Romania-centered policy in the mid-1990s created strong momentum for developing a foreign policy orientated towards the EU. The model of foreign policy focused on the EU could be simplified to the following definition: the country undertakes reforms and takes the responsibility on its own shoulders, and the EU provides support and advances political co-operation. Given that the EU became a very important actor in defining and implementing foreign policy, and because of a partial overlap with Romania's interests in Moldova, the EU option absorbed and neutralised to a great extent the Romania-centered foreign policy model. Basically, the combination of the three foreign policy trends created in the late 1990s and early 2000s the so-called multi-vector policy. This means a policy lacking strategic direction and results, and of balancing between the West and Russia, trying to use differences between them to its advantage⁴. Other countries in the region, such as Ukraine, Georgia and Armenia, have used this approach in the past.

Since the start of the new governing coalition in 2009 to the present day, 2014, there have been two important changes in Moldova's foreign policy. First, the foreign policy of Moldova has witnessed a sharp transformation to making European integration top priority, meaning an end to the multi-vector policy. This became obvious when Moldova's authorities signed the Association Agreement that includes the DCFTA and which excludes

⁴ "President Yanukovich Returns to Multi-Vector Foreign Policy", *Eurasia Daily Monitor*, Vol.7, Issue 106. Available at: http://www.jamestown.org/single/?no_cache=1&tx_ttnews%5Btt_news%5D=36446#.VCSN_r4it3Y

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the possibility of joining other integration formats such as the Customs Union. Second, once European integration became the main priority, the consensus on European integration that was in place from 2005 to 2012, that saw it as the only and the best option, has come into question among some of the political elite and among half of the public. At the same time, there is a growing polarisation in society on the issue. Although the two changes seem not to be connected, it is likely that both have the same cause – fear of Russia. However difficult to prove a clear-cut connection, the historical legacies of Moldova show that many policies chosen by decision-makers were guided by fears and today's rearrangement of foreign policy is the result of the same principle. The mainly negative experience of Moldova's "participation" in the Soviet Union, the Russian-backed break-away region of Transnistria and the bitter relations with Russia in the 23 years of independence cannot be overlooked. The two actors, Russia and the West, around which Moldova gravitates currently, have applied different models of policy towards Chisinau. The EU's positive conditionality was implemented in accordance with the model by which Moldova carries out reforms and gets rewards in return. If Moldova does not implement reforms, then no support follows, but also no punishment. In contrast, Russia's approach is a combination of hard and soft security tools, often applying negative conditionality such as energy tools or trade restrictions, which means that if Moldova acts to the detriment of Russian interest, it is punished⁵.

Domestic disagreement in Moldovan society over the foreign policy options was exacerbated by the rivalry between the EU

⁵ For detailed research on positive and negative conditionality, see Frank Schimmelfennig, *Europeanization beyond the member states*, 2010. Available at: http://www.eup.ethz.ch/people/schimmelfennig/publications/10_ZSE_Europeanization__manuscript_.pdf

and Russia in the common neighbourhood. Therefore, in addition to the negotiations of EaP countries with Russia and the EU, a second level of negotiations between Brussels and Moscow emerged, where Chisinau, unfortunately, has little, if nothing, to say. The polarisation leaves no room to manoeuvre and Moldova, alike other countries in the region, in particular Ukraine and Georgia, had to choose between the EU and Russia. This means that neutrality in terms of integration projects is almost impossible. The choice in favour of the EU was a semi-conscious decision based on the fear that choosing Russia might result in a total loss of capacity to take strategic decisions independently. At the same time, in the case of the EU, even if the choice is unpleasant for the political elite because of Brussels' insistence on reform and fighting corruption, the conditions are still better because of moderate independence to take decisions.

The choice made by Moldova led to the conclusion and provisional implementation of the Association Agreement, entry into force of merit-based visa liberalisation, significant funding for upgrading infrastructure, liberalisation of the aviation market and many other benefits that bring Moldova closer to the EU. But surprisingly, due to corruption scandals that emerged in the banking sector, all the benefits have not created more support for European integration among the population. On the contrary, euro-skepticism has risen, the EU being supported by 35% and the Customs Union by 38%⁶. There are many reasons for this, including the fear of losing stability (even if it is a bad stability).

⁶ "Barometer of Public Opinion", *IPP*, April 2014. Available at: http://ipp.md/public/files/Barometru/Rezumat_de_presa_BOP_04_2014_2-rg.pdf

⁷ For detailed research of post-Soviet patterns, see *How to get Rid of Post-Sovietness*, Institute of World Policy, Kyiv, 2013. Available at: <http://pasos.org/9072/how-to-get-rid-of-post-sovietness/>

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This fear has been an important factor and has been one of the key attributes of the post-Soviet patterns of behaviour⁷. Because of the EU-Russia enmity, the erosion of the regional status quo through the Russian invasion of Ukraine and the creation of a zero-sum game atmosphere, the citizens of Moldova had to make a real choice and not a theoretical one. The difference is that a few years ago, the question of the choice between integration into the EU and integration into the Customs Union (CU) was still an abstract issue for ordinary citizens. The choices were not necessarily mutually exclusive, but now, the same question has a different weight and meaning because of reaching the moment of critical choice when Moldova was squeezed between the EU and Russia. Reaching the moment of critical choice means having to reassess the risks and threats also from the personal (individual) perspective. The “picture” of Russia’s aggression in Ukraine has meant that more people’s opinions are shaped by their feelings about their personal security. This is in contrast to decision-makers whose choices must be based on the benefits for the country, ahead of considerations of personal security. Opinion polls⁸ carried out in Moldova in May 2014 show how society reassesses attitudes at moments of critical choice. The questions focused on 19 criteria that are among the most important for the population, including life expectancy, crime levels, the fight against corruption, prices, poverty, salary levels and unemployment, etc. Those polled were asked to say which was better, the EU or CU. On 17 criteria, the EU significantly outdid the CU, results regarding one criterion

⁸ “Ce cred cetățenii Republicii Moldova despre Uniunea Europeană și Uniunea Vamală: sondaj de opinie” [What Moldovan citizens think about the European Union and the Customs Union: public opinion survey], CBS-AXA, May 2014. Available at: <http://infoeuropa.md/comunicare/ce-cred-cetatenii-republicii-moldova-despre-uniunea-europeana-si-uniunea-vamala-sondaj-de-opinie/>

were close to even and on one criterion, the CU considerably outdid the EU. But although most of those polled saw the EU as more attractive in almost all areas, they said that the most important questions that the country was facing could be solved by joining the Customs Union. Such cognitive dissonance among the public is the result of fear, insufficient information and limited capacity to reach evidence-based judgments, as well as the aggressive Russian propaganda.

Be brave or surrender

The countries in the Eastern Partnership have a clear list of advantages and disadvantages from integration into the EU or CU. While Brussels offers midterm sustainable development through the path of reforms and free trade, financial assistance and political support, Moscow's offer is cheap gas and non-escalation of the territorial conflicts within the country that would have an immediate impact but grim perspectives in the future.

The regional context does not allow Moldova to deal alone with the challenges ahead and therefore Chisinau will have to adjust its foreign policy in the direction of balancing between the East and the West if pressures emanating from Moscow continue. Ideally, the best option for Moldova would be to apply for EU membership in 2015-2016. But with current developments, this scenario is less realistic, especially given that the results of the November 2014 parliamentary elections informally brought the communist party to governance, a party that traditionally has significant euro-skeptic attitudes⁹. In this context, the basic task or the emergency plan for Moldova would be to slow the Euro-

⁹ The Party of Communists is not officially part of the governing alliance. However, de facto it supports the current alliance.

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pean integration process and to return to a multi-vector policy. This is a wasteful policy in terms of economic development, but at least it keeps the security status quo until a new environment is formed that makes it viable to continue the integration project. Certainly, the outcome of the Russia-EU conflict on Ukraine will play a significant role in how Moldova adjusts its foreign policy. The decision, taken at the insistence of Russia, to postpone until 2016¹⁰ the implementation of the economic part (DCFTA) of the Association Agreement between the EU and Ukraine is a sign that “European irreversibility” can be negotiated. The EU has done disfavoured to Moldova and Georgia by negotiating the “non-negotiable” in a situation where Russia was not able to prove the potential losses and damage to the Russian economy that the Kremlin claimed as a result of DCFTA implementation in Georgia, Ukraine and Moldova. Because it has accepted the postponement of the DCFTA with Ukraine, Brussels will have to convince Moscow that the DCFTA is not damaging to the Russian economy, while previously the Kremlin would have had to convince the EU that it is bad for its economy. But the EU-Russia debate and the changes in the DCFTA requested by Moscow¹¹ show that the real fear, this time on the part of Russia, is the loss of political and economic control over Ukraine and other countries that have

¹⁰ EU Neighbourhood Info Centre, *EU ready to postpone implementation of free trade deal with Ukraine*, EU Neighbourhood Info Centre, 15 September 2014. Available at: <http://www.enpiinfo.eu/eastportal/news/latest/38365/EU-ready-to-postpone-implementation-of-free-trade-deal-with-Ukraine>

¹¹ “Россия выдвинула Украине и ЕС свой список изменений в Соглашение об ассоциации” [Russia put forward to Ukraine and the EU its list of amendments to the Association Agreement], *ZN.UA Novosti*, 10 September 2014. Available at: http://zn.ua/POLITICS/rossiya-vydvynula-ukraine-i-es-svoy-spisok-izmeneniy-v-soglashenie-ob-associacii-152721_.html

embarked on the association process with the EU. A further issue is that the EU is no longer an inoffensive organisation for Russian interests in the region because it creates significant problems for Moscow's seeking to project its influence in the respective countries.

Conclusions and recommendations

Moldova will continue its efforts to conduct an active and broadly independent foreign policy. However, in the current regional context, Chisinau is not going to be able to do this alone. The support of the EU is crucial, while greater interest on the part of the US, which was largely absent from the region in the past decade, would fortify Moldova's capacity to withstand. A failure by the West to stand behind countries such as Ukraine, Georgia and Moldova would seriously discourage the democratisation processes in the post-Soviet area.

Moldova's fear of Russia and the willingness to get closer to the EU has prompted a dynamic reform process and a courageous foreign policy but the corrupted political elite and the lack of wider public support will create additional challenges. Therefore, if the outcome of the war in Ukraine will be in favour of Russia, the Moldovan government will most likely have to adjust its policy in order to avoid Russian-backed diversions and violent confrontations on its territory. At the same time, the West should help Moldova's citizens in moments of critical choice to choose development over dependence.