

NEWSLETTER

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Parliamentary elections in Moldova – what to expect?

Parliamentary elections are set to take place in Moldova on February 24th. Similar to prior elections the government introduced new rules, which are supposed to influence the results somewhat. Among others, there is a new electoral system and the possibility to have referendums on election day.

According to polls, there are three main players: the pro-Russian Socialists' Party with 35%-45% of votes, which are led informally by the pro-Russian president Igor Dodon. The pro-Western ACUM bloc around Maia Sandu and Andrei Nastase with 18%-30% of votes, and the ruling Democratic Party of Vlad Plahotniuc with 11%-21% of votes, which benefit from a dominant position in administration and recently appointed candidates for new terms to several independent institutions, such as the Constitutional Court.

Three scenarios are imaginable after elections. First, a socialists-led government. They are close to a majority even alone and a coalition between Democrats and ACUM is difficult to imagine. A socialists-led government should bring Moldova closer to Russia. Second, the Democratic Party remains in power similar to the aftermath of 2014 elections, when MPs from other parties have joined the Democratic Party in large numbers. This would maintain the status-quo. And third, a deadlock leading to early elections can't be ruled out.

The campaign - plenty of new rules

Traditionally, elections in Moldova are preceded by changes to the rules of the game and the parliamentary elections on February 24th are no exception. A mixed electoral system was introduced in the summer of 2018, according to which 50 members of parliament (MPs) will be elected on national lists, while the other 51 will be representing single-member constituencies. The latter applies the 'first-past-the-post' model, meaning there is no second round and the top-ranked candidate gets the seat regardless of the score.

Legislation was also changed to allow referendums on election day. The consultative referendum that will take place on the same day was initiated by the ruling Democratic Party and has two questions: "Do you agree to reduce the number of MP's from 101 to 61?" and "Do you support the right of the people to recall (fire) MP's if they do not properly fulfill their obligations?".

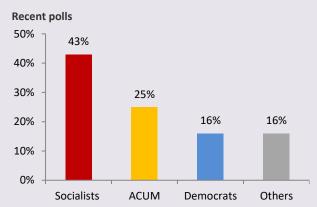
Among other tweaks worth mentioning are: (1) voters with expired passports won't be allowed to vote (affecting mostly distant diaspora), (2) minimum voter participation threshold was canceled and (3) campaigning is now allowed on election day and the day before – previously, these were 'silence days' and mayoral

elections of 2018 in Chisinau were controversially annulled by the Central Electoral Committee and the judicial under that provision, after the winner had used social media to call people to vote on election day.

The candidates – three main players

According to recent polls, there are three key candidates in this campaign: (1) the pro-Russian Socialists, (2) the pro-Western ACUM bloc and (3) the ruling Democrats. At least ten other parties are unlikely to pass the 6% threshold with very few having real chance of winning 1-2 constituencies.

The pro-Russian Socialists' Party, supported by president Dodon, is expected to win 35%-45% of votes, which also makes it a huge favorite for the single-member constituencies, especially in the more Russophile areas.



Source: alegeri.md; list of all recent polls, in Romanian

The opposition block ACUM, led by Maia Sandu (PAS) and Andrei Nastase (DA) would sum up 18%-30% according to different polls. Their only rather safe constituencies are the 2 with western diaspora (North America and Europe), but inside the country they are in check by a lot of independent and not-so-independent candidates. The opposition leader Andrei Nastase (DA), for example, is running against a former policeman with almost the same name – Andrei Nastas and three other pro-European candidates, in addition to the 2 main competitors.

The ruling Democratic Party polls at 11%-21% of votes and is expected to benefit from its heavily dominant position in administration at all levels. The Democrats have prepared well for any scenario and have recently appointed their people to many key positions at several independent institutions including (half of the judges at) the Constitutional Court. Most of these mandates would last beyond the next legislature.

The only other player considered safe to win at least one constituency is Ilan Shor – a figure widely believed



to have been involved in the "USD 1 bn theft", as hinted by the Kroll reports. He may have a shot at other constituencies around the town of Orhei and is also growing steadily in national polls and seems to be getting really close to the 6% threshold.

The outcome - not without Socialists

Scenario 1 – socialists-led government

As there is almost no chance for ACUM to create an alliance with the ruling Democrats, it is very hard to imagine a new coalition without the Socialists. The latter, led informally by the pro-Russian president Igor Dodon, will be in pole position and will have the freedom to negotiate across the spectrum. As there is also a chance for the Socialists to have a (near) majority alone, the new government is very likely to become pro-Russian, at least to some extent.

A coalition led by Socialists should bring Moldova closer to Russia – economically and politically. Some key reforms, like the administrative reform may be at least halted. There could be new attempts at solving the Transnistrian conflict on Russian terms, similar to the 2003 Kozak memorandum. Economically it would mean more opportunities for Moldovan agricultural producers on the Russian market, but also reactions from EU, Romania and Ukraine. On the other hand, both Romania and Ukraine may be quite busy with their own presidential elections this year (Mar-Apr in Ukraine and Nov-Dec in Romania).

Scenario 2 – something borrowed, something blue

In the aftermath of the 2014 elections, the Democratic Party proved its ability to form and lead a majority, after getting only 15.8% of the popular vote (19 mandates). They had been very successful in convincing MP's from all parties to join them in very large numbers. Even if they manage to attract all independents and smaller parties, they would be unlikely to gain a majority without the Socialist Party, or quite a few of their people.

A coalition led by the Democrats would maintain the status-quo, with gestures and declarations supporting EU integration. Negotiations with EU would continue, using the Russian influence card and western partners may be pushed towards giving in some more in the name of realpolitik. Pro-business reforms would probably continue, but influence over independent institutions is unlikely to weaken in the short-term.

Scenario 3 – early elections

Moldova has succeeded in surprising the political observer in the recent years. It's had a minority government, an ex-Prime Minister which was prosecuted, immense migration of MP's and annulment of elections.

A temporary deadlock is unlikely to lead to early elections right away as very few are into the extra spending, normally. On the other hand, with the local elections

approaching in just a few months, synergies can be achieved by organizing them on the same day, which would make the cost less of an issue.

Either way, one can only hope that state institutions, such as the judiciary, don't get involved in the process as happened after the mayoral elections in Chisinau last year.

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Note: This text is the sole responsibility of the author and does not necessarily reflect the opinion of the German Economic Team.

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