

Briefing :: Moldova: The Growing Pains of Democracy

Commission on Security & Cooperation in Europe: U.S. Helsinki Commission

"Moldova: The Growing Pains of Democracy"

Witnesses:

Igor Munteanu,
Ambassador of Moldova to the United States, Canada and Mexico;

William Hill,
Professor, National Security Strategy,
National War College;

Matthew Rojansky,
Deputy Director, Russia and Eurasia Program,
Carnegie Endowment

The Hearing Was Held From 2:00 to 4:00 in Room 2200, Rayburn House Office Building, Washington, D.C., Kyle Parker, CSCE, Moderating

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KYLE PARKER: (In progress) - about to begin. It looks like it's just after 2:00. On behalf of Chairman Smith and Co-Chairman Cardin and all of our commissioners, I'd like to welcome you to our discussion on recent developments in Moldova, most notably being the December elections in Transnistria and what they may portend for the future in terms of normalization of the conflict that has existed now a couple of decades.

And we are very privileged here to have an expert panel: Ambassador Bill Hill with the National War College, formerly OSCE mission head in Moldova; and

Dr.

Matthew Rojansky with Carnegie, a noted scholar on the region; and of course very pleased to be joined by His Excellency Igor Munteanu, the ambassador of the Republic of Moldova to not just the United States but to Canada, Mexico and, I believe, most recently Brazil.

AMBASSADOR IGOR MUNTEANU: No, not yet.

MR. PARKER: Not yet, so I hope I didn't disclose any state secrets.

But the Helsinki Commission has a - has long focused on the conflicts in the post-Soviet space, now 20 years. And while the conflict around Transnistria has been, thankfully, among the quietest, it nevertheless remains a wound at the crossroads of Europe and hinders the full realization of peace and prosperity in the region.

The Helsinki process addresses three distinct dimensions - related but distinct: the security dimension, the economic and commercial dimension, and human dimension. But we here at the Helsinki Commission focus on the human dimension, which I think we rightfully see as something that can never be relegated as just another issue. After all, it is - it is humans. We're talking about human rights.

And to that end, I'd just like to remark and point out a variety of recent respected indicators that measure compliance with human rights commitments, which Moldova has led the countries of the commonwealth of independent states.

I think just last week Reporters Without Borders had ranked Moldova just behind the United States in terms of press freedom - somewhere in the 50s, if I recall. So to be sure, more progress is needed, particularly in addressing issues such as corruption and human trafficking - two intertwined issues that have been of particular interest to our commission over the years.

And now, since this is a briefing, we will be taking questions from the audience following the presentations. So please be thinking of good questions, and we'd like to keep this as informal as possible; to have a dialogue with the audience, with the press; and have, you know, a frank and interesting discussion. And this is on the record and will be transcribed. All the proceedings will be on the website. I think the prepared testimony, on the table, is outside.

I'm joined by my colleague Winsome Packer, who covers security issues for the commission, who will help me in moderating the panel.

Ambassador Munteanu, it's an honor and a privilege, and I'd like to welcome your remarks at this time.

AMB. MUNTEANU: Good afternoon, ladies and gentlemen, friends, colleagues. Thank you very much. And first of all, Kyle, thank you very much for this event that is taking place in a very important moment of our relationship.

This year, we will mark 20 years from the date of the establishing political recognition and political ties between the United States and the Republic of Moldova. So it's quite an important and symbolic element that has to be taken into consideration while analyzing and considering the evolutions and developments in Moldova.

I've remarked in the brief presentation of this case the two elements of our interest today. The first one was called "Political Deadlock in Moldova," and the second one was the new elections in Transnistria. So I will try to cover both - two elements and present exactly the most updated elements of this equation to understand that "political deadlock" is not exactly the term that would describe the Republic of Moldova at this point. And I will say to you why.

First of all, by constitution, Moldova is a parliamentary republic. The president, according to this system, should not play a major role like in presidential or semi-presidential republics. Therefore, it should play a role of a symbolical arbiter of the nation. And therefore, after the changes of the constitution in 2000, the president has reduced its important for the whole political system, although it remained with important competencies related to the foreign policy, being - remaining the chief commander of the armed forces. And also, the third element, very important, is the (proposition ?) of the candidate for the prime minister office and then - which has to be endorsed later on by the Parliament.

So through all these elements we can understand very well that the political system as a parliamentary regime can survive quite well without a president. And this is exactly what is happening in Moldova.

We have in fact a hybrid system, with the elements from the semi-presidential system, which existed up to 1999, 2000, and the parliamentary system. And what happened after 2009 - when coalition government has been restored in Moldova - was that this kind of hybrid system was translated into institutional terms with a stronger parliamentary majority defining the roles of the political process and with the president mostly (nonexistent ?) because the competencies of the president were (played ?) by the existing speaker of the house.

So from this perspective, I have also to point out that the (presidentialism ?) was between 2001 and 2009, when a strong president like Vladimir Voronin, which is even today a leader of the communist party, and leading a parliamentary fraction in the Moldovan Parliament, was able to practically subvert the political system and try to impose its rules on almost every aspect of the

public life. For those who may want to understand more about the particularities and technicalities of this process, just follow the inspiration and read Freedom House reports between 2001 and 2009. Because they abound in details concerning the limitations of the human rights and freedoms, particularly censorship in mass media, and of course having a very strong control in the business and the economy.

In 2009, this system has been changed by allowing political parties to create a multiparty coalition, by 2009, by four parties, which were able to install a government, adopt an ambitious plan of economic and political reforms, having, however, a slight and fragile legislative majority. In 2009, it was 53 mandates for the coalition government - for the coalition fraction in the Parliament, but being unable to elect a president because 48 percent in 101 seats of the Parliament could not cooperate on this issue. And after 2009, we headed towards anticipated elections, after two unsuccessful attempts to elect a president.

The elections took place in November 2010, which resulted in more support for a pro-Western coalition government, when the Alliance for European Integration - this is the ruling coalition - received 58 mandates. So the public supported even more the pro-Western coalition in 2010, with 42 mandates left for the Communist Party. But again, the majority fraction in the Parliament could not elect again a president, which is elected according to the constitution with two-thirds mandates, which means 61 votes.

So this cannot be seen, however, as a failure or a political deadlock, since the Parliament is fully operational, the cabinet is working hard on priorities defined by our strategical goal to integrate Moldova into the European Union.

And the conclusion is that even without an elected head of state, Moldovan political system can be seen as entirely functional and legitimate. In 2011, for instance, the economy has registered 6.5 percent annual growth, while Moldovan exports grows by 40 percent. Nevertheless, the electoral cycle seems to be incomplete, and there is a serious risk to burn out the accomplished results so far if a president will not be elected in a "reasonable term." This is exactly the terminology used by Venice Commission when recommended to Moldova to pursue the election of the president. It responded - the Venice Commission responded in such a way with the reasonable term in 2011, through a kind of amicus curiae, a kind of suggestion, a recommendation to the friends of the constitutional court in Moldova.

We all understand very well however that we shall take a decisive decision, a decisive finalization of this cycle. But we also see very well the risk to boost another round of national elections in a time where Moldova is affected, as many other countries around, by the global crisis, which demand responsible economic behavior, political tranquility and serious leadership - unless abrupt election cycles. This is why the parliamentary majority has tried repeatedly to engage opposition, the Communist Party, in a political dialogue to result in successful presidential elections, even under mediation of the Council of Europe in 2010 and 2011, but with little success. Since the communists are not very much interested in a compromise - in a reasonable compromise, less than full return to the power - to the full power.

The Alliance for European Integration wanted them to settle this issue through a national referendum. So in September 5, 2010, we hold a national referendum on the election - on the presidential issue. And the question was then, is it important for us to elect the president in direct elections, or keep the president elected by the Parliament?

And of course we failed - the referendum with (102 ?) percent necessary to - for the results to be validated. But 85 percent of those who voted in 2010 showed the determination to have a president which is directly elected by the public. So politicians should consider this strong argument in future dialogue.

In late November 2010, early elections were held in Moldova, which served as a catalyst for the coalition parties to gain even more popular support. They received 58 mandates against 44 mandates for the communists. In the meanwhile, the Communist Party was affected by internal frictions and internal splits, so we had recently - in 2011, in October - three members of the Communist Party leaving this party, which represent the necessary boost for a consensus-based decision in the Parliament of Moldova. So for - against all the words, we expect that in February, the parliament will have necessary votes for a president that is elected in the parliament.

Nevertheless, I should say at the end of this overview on constitutional issues in Moldova that constitutional reform is very much needed - is almost inevitable in Moldova. Since political realities show clearly that Moldova can be ruled now only by coalition-based parties, not by one party that - let's

say, as in the last decade - had extremely high control of power. Therefore, the constitution is against political realities and is against the political will of the public, which means that constitutional reform will be prepared in the coming two years. And probably this will only consolidate the rule of law in the Republic of Moldova.

My own optimistic expectations are related to the fact that in the first half of February, we will have another round of elections in the Moldovan Parliament, and the president will be elected, which will provide the necessary and sufficient stability for the political system and for what we have to achieve.

Now, the second part of my presentation is related to Transnistria. And I am very sure that in such a wonderful team of experts and high officials that know very well the realities of Moldova - what I will say represent only a fragment of what exactly is happening in that region. But nevertheless I have to say that the op-eds that have been written down and the election of Shevchuk in Transnistria, they sometimes led to hilarious conclusions. It is not exactly that the election in December provide a sense of super-democracy in the region.

The real truth is that this region, for the first time, showed signs of liberalization. And the public of Transnistria wanted very much to see new faces. So they were fed up with Mr. Smirnov, which ruled in the last decade this administration. We cannot congratulate Mr. Shevchuk with the election because we do not recognize the legitimacy and the legality of the administration of Transnistria. But of course we have to consider the new avenues for, let's say, creating real opportunities for ordinary citizens to enjoy freedoms and rights, to see the benefits of the market economy protected by a rule-of-law system, and to engage them to consider possibilities for Moldovan citizenship. In fact, the Transnistria population, which is around half a million, 350,000 of inhabitants of this region are Moldovan citizens, which speaks for itself.

This is a region that cannot be otherwise seen and conceived and considered or perceived then as a region of the Republic of Moldova. And we hope very much that other parties and states will resist the temptation to oversimplify the realities of the region and proclaim the administration of Transnistria as a legitimated, productive transition. True, population of the region are very interested to get some new sense of what they are benefiting from the reintegration. We call the policy of - directed to the region of Transnistria the policy for integration, because these inhabitants, this population represent a part of the people of Moldova.

So I can say that Shevchuk, the current leader of the Transnistria administration, took a very successful and winning ticket based on a nonconfidence vote for Smirnov. But yet we have to see how high he can fly, or will he be left to fly at all? Still the young politician seem to be addicted to the idea of separation from the (outer ?) bank of Moldova, which is an ideology that we do not recognize and do not respect. So the Transnistrian separation was built in - since 1991 as a leverage to conserve the Soviet Union at its peripheries. And this cannot be encouraged nor tolerated. So getting rid of - (odious ?) - politicians, like Smirnov and Tuleyev and the others, we expect that - (inaudible) - will be able also to get rid of other (odious ?) things, like the idea of separating people from the left to the right, and which are practically the same - the population is practically the same like in the (outer ?) bank of Dniester. We have in fact more Russians living in Chisinau, in the capital of Moldova, than in the whole region of Transnistria. And there is a significant majority of Moldovans living in the left bank of Dniester.

With all being stated, I shall of course pay tribute to the (avenue ?) just begun with the so-called elections in Transnistria. This raises hopes that we can progress in strengthening public diplomacy, pursue effective economic integration, and restore the possibility to work together for the benefit of the regional stability, leading to final settlement of the conflict and reintegration of the region into the proper Moldova.

The policy of small steps to ease the life of citizens is right and just. Lifting up the taxes for Moldovan goods is clearly an indication from Shevchuk (of further ?) potential of trade, but here it is to be noted that all those restrictions related to trade, which are canceled right now and others that might follow soon, have been applied unilaterally by - (inaudible) - by the administration of Transnistria, but never supported or reciprocated by Moldova.

I want to encourage small steps into the right direction, such as restoring railway transportation, restoring telephone communication between the banks, re-inclusion of the region's banking sector into the Moldovan financial system, with the respect of - to the existing rules of the game and financial obligation of the sides. Moreover, we are ready to include Transnistria - (inaudible) - as members of the delegation of Moldova - (inaudible) - negotiations and (this year ?) FTA, the deep-sea - the deep free trade agreement with the European Union. Other - (inaudible) - issues, such as trade missions for Transnistrian companies, may also join and explore various opportunities of the international markets.

Finally, I would like to remember the fact that in the first day of this year,

a Moldovan citizen was shot dead in Transnistria by a Russian peacekeeper. This is a very sad event, which forced us to consider very seriously the fact that the current format of peacekeepers should be changed immediately and should be replaced by a real civilian peacekeeping mission under the aegis of an international organization. We try to build up consensus on this issue and we are very confident that these kind of structural changes will be to the benefit of the public, will be - will lead to the reintegration of the country, will - and will (one ?) consolidate trust and confidence between the sides.

Thank you very much.

MR. PARKER: Thank you, Mr. Ambassador, for your comprehensive remarks.

I'll now turn and recognize Ambassador Hill for any remarks you wish to offer.

WILLIAM HILL: Thanks very much, Kyle.

It's a real pleasure to get back again to the Helsinki Commission. As some of my friends from the commission know, I've been working with the commission for a long time, and it's always good to get back to this end of Washington and deal with a question that is near and dear to my heart.

I have written comments or remarks that are available if anyone cares to get them. I don't know when they appeared on the table out there, but I'd presume they are. I'm going to amplify on them a little bit and not try to repeat everything that's in there.

MR. PARKER: And I just - I will add they will be included in the record in their entirety.

MR. HILL: Yeah, but you're welcome to them. And if it seems like I'm not addressing something, feel free to raise it. It may or may not be in there.

First of all, you know, listening and thinking about what I'd say here and then listening to Ambassador Munteanu, the thing we have to, first of all, note is that in principle all the countries of the world recognize the Transnistrian region as a part of the Republic of Moldova. And to my knowledge, there is no one that is attempting or contemplating a change to that principled stand.

However, in terms of rejoining Transnistria and the Republic of Moldova into one entity, as Max Kampelman, well known to this commission, you know, for many years, said about arms control negotiations with the Soviets, the devil is in the details. And there's a great deal of history that has grown up on both

banks of the Nistru that now even more than what happened in 1990, '91 and '92 serve as obstacles to reunification of the country.

In Transnistria, I - with the recent defeat of Smirnov and the choice of Shevchuk as the leader of the region, I noted a great deal of commentary from all quarters sort of assuming that now that Smirnov was gone, things that might - things might get easier. Well, in one sense, they will, because people won't have to deal with Smirnov. And in my - I knew him well and I can say, you know, my impression was that Mr. Smirnov was quite happy to defend the status quo, and therefore negotiating with him was sort of like - as King Cnut found out, negotiating with the tide of the ocean - you know, could get things to go back and forth, but you basically got no result.

Shevchuk will be easier to deal with. He is well educated. He's rational. He does not - in the way that I think Smirnov did - have the baggage of, you know, working in the Soviet system for a long time, and he doesn't have any really, as far as I'm aware, hidden agenda. However, I refer to in my written remarks and I would emphasize here Shevchuk represents a generation in Transnistria that has never as adults lived in a united Moldova, most of the people that work with Shevchuk. There's an article out today or yesterday in Kommersant Moldovy that notes that most of the new people that Shevchuk has brought into the government with him are unknown, untested, untried, between 27 and 35 years old. It would mean the oldest of them was 13 years old when Transnistria left Moldova. I spoke last November to a number of university students in Tiraspol, and one of the things that I heard frequently was, you know, what do we know of Moldova? Why should - you know, why should we be part of Moldova? We don't know anything.

These are - these are kids 22, 23, 24 years old.

Why should we, you know, join up with Moldova?

Therefore, with Kadre (ph) coming in like this, I expect Shevchuk to be more reasonable than Smirnov was. And so it will be easier to run a lot of things - the telephones, the railroads, checkpoints between the two sides, trade, finance. But I think it's going to be more difficult than optimists who were happy to get rid of Smirnov, than such optimists might think.

We'll see. Yeah, I could be mistaken and I'd be very happy to be mistaken and have Shevchuk also be willing to make process on the question of status. But I expect that that's going to be much harder, and you know, the answer of many of those around Shevchuk, including Shevchuk himself, when the proposition is given to them, you should agree to rejoin Moldova, the answer may well be, why should I, and not in an insolent sense but just in a sense that they've never known a situation like that, and they really don't, you know, have any good understanding of what that might entail.

The other thing that's going to affect negotiating with Transnistria is extreme economic hardship in the region. I was struck when I was back there last fall at how difficult things are. A great deal - they say a population of half a million; that's a generous overstatement. People may be registered there, but they have - like many on the right bank in Moldova, have left and they're sending money home. There are probably more Transnistrians working in Russia and Ukraine than there are people from the right bank. But they're all over, wherever they can go.

And one of the great sources of the Transnistrian budget is remittances. Actually the remittances two years ago were greater than the Transnistrian budget for the region, of the government for the region as a whole - a little bit less now because of the global economic crisis. But this is an ailment, an economic and social woe that Moldova and Transnistria, alas, share.

There's also been a weakening of some of the old industries, like the Moldovan metallurgical factory, the steel plant in Ribnita - (name inaudible) - in Tiraspol, a few other major industries that got - earned a lot of income for Transnistria. And it hasn't - the income from these factories has not really been replaced by the earnings from the increasingly monopolistic Sheriff that's now engaged in all sorts of trade in the region - licit and perhaps illicit.

So basically, with Transnistria, we've had a real changing of the guard. It's interesting. I saw a complaint last week by the well-known journalist Vladimir Socor, who was noting that there are very few people in Shevchuk's command with identifiable ethnic Moldovan surnames. Then I read a complaint today from the Sheriff party Obnovleniye, or "renewal," that there aren't any

representatives
of their party, that it's all new people that they don't know. So, you know,
these are really people - young people who have come out of obscurity into authority, and we're really in uncharted waters with them. So, you know, things could work out better than we expect. We really can't necessarily expect the same old thing, which I might have said under Smirnov.

Dealing with the Russian Federation - you know, one of the things - Transnistria may not have free and fair elections but they certainly have had competitive elections in the past. And this one was certainly competitive.

Russians tried to beat Shevchuk and they failed twice. I mean, when you look at it actually, the Russian record in the unrecognized enclaves over the last year has been terrible. They blew it in Abkhazia, they blew it in South Ossetia, and now they have blown it in Transnistria. What that means, I'm not sure. It shows - and my recent contacts with Russians suggests to me that - suggests that the Russians really don't fully understand what's going on there and don't necessarily know what to do.

Russia has great influence. It recognized South Ossetia and Abkhazia, but those were for reasons, I believe, connected entirely with Georgia and President Saakashvili. And I don't believe Russia will recognize Transnistria.

They have too much at stake in their dealings with the European Union, let alone with the United States. But I think Russian policy is going to be a little bit less predictable.

The region depends upon Russia economically. Since 2006, they've had an overt monetary subsidy coming from Russia to replace economic activity that was lost.

And there's been - since the very beginning, the region's not paid for their bills to Gazprom. Now that Shevchuk has actually recognized that debt, who knows what's going to happen? But the amount of principal interest and penalties of the gas debt is enormous, and it will never be repaid.

I mean, I used the phrase with Smirnov once, blood from a stone, which doesn't translate into Russian easily. Smirnov finally understood it when one of the Russian speakers with me found the right one. I was translating literally into Russian, which doesn't work, but I'm told that idiomatically - (in Russian) - is what goes into Russian to show it.

Russia is going to have to face the fact that they can't get this from Transnistria. They can't make Moldova pay, because they separated the gas bills, but what they're going to do, because Gazprom wants its money. I

expect

that the Russians will be very careful - the Russian Federation will be very careful to maintain those levers of influence that it has, which is why I don't

expect real progress on the peacekeeping format, although it's been sorely necessary. The regrettable violence on January 1st was the first fatality in

over 20 years in that - you know, the peacekeepers shot up cars' tires 10 years

ago. A peacekeeper shot himself accidentally about 11 years ago. But it's clearly something that is ripe - has been ripe for a long time for a police presence and a multinational operation.

I don't think Moscow's going to be willing to do that. We've talked with them

- and "we" meaning EU, U.S., OSCE - for many years about this, and they've resisted engagement on it. It's a way of maintaining a hold, and unfortunately, it's a subject that should be raised but probably will not. Right now, the water-on-stone technique is probably what we're going to get.

Most important, I think - you know, a great deal of what's happening in Moldova

and the ability to do something about it, rests in the hands of Moldova itself

and with Chisinau itself. The current government, you know, has made some excellent progress in a number of areas. You know, whatever faults one might

find with government policies, there's been real progress since late 2009. The

Freedom House rating is just scratching the surface. I mean, these are not small things, with civil liberties, fundamental freedoms that, you know, have

been much more fully respected and implemented.

But the political crisis, the ongoing political crisis in Moldova overshadows

all of this. And the problem is that the current government is living on borrowed time. The parliament amended the constitution hastily and unwisely in

2000, undercutting and cutting short a process of consultation with the Council

of Europe that would have turned Moldova fully from a presidential regime into

a parliamentary regime.

The active amendment, as it was adopted in July of 2000, unfortunately left a

gaping weakness, which is that if you don't elect a president out of the parliament with 61 votes, 60 percent of the vote, on two tries, you have to dissolve Parliament. Parliament may only be dissolved once a year, but you know, there is a clock there that's ticking. And it's actually ticked a little

bit past the point where this should have happened.

And the Alliance for European Integration is either going to have to find a way

of achieving consensus on filling the presidential term or, you know, filling the presidential seat, or is going to be faced with the unhappy choice of facing a new election. That's not a good thing, but following the rules of the game, the rules of the game that the communists followed in July of 2009, is also important to the, you know, long-range viability and legitimacy of the government. And therefore, this is something that will have to be faced.

I've heard proposals, which I think hopefully will not be accepted, to change the rules of the game midstream through a referendum. A referendum would be good, but only after the problem has been solved and the current government has been given a legitimate, full parliamentary term. I hope that will be done. That would be the ideal solution. But it's going to have to be done by consensus because the left-wing vote in Moldova that generally goes to the communists is a substantial portion, and it's a consistent portion of the electorate. The communists have gotten 40 percent of the popular vote since 1998, and it doesn't seem to be going away. It may split, but one shouldn't count on that.

And therefore, my hope is that my Moldovan friends will find a way of concocting an umbrella under which they can, as Ambassador Munteanu says, you know, find a president who doesn't have any real power anymore, because it is basically a parliamentary republic.

And then the prime minister in the Parliament can get about the business of doing more of what they've been doing for the past two and a half years, which you know, is really pretty good. Moldova has a unique opportunity now of favorable interlocutors from abroad and an opportunity in its own politics that I hope it will take advantage of and not let it pass. And that really is - has to be done in Chisinau and not with Mr. Shevchuk, whatever comes out of those negotiations.

I'd be happy to discuss and debate any of this after we're finished. Thanks very much.

MR. PARKER: Thank you, Ambassador.

And I do look forward to our discussion following our final presentation from Matthew Rojansky, deputy director of the Russia and Eurasia Program at the Carnegie Endowment.

Matt?

MATTHEW ROJANSKY: Thank you very much, Kyle and Winsome, and to the Helsinki Commission and, obviously, Ambassador Munteanu and Ambassador Hill for

giving
me an impossible task in following you.

What may perhaps distinguish what I have to say is that I'm going to try and talk about what we can do about the small country and its big problems that we've just been hearing about. And the "we" that I want to focus on here, because we are sitting in Washington, is the United States of America; a bit about Europe; to some extent, even about Russia and Ukraine. And that's not accidental that those are the guarantor and observer parties to the five-plus-two OSCE conflict resolution process.

But that all begins of course especially when you're talking about, you know, behemoths of the world, which you can literally see, even with my nearsightedness, on the map on the wall there - big countries, big countries with big problems. So you've got to have a rationale as to why Moldova matters. That's a title of an article that I've written before, and it's an argument that I find myself making over and over to myself, as well as to others. So it's a small country - 4 million people, many of whom, as we know, are working abroad, whatever the precise population of Transnistria is. And I agree with Ambassador Hill that it's probably less than half a million.

But nonetheless, this is a country that has some pretty amazing resources. And I don't mean oil and gas. I mean human resources. Their people are welcome throughout Europe, throughout the former Soviet space and beyond - businesses, agricultural output. I think Moldova has been described as a potential high-end agricultural exporter, which is - which is very unique. We're not just talking about grain here; we're talking about very high-margin agricultural products.

And then the alliterative three Bs, which actually only works in English, I'm afraid. But that is the crossroads of the Balkans, the Black Earth and the Black Sea. That's a very unique location. It has been historically, of course, for the various territories and entities that preceded today's Republic of Moldova, but it's particularly important at a time where we in the western world are sort of trying to figure out, how much do we invest in Europe, as such, in the Euro-Atlantic space? What defines it, and what's a part of it?

Well, Moldova is really something that pulls together a lot of different parts of this space and it's a place where, if you've spent time there, the people are incredibly fluid with this. They're incredibly comfortable with this sort of multiple identity and this combination of different influences. And it's a real inspiring story, and that's why I think of it as a rationale for caring.

The next big point is one I think that's relatively well known in Brussels

but

is quickly forgotten when the road gets difficult. And that is that Moldova has the potential to be the first EU member - and I say that word advisedly -

from the CIS, I think more than any other state on the landscape right now. And that would really be a very big deal. The precedent is obvious, but also

in a context in which - and here we are in the Helsinki Commission. You know,

we know the disappointments that we've seen with Ukraine, with Belarus and - dare I say it when Saakashvili is in town - Georgia as well.

It's a difficult time in what the European Union calls its eastern partnership.

It's a difficult time in the European neighborhood, if you think about North

Africa and the Middle East. Moldova is a bright spot, but you needn't care about Moldova only because it's less bad than others. There's actually positive potential there.

This began of course with the big change in 2009, what the blogger Evgeny Morozov and others called the Twitter revolution. It was a breath of fresh air, but one of the reasons that Moldova's fresh air is so important is because

the air is starting to get stale, or it's starting to get very high pressure in

other areas. We don't know how the political changes of the Arab Spring are going to come out. New leaderships there haven't governed yet. New leadership

in Moldova has had the opportunity to govern, and, as both ambassadors pointed

out, they've done a lot of the right things. This makes it a positive example.

It's a moment of opportunity - again, as Ambassador Hill pointed out - for post-Soviet democracies. And again, that includes unrecognized democracies or

unrecognized entities, such as Abkhazia, South Ossetia but also Russia itself.

I mean, we cannot talk about Transnistria's election, Moldova's struggles with

its constitution and its political divisions, without thinking about the context of what is going on to the east right now. Russians pay attention to

what happens in the post-Soviet space in the same sense in which many of the countries of the CIS are like phantom limbs if you're living in Moscow. The political systems that take hold in those places and how they work influence very deeply people and their thinking about what is possible - this notion that

Slavs can't handle democracy, for example. Well, Ukrainians have proved that

wrong. They're not necessarily doing the greatest job of it right now, but I

think in that same vein it's very important that Moldova is a part of the CIS

and that it could be a CIS and an EU success story. So that's my sort of

compelling rationale on Moldova.

Let me say a word about why we ought to care about Transnistria, because, quite frankly, as tragic as the killing on New Year's Day was, it's really nothing to compare with other conflicts around the world. I think we all recognize that the deaths in Nagorno-Karabakh, in the Middle East, you know, any - name your conflict zone around the world - simply dramatically outnumber the violence that we have seen between Transnistria and Moldova and indeed accidentally on the line of control.

And yet - and yet - if you care about the first issue, which is the success of Moldova, then you have to care about success on the Transnistria question. David Frum has a line about Iran, which is, why does the United States have such a big problem with Iran right now? It's because you can call for the destruction of Israel and you can build a nuclear weapon, but you can't do both things at the same time.

And I think a similar kind of logic might hold on Transnistria, which is to say, you can try to separate yourself from another state and you can be undemocratic and authoritarian, but you can't do both at the same time. My concern is - the reality is just because Transnistria has become a little more democratic doesn't mean that we can now settle into not paying attention to this problem and go in perhaps a direction that the EU is willing to go on Cyprus, which is we offer a pathway to membership, we try to lift up Moldova and leave Transnistria out of the equation. And in that regard, I'm very encouraged to hear that the Moldovan government is reaching out to Transnistrian experts and including them in the EU negotiation process.

The other danger here - and Ambassador Hill touched on this. I feel this personally very strongly because of who are my friends in the region. And that's the generational issue. I think traditionally we, the international community, the West, are really good at fighting the last war. We are really good at understanding what went wrong 20 years ago and making sure that that doesn't happen again, but that's not what's going to go wrong in the next decade. What's going to go wrong is something very different. And it's because people have grown up entirely without experience of one another, both in the negative - there is indeed a positive aspect to the fact that the new leaderships, to some degree on both sides of the river, were not fighting in 1992. That's a good thing.

The bad part of it is they weren't living together and they didn't see the shades of gray. The shades of gray are all about the realities and the compromises and the sacrifices that you make to make a society work. And when you don't have personal experience of that, it means that all of your memories

are received memories. They come from the stories of your parents or your grandparents or things from pop culture and the media and museums. And you can't argue with those things. They're received facts. If you argue with them, it shows disrespect for sacred cows. And that makes it almost impossible for people of this new generation to change trajectories.

This is a real sort of counterfactual. It's an irony. It's a difficult thing to grasp, because you tend to think of younger people as being able to just break through barriers and all this. And that's - and that tends to be true, when it comes to technical questions. They can be creative. They can come up with new ideas. But when it comes to the sensitive and difficult issues of historical memory and legacy, a new generation is not necessarily a good thing. And yet, that's where we are.

Let me just say also, from a standpoint of Euro-Atlantic security, which is a question I care about very much, as long as Moldova remains separated, it's divided, it's very clear that the entire region is forced into a kind of security gray zone. And that's something that's bad for the EU. It's bad for NATO. But I think when Russians think about it, it's also not particularly good for Russia. And the presence of some 1,600 Russian troops in Transnistria is very little compensation for that fact. And I think when Russians think it through, they see that as well.

There's a human rationale here - again, keeping with the, why should we care. And that is that the conflict really is a part of the reason for underdevelopment. And underdevelopment is what drives Moldovans and Transnistrians to leave their homes and leave their families. And you read these tragic stories or you see these stories live and in front of you of households that are headed by 12-year-old girls. That's a human tragedy. This enables trafficking, it enables crime, and obviously it leaves the region entirely backwards and undeveloped.

Let me say a few words about timing, about why I think now is an opportunity to change some of these things - just first the technical note that, you know, the on-again, off-again five-plus-two process is on again. That's good; that means there's one less hurdle that we have to jump over. As far as Moldovan domestic politics, I think Ambassador Munteanu sketched the picture rather well, but my concern is that the Parliament may not get its act together and pick a president, that a deal is - let me just put it this way: The ambassador probably has better information than I do, but I can't recall the number of

times that I've heard a deal is in the works and then it falls apart. And that's because of the complexity of this political situation. As the ambassador pointed out, this isn't a single party. It's not a single movement

that belongs to a single person. There are at least three actors within the ruling party right now, and then you have the independent actors and the communists. I don't think a deal is going to be easy to deliver, but by the same token - and here's where the rubber really meets the road - you can't change the constitution in this context. If you try once again, after the failed referendum, to outmaneuver or sort of - sort of, you know, out-manipulate these communists, I think you will delegitimize the AEI. I think this will be the end of the process that began in 2009.

The answer is instead to be patient and to deliver results. And that at least holds out the possibility that if another election has to be held, whether the AEI remains in its current shape of the three parties, with the same policies, or not, there's a real chance that people will reward that success and that the numbers in the Parliament will look different. That's not to say that in the long term it wouldn't be a good idea to amend the constitution. Don't do it under the current circumstances. That's my view.

A word about the Transnistrian election: I agree a hundred percent with Ambassador Hill's assessment of Shevchuk. I think he's energetic. He is of a new generation. He believes in reform. But it's also clear that he's got a bit of an autocratic backbone in him. And I think he needs that, frankly, to manage the situation in Transnistria. I think we're going to have to be patient with him. He needs time to secure his position. This is not a guy who's going to jump into major concessions in negotiations with Moldova, for the simple fact that his entire government that he leads, his job, the fact that he has an office is up for grabs in those negotiations, which is perhaps why, not surprisingly, the first thing he said after being elected was Transnistria's sovereignty is not up for grabs; if you look at the 2006 referendum, we're all unanimous behind that.

So I think we need to be careful about how much expectation and how much pressure is applied to Mr. Shevchuk. The other dimension of this, of course, is democracy, and this is a very sensitive question for all of us in the West now - doesn't mean Western orientation. Just because the Transnistrian people demand a little bit more transparency and a little bit more accountability from the leaders they elect doesn't mean all of a sudden they're joining a Western club.

When presented a referendum that was trickily phrased, like the 2006 one

that
says basically, do you want to join Moldova or do you want to join Russia,
they're still going to vote to join Russia. The reality is they don't have
that option, and they're never going to have that option. But Mr.
Shevchuk's
election is not somehow a vote for the West. It's not a vote for the EU.
It's
not a vote for NATO. So let's take our time. Let's be very cautious with
that.

Let me just say a word about Russia. I do think that - as Ambassador Hill
hinted, I think there's a moment of potential opportunity here. On the
negative side of the ledger, Vladimir Putin is more sensitive today than he
has
ever been - and I include in that going back to the late 1990s - about the
winds of political change. He is more vulnerable today and he is more
sensitive today. And so the last thing he wants to see is a precedent in
the
post-Soviet space that seems to undermine his ability to maintain control.

That said, his resources are more limited, and he's a realist. He's a
businessman, I think, fundamentally. He's a corporate CEO. And he may be
willing to do a deal that consolidates his far-flung interests throughout
the
post-Soviet space. He wants a Eurasian union. He wants to put pressure on
Belarus. He wants to put pressure on Ukraine. None of those are great
things,
but the reality that that means is he may not be able to afford to continue
to
throw millions of dollars in subsidies, troops, attention, the rhetorical
weight and indeed the risk of forcing Russians to pay attention to this
deeply
irrational situation in Moldova that it costs him. And to the extent that's
the case, I think we see the result today - and I'll talk about this in just
a
second - which is that as the Ukrainians and others are stepping up to the
plate and trying to move this process along, Russia's not objecting as
strenuously as you might expect. And I think Ambassador Hill was very right
to
point out that this is different; this is not South Ossetia and Abkhazia;
the
Russians have not staked out a position on Transnistria in the same way.

So as I mentioned, Ukrainians have really begun to take an interest.
There's
been a lot of rhetoric there for a couple of years. The Yanukovich
government
is somewhat unusually position in that, you know, while Yanukovich is - you
know, likes to remind his people and Moscow that he's not their stooge, he
doesn't have the tense relationship that Yushchenko had with Moscow. He is
a
guy that can do business with the Kremlin. And to the extent that's the
case,
he manages to be a relatively effective go-between. He and Lupu have a
functional relationship. The Ukrainians have sponsored this recent meeting
in

- was it in Crimea or was it Odessa?

MR. : (Off mic.)

MR. ROJANSKY: It was in Odessa, a classic destination for these meetings.

Look, these kind of things happen over and over, but the fact that it's the Ukrainians stepping up to the plate I think is very positive, because, quite frankly, you know, Ukraine is the bigger player there in the East. Russia's far, far away. And I think that Ukraine has an opportunity here.

On the European front, it's starting to get old to say this, but there is a little bit of German interest in this. And the Germans - it's obvious from the European financial crisis perspective - for all of that distraction that that implies the Germans nonetheless call an awful lot of the shots and they sort of call the tune. And I think the fact that the Meseberg memorandum referred to Transnistria specifically, that this has become kind of branded as a miracle and a Sarkozy priority I think indicates real interest. Unfortunately, political capital is limited right now, and I think, worst of all, there is a linkage between what happens to the EU proper and what happens on the EU periphery. If the model of Greece and sort of imperfect or inadequate Europeanization or at least institutional Europeanization goes to its logical conclusion and Greece has to find itself reprinting a bunch of drachmas, then I think that the interest in institutional Europe throughout the post-Soviet space is going to wane very dramatically. And so I think Europe here is a double-edged sword.

One major development, which I don't think anyone has mentioned here, is WTO.

The fact that Russia has joined the WTO forces the United States to reconsider Jackson-Vanik or to at least graduation. This is really the only opportunity we're going to have to graduate Moldova. And I think the symbolism of doing that is obvious. I think it needs to be done and it needs to be done now.

I think, second, bringing Russia into the WTO, when that actually goes into force - and my understanding is that will probably be midsummer by the time it actually happens - will be an end to Russia's use of phytosanitary standards for political leverage, which is extremely important for Moldova, because obviously Moldova's agricultural exports - wine, fruits, et cetera - go to Russia, even though it's no longer the number one export destination. And also - and here, you know, I may be getting out ahead of myself, but I think that Moldova could conceive of using the WTO dispute resolution mechanism - which is public, out in the open - as a place to air some questions about asset ownership and exports that are coming from the separatist territory, because

remember, they're often coming through interests that are owned by Russians and Ukrainians. And those are now both WTO countries. So let's use that forum.

All right. I realize I'm using up time here. Let me just very quickly get some policy recommendations.

I mentioned graduating Moldova from Jackson-Vanik. I'd add to that signing a bilateral free trade agreement. I think - you know, the - I personally, through folks that I've had come work for me at Carnegie, have benefited from the Muskie fellowship that we have here. It's wonderful that Moldovans are included in that, the visitor leadership program, et cetera. We need more and we need to think about how we can apply these things to the Transnistria conflict. How can we get Transnistrians into that equation? We've got to be delicate about it because of the citizenship issues, but that would be a real mind-changer and a horizon-expander.

I think we need to sign an agreement to combat human trafficking. As far as I understood, that was on the table, the subject was when Vice President Biden went to Moldova, but it wasn't done. And I'd like to see that done as a follow-up maybe, maybe with another senior visit to Chisinau or vice versa. I think we need to push Europe very hard on free travel and free trade. You know, I'm not an expert on sort of the ins and outs of European legalese, DCFTA or anything else. But it's very clear that, you know, as you have a pathway to freedom of movement and freedom of doing business with the huge market that is institutional Europe, the incentives of Transnistrians to pursue Russian passports and Russian access and to block reintegration disappear. And that is particularly true for the new generation.

Lastly, not super politically correct thing to say often here in Washington, but you know, Romania is a NATO ally and EU country. And you know, they owe it to the United States not to say things that are unproductive and provocative. And I think the United States needs to send that message and not be afraid of doing so.

I've said what I think Europe needs to do here. I think it's fantastic if Transnistrians are participating in the DCFTA negotiations. Let me just say I think that in terms of overall conflict resolution approach, high-level involvement is critical. We're getting it from the parties, from the one-plus-one, but we're not getting it from the guarantors and the observers yet. And I think that that needs to come.

You know, I laid out my rationale for why I think this region matters and this conflict matters, but I can tell you: When I try and bring this up elsewhere - let's just say here, within the Beltway - I don't get a lot of traction. And I think that's got to change.

You know, I'm going to stop there. Thanks a lot, guys.

MR. PARKER: Thank you, Matt.

And thanks to all of our panelists. There's a lot out there to discuss. And so shall we begin?

Winsome, would you like to lead off with a question on -

WINSOME PACKER (policy adviser on political-military security issues, The Helsinki Commission): A Moldovan expert said to me the other day that while Shevchuk emerged as the winner of last December's election that it was anticipated or may have been anticipated in some quarters in Russia that there candidate would not in fact be the winner and that there may have been some behind-the-scenes maneuvering and - or mischief-making, where Shevchuk isn't in fact under greater influence of the Kremlin than most observers might concede or acknowledge or be aware of. And I'd like to ask your thoughts on that question.

MR. HILL: You know, Russia provides millions of dollars in subsidies in kind and in cash, so anyone in Transnistria listens to the Kremlin. But the relationship there has never been entirely one where any of the leaders, in my observation in Transnistria, have been wholly obedient to Moscow. The Russians tried to throw Smirnov out in 2000. Primakov tried it and failed. Smirnov used resources in particular of the security police, security ministry, and intimidated those upon whose support and, you know, cooperation Moscow was trying to draw.

During the middle of the 2000s, I have reliable - know reliably that Moscow tried to get Shevchuk to leave Transnistria and do something else because they were not particularly comfortable with his influence and activities. And, you know, certainly I think the record over the past year, as well as Abkhazia in 2004-2005, shows that while Moscow can wield influence, it does not really control what the populations and the political actors of these enclaves actually do. In other words, a situation that might be characterized as one former Soviet official characterized it to me, yes, they're not puppets, although Moscow has a lot of strings, and they often do manage to act in

their
own interests, as well as those of Moscow.

It's a delicate balance; I mean, one should not try to idealize a new person like Shevchuk. He works in a political environment that is difficult and highly dependent upon support from Moscow. But he has other places to look, and therefore, I take with - I wouldn't want to characterize him simply - or, you know, many of the guys there simply as a tool of Moscow. I look at them as individuals, and there are clearly in the region people that still have active-duty commissions in the FSB. But there are people also who act independently to the extent that they can and they see fit. It's complicated.

MR. PARKER: Anyone else care to comment on that? Matt?

MR. ROJANSKY: Just a very quick note. I agree with Bill's point that Russia can never fully control any leader in Transnistria, and part of a - but at the same time, you know, any leader in Transnistria is going to be beholden to Russia to some degree. I think the commerce is true, in the sense that even if Moscow, you know, if people say it's 1989 or 1991 again and Moscow sends their man to Tiraspol, that person is also going to be captured by local interests. So just do the thought experiment. Even if Shevchuk were in Moscow's pocket at some point, that doesn't mean that he will be a year, two years, three years down the road when we're talking about the rubber hitting the road on negotiations, at least to the same extent.

The other thing is just a note on kind of Russian interests here, is I talked rather blithely about Putin wants this and Putin wants that, but you know, there are a lot of different Russian interests. Right? You have asset ownership interests and you have military kind of establishment interests and you have financial, you know, budgetary interests and things like that. And I think sometimes those run counter to each other. I'm sort of - I'm counting on that, actually.

MS. PACKER: (Off mic) - Shevchuk divested his interests in Sheriff since assuming office?

MR. ROJANSKY: I don't know.

MR. HILL: I do. Sheriff divested themselves of interest in Shevchuk basically in 2009. They found another guy. They basically, it's widely reputed, and I think this is actually true, that they came - they made a deal with Smirnov

and
ended up backing Kaminski rather than Shevchuk, and that was the beginning
of
Shevchuk's time in the so-called wilderness. And, as it turns out, they
backed
the wrong horse.

MR. PARKER: Thanks for those good points, and Matt, I particularly
appreciate
the point that, you know, the Kremlin isn't necessarily the unified force
that
we might want it to be or think it is. And one thing I would just note is
sort
of personalities and optics and just sort of impressions, while not being
everything, they certainly matter in relations among states. I think one
needs
just simply to look to Georgia and Russia's relations and understand the
negative role personalities have played, and the contrast between Smirnov
and
Shevchuk is pretty stark. I met Smirnov once in Tiraspol and, you know,
right
out of central casting, you know, and abusive and, you know, nothing against
it, but a chain-smoker at meetings, shifty, a real character from Russia's
far
east.

By contrast, was in Moscow once when shady friends of mine from the Russian
presidential administration said there's someone we'd like you to meet for
coffee, and it turned out to be Shevchuk. I didn't even recognize him in
front
of the national hotel waiting, because I couldn't have - just again, my sort
of
understanding of who these people were in Transnistria wouldn't have allowed
for a younger guy who, I have to say, almost in retrospect looks a little
bit
like an Alexei Navalny or something, sort of blonde hair, youngish. We had
an
interesting and informal coffee discussion. But I think that really
beholden
to who or what, the notion that you don't have, literally, you know, a
stooge,
a Communist-era relic from the Russian far east governing in Transnistria I
think is significant. But I just wanted to add that observation.

I have a bunch of questions, but want to turn it over now to allow you and
the
audience to post a question or two. We can take them, whoever wants to take
them. We can be really informal. We can even have dialogue amongst the
panel.

So please, we do have - I don't know if we have a microphone or if we need
one, we're in a pretty small room, but if you could just stand up and state
your name and affiliation for the record.

Orest?

Q (Off mic.) I think we should, because I don't know -

MR. PARKER: Yeah, it does help. We'll turn one to the side for transcription purposes. It does help. Yeah.

Q (Off mic.) Orest Deychakiwsky -

MR. PARKER: And turn it on. (Laughs.)

Q Sorry. Orest Deychakiwsky with the Helsinki Commission. Matt had touched upon relations between Moldova and Romania and the Ukraine, but I wonder this question is primarily for the ambassador, if you could assess the current state of those relations. My impression had been, Matt, and I may be incorrect here, that relations between Romania and Moldova have improved a bit in the last few years and that the level of rhetoric has gone down a bit. And then relations with Ukraine, I know Bill worked a lot with them in the five-plus-two talks in the past when he was with the OSCE, and you touched upon that. But I wonder, Mr. Ambassador, if you could discuss the current state of those relations.

MR. PARKER: And if I just might add a footnote on the Ukrainian front: Ukraine will chair the OSCE next year, and so if there's anything you might wish to add on Ukraine's possible role going forward.

AMB. MUNTEANU: Well, I can say that our relationship with Ukraine and Romania are traditionally good, or even very good, particularly with Ukraine. We have full understanding about the fact that Transnistria is a part of the Republic of Moldova. Moldova is a unified unitary, indivisible state. We have settled most of the border issues that have been pending for a couple of decades, I would say. Palanca and Jojolescht (ph) and other and - (inaudible) - which is very close to Transnistria. So in fact I'm expecting a very positive growing influence of Ukraine, particularly because of Shevchuk. He's of Ukrainian origins and this is quite an important element of the personality.

But I just wanted to warn against over-personalization of the relation - future relationship between Shevchuk and Chisinau. Why? Because Shevchuk is not alone. Shevchuk acts in a framework of institutional intricacies, I would say, inherited from Antofaev (ph) and from the hoax of the military. That means, for instance, Transnistrian army's more than 17,000 of gunmen, two times more than the national army of Moldova. And all these individuals, people with guns, are paid not from the budget of Transnistria, they are paid from the

federal budget of the Russian Federation. So these guys will not be dismissed tomorrow. They will influence negatively the behavior of Shevchuk and other people which also shaded with this new generation (for editions?).

And needless to say, about the negative influence of those people which will remain after Antofaev (ph) just left his office, and the security, let's say, risks are very high. And I would point out to the fact that in the first or second week after the installation of Shevchuk, a grenade has exploded in the courtyard of Mr. Shevchuk building or hometown. And this is only a sign, but many signs could appear in the future, because it's a heavily militarized region with many people which may have a kind of disobedient behavior. But obedience to some of the scopes that are contrary to the reintegration of the country.

Speaking about Romania: For us, Romania is a very important pillar of our integration to the European Union. It is a voice inside of the clap. Needless to say that everything probably - language, culture, history, personalities of the history that define a nation - are common, and we in fact are very, very close. This being stated, of course, in the last two years, we have significantly and essentially improved the "strategical" engagement with Romania. President Basescu provided or ordered or decided upon an important grant of 100 million of euros to be delegated to infrastructure projects in Moldova. In the institution we've made a lot of steps forward. So I think this kind of intelligent relationship with our neighbors is a precondition for the settlement of the conflict and for the fulfillment of the dream that Matt has spoken of about the dream to be a positive precedent of engaging or integrating a Soviet country as a European Union full-fledged member.

MR. ROJANSKY: Orest, I just want to say something on Romania's role. And I admit, I agree with you; I mean, I think that the harmful rhetoric has declined. The president was guilty of some of that, but it's really dissipated, and that's been good. I still think it's incumbent upon us to sort of keep that that way. But I actually think Romania has a proactive responsibility here, which is of course not reflected in the official five-plus-two format, and that is to recognize the reality that, to some extent, Transnistria is a proxy conflict of these painful legacy memory issues, which is not about Moldova but, rather, about Romania and Russia.

And I think that the - to the same degree that Russia has shown some willingness to do reconciliation with Poland and even with the Baltic states, I think that that could be undertaken with Romania as well, and it ought to be, and that there should be serious interest. And I've talked to Romanians about

this as well. I mean, I think in concept, everyone's open to it. But it's a difficult road to hoe and it gets harder and harder as the generations get older. But I think if you could do at least what Polish-Russian Commission on Difficult Historical Matters has done between Romania and Russia, that the notion that Transnistria is this necessary bulwark between historically expansionist, aggressive, fascist Romanian civilization and Slavdom, you know, on the east bank of the Dniester, that would be a much harder sell for Transnistrians themselves if it could be shown that, you know, people can get over these issues now. People can find common ground. So I think that we should push that with Romanians.

AMB. MUNTEANU: I find a little bit difficult to understand how can be applied this concept of reconciliation between Moldovans and Romanians, because we don't have reasons to "reconciliate."

Speaking about Transnistria, it was not Romania that invaded Transnistria. So it is a little bit premature to speak in these terms.

Speaking about, let's say, received memories - you used this term. And it is really something difficult, but it is a kind of sociological construct. It is the hate speech that provides, you know, incentives for hating each other. The leadership or the elite level. At the ordinary level, there are not any kind of difficult relations, and I would say that probably 15 percent of the population of Transnistria now work in Moldova and the right bank of Dniester, because of the Sheriff role of accumulating the wealth and retail services. And this is why I think Shevchuk, for instance, spent more time in Chisinau and Tiraspol than in Moscow. So what would be the model more appealing to him? Probably not Moscow. He's - (inaudible) - in Moscow. He will take into consideration the, let's say, the structural influences coming from that state, but the element that is very much different from other conflicts is that we do not have inter-community hatred or hate. We do not have interethnic conflicts.

This is very important and this is a good precondition for the settlement of the conflict.

MR. HILL: Could I add just one quick note that, to underline indeed Ambassador Munteanu is quite right to point out the existence of military and there are militarized police forces on both sides. I mean, the Carabinieri is also in military units, so that it actually ups the total on the right bank. And, you

know, this is something that is one of the things that needs to be addressed, and hopefully one can get it into the negotiations if they get going on working groups, simply how to also extend confidence-building measures to the military and police forces that exist on both sides. Since the command has changed, one hopes things might get a little bit better.

The other note is, I don't know - I had heard that, or at least reports I had seen that a grenade was set off in Antofaev's (ph) stairwell in the building that he lives in. And you know, of course, they all live in the same - many of them live in the same building, so that, you know, god only knows, he could have set one off himself and then, you know, pretend to be a victim. One never knows there. But the idea is that it is - on the one hand, it's a really good situation that when you get people together from both sides they get along. This is not Karabakh or Serbia-Kosovo. But, you know, there are lots of people without intermediaries that have guns and organized units, so it's still one where considerable caution needs to be exercised in building this down.

MR. PARKER: Further questions? Please, in the back. And if you wouldn't mind, it will be helpful to get it on the record.

Q There we go. Adna Karamehic from the Open Society Foundations. My question is for Mr. Rojansky. I hope I'm pronouncing that correctly.

You mentioned Moldova and Jackson-Vanik in a reference to Russia and WTOs. I just wanted to clarify that you weren't saying that they should somehow be linked, the two processes, were you?

MR. ROJANSKY: Well, I can answer that pretty easily by saying I don't think that - well, let me put it this way: I think it will take a tremendous amount of effort by the skilled staff of Ambassador Munteanu's embassy and others to get Moldova and Jackson-Vanik graduation on the agenda independently. I think that would be wonderful. But to the extent that we will be forced to consider the overall relevance of Jackson-Vanik 20 years after the fall of the Soviet Union in the context of Russian accession, if there is a way to simply bring Moldovan graduation along, as often happens with legislation on the Hill, to me, that's a net positive. I would not object to the fact of the two of them happening together. But I'd be curious if the ambassador would, you know, have a different opinion on that.

AMB. MUNTEANU: I think all countries should be treated according to their

merits, and I think we don't have today any pending painful issue that can be brought in order to exclude or preclude or postpone our graduation from Jackson-Vanik. We have presented all necessary evidences that we are ready for that. Thank you.

MR. HILL: Can I - I mean, I recommended in my written remarks that it's long since past time for Moldova to be graduated, but it is, in the American political context, it often happens that entirely unrelated meritorious actions are joined onto unrelated bills simply because one knows that the unrelated bill is going to pass. And I'd take that into presumption that because there is enough American business with Russia that Jackson-Vanik will probably be removed for Russia. And if that train clears the way, why not put Moldova on top of it and let it go through? I mean, Moldova should have been done years ago. By all rights, it hasn't been because we simply haven't gotten around to it. The executive branch has been too timid to recommend, and Congress has had other things to do. And so if there's something that allows us to do it, why not do it now? And, you know, just don't ask, you know, what is the vehicle that allows you to. It's certainly an act that's worth - deeply worth doing on its own merits, and any way that we can get it done would be great.

MR. PARKER: I would just underscore that, yes, I think, you know, the linkage is purely procedural. I recall when Jackson-Vanik was terminated for Ukraine, there were those who thought, should this somehow be linked with Russia? And of course, clearly, it had nothing to do with Russia, and in fact to link it substantively would be in some sense to vindicate some of the worst parts of some Russian thinking in terms of, you know, why would these countries be linked? They're independent, sovereign nations. But on the case of Moldova, you have a situation of a country that's just too small, an American business footprint that can't rally enough support on the Hill to get something done. There's only so many hours in the day, there's only so many days in the session. And so it's a question of how to get it done.

I would really like to see it happen first for Moldova. In fact, there are bills that exist for Moldova, whereas there are not currently bills to terminate Title 4 of the Trade Act of 1974 to the products of the Russian Federation. I expect there will be soon, and one of the main reasons that that is probably going to happen and if you bet that we close the year and Jackson-Vanik doesn't apply to Russia, my guess is it will be because Russia is

in the WTO for better or for worse. And there is a desire, a political desire not to harm American businesses out of displeasure with Russia's human rights record or any other thing that might displease Washington on Russia. It will simply understand that one may argue on the merits of sort of green-lighting accession, which the administration did in November.

To be fair, it was the policy - it's been the bipartisan policy of administrations since 1994, so it would have been pretty unprecedented to see a reversal at the last minute. But if you wanted to say that, well, we'll use Moscow's desire or at least occasionally-stated desire to be in the WTO and withhold that for some leverage, that's over. Right? They were invited and it's not subject to ratification in the package in the Duma, and then 30 days later they're at a member, and at that point you end up in the situation of saying to deny it is to deny - is for the American Congress to deny American businesses the benefits that their own government sought to get for them in the working-party package. So it ends up being a little absurd.

And I think for the legacy of this - you know, by all accounts, effective human rights legislation, possibly the most effective - and in fact, the great struggle for Soviet Jewry in the '70s is really a paradigm that many other human rights issues and causes have been advanced on. It would just be a bitter irony for it to remain in place for Moldova, particularly because Moldova's been in the WTO, and you could argue that American businesses are being harmed because of it. And if you could say, well, there's not that many, well - but why would you stand in the way of not that many? Well, it's really difficult to get it done; well, no, it's not really difficult to get it done if you can get some - I mean, there's a bill and you simply need somebody to pay the attention that they're not currently paying. And up here, we often see that things don't happen unless a crisis is sort of provoking some action, and that crisis that will provoke the action on Russia is the prospect of American businesses possibly even losing existing market share. You won't have that crisis for Moldova, so it will take somebody saying, hey, I'm prepared to do this, possibly a senator or someone - there's obviously greater weight according to Senate procedure rules to block something by one or two members - to say, I'm not ready to consider this until we've at least moved this existing bill. And there are bills in both Houses. I would mention the committees of jurisdiction - as probably many of you know, in the House, Ways and Means, and in the Senate, Senate Finance.

AMB. MUNTEANU: I just wanted to remember that Moldova is a member of the WTO since 2001. In this field, of course, at this point, I have more questions than answers why this didn't happen. But we have a large group of representatives and senators that are very much interested to support this bill, these bills. And we hope that in the coming weeks, somebody will have a good inspiration, and we'll, let's say, repeal this injustice.

MR. PARKER: I can assure you, there are some who are trying and who have tried as recently as the National Defense Authorization in - well, last, I believe, November - tried and failed on jurisdictional grounds. But I'm sure they'll keep trying in both chambers.

Other questions? Please. And please, for the sake of your back, please sit at the chair. I'd hate to see you hunched over the microphone.

Q I am Jasper from the House Subcommittee on Europe. I came in a little late, so please forgive me if this has already been addressed and please disregard it in that case. I was wondering if the panel would like to comment on or to give us an assessment of the European Union's policies towards Moldova, particularly the European Neighborhood Policy and Eastern Partnership policies. Thank you.

MR. PARKER: Thank you.

Start?

MR. ROJANSKY: I mean, I would defer to the ambassador on this, but I have some comments, but I'd really rather - Mr. Ambassador?

AMB. MUNTEANU: OK, thank you very much. Well, our relationship with European Union is very promising, not only for the elites and for the "geostrategical" reasons but for ordinary people. Right now, we are in the process of negotiating DCFTA, free trade agreement with European Union, and also the visa-free issue. And these are not only, let's say, political-designed objectives, they are processes which involve integrated border management, let's say reconfiguration of the several institutions that have to protect and safeguard citizens' rights and freedoms.

One of the important elements, of course, is related to the judiciary reform and there are many friends in European countries that try to assist us in moving forward. It is not easy, particularly because there are parts of that administration that need to be adjusted to the tremendous goals of the European integration, and particularly because the ethics or the consequences of the

global crisis affecting Europe as well has developed some status of minds that are not very favorable to the expansion and the enlargement.

But we believe that the eastern partnership is an excellent avenue for the countries that want to be prepared. We called it - one of the most important benefits of the integration is related to the conditionality, and the conditionality is - (inaudible) - that many countries want to achieve when the work is done and we are engaged in several important and complex tasks in the regulatory framework in the economic reforms, in the judicial reform.

We hope to get down, let's say, the free trade agreement in one and a half, two years from now. Right now Moldova is benefiting from the autonomous trade preference agreement with the European Union, with a lot of benefits to the productive sector, to the businesses in Moldova.

And, for instance, as a consequence of this privileged regime, we have more than 55 percent of our goods going to the European market. This is a very important structural change in the economy, and we expect more benefits coming from the initiative of the business and we expect our government to act to accomplish these tasks sooner than later.

Thank you.

MR. ROJANSKY: Just briefly, my assessment of - again, I'm not - you know, I know that these European key kind of issues are very, very complex. I don't want to wade into it, but my assessment of some of the things that you - some of the additional incentives that in the eastern partnership have been given is mostly positive.

Correct me if I'm wrong, but I believe that Europe is supplying at least one position per ministry or something like that to help with implementation capacity, because that's a huge thing. I mean, if you look at even much larger and better endowed countries like Ukraine, you know, implementation has been sort of the issue. It's not, you know, negotiating what part of the body of law we're going to accept, it's actually doing something about it.

And I think the will is there in Moldova, but to some extent, the means is not.

There has been a large new confidence-building measures grant - "large" in relative terms, 13, 14 million euros - which is really key, because I think one of the big problems in conflict resolution - I omitted this for time's sake from my earlier recommendations - is not only getting high levels involved but also whole bodies politic. Right? Having conflict resolution be done between ordinary people and church groups and civil society and so on and so forth,

and
that does cost money, and that's something that Europe can and should
support.

It's also an appropriate and balanced way for Europe to engage with
Transnistria. This is always a really delicate thing. This is a delicate
thing in the Caucasus as well, when you want to engage with these
unrecognized
entities, but you don't want to undercut the legitimate government. And I
think that this is an appropriate vehicle for doing that.

And then just lastly, I'd like to shoehorn something in here which I think
I've
mentioned before in some context and it's in my paper. I think the OSCE
needs
to take a slightly more forward interpretation of its mandate, and that
includes basket two, which is the economic basket.

I mean, a big part - you know, I talked before about the historic
reconciliation issues. I do think that those are very real. I don't think
that those can be ignored. But a big part of the day-to-day incentives for
perpetuation of the conflict are economic, and, you know, the OSCE has a
mandate from all 56 of its member countries to address economic security
issues, and one of those is the anticipation that some people are going to
lose
and some people are going to win financially in any Transnistria settlement
process, so the first thing you do is you find out who they are.

You get that information out in the open. There's no reason why OSCE
Chisinau
- and, I mean, let Ambassador Hill comment on this if he thinks it's
unworkable
- can't at least offer a repository function. You know, documents, make
them
public, as sort of a WikiLeaks kind of thing.

You know, transparency is going to be good. Fresh air is going to be good.
I
know deals are going to have to be done. Some people are going to have to
be
paid off, and those payments are going to have to go through, you know,
unsavory places, but at the end of the day we know that there are financial
interests and that they're going to have to be dealt with, and so I would
recommend that OSCE take that bull by its horns and add it to its pol-mil
mission and its negotiations.

MR. PARKER: Thank you for bringing that up, Matt. That was actually part
of
the subject of our discussion, I believe, last summer in June, and I'm not
sure, again, if the OSCE will take it up, but we were discussing something
sort
of like a balance sheet for Transnistria - who wins, who loses, something
that
would have sort of the embarrassing details on paper and out there in the
public realm, because often, you know, you talk about Transnistria, and it's
all these shady deals and there's probably this, but there's not a whole lot

of
concrete there, at least that I've seen.

And, you know, is it the smuggling of chickens or weapons or cigarettes or water, or what's going on? And, you know, I'm thinking of I believe it's the group Global Witness that occasionally puts out these rather strident reports with color pictures and almost comic book-like format. I think one they did called "It's a Gas," or something to that effect, regarding Ukraine's gas deals with Turkmenistan, and on the cover you had Yushchenko and the late Saparmurat Niyazov.

And you had some unflattering, difficult financial data and flow charts and link analyses in this document, so I certainly hope somebody takes up that challenge and we see a scandalous headline in the near future of whose bank accounts are where and who's winning and who's losing.

Since you brought up the OSCE, you know, I would just like to mention we're at the beginning of a new chairmanship, the Irish. We do expect the CIO to be in town before the Helsinki Commission in the nearest future, and we have also just - Philip Remler, former head of mission, has just departed. I believe we're in the - (inaudible) - period, as it were, hopefully not for too long.

I'd like to ask the panel, just because this is the milieu we sort of inhabit, what can be done concretely, what would your suggestions be to our new head of mission, who I hope is on the ground soon? What outside-of-the-box projects might be useful? How can things be improved?

If everybody could take a little crack at that. (Laughs.)

MR. HILL: All right, well, let me start with economics and move on to the - with the particular to the general.

You know, the OSCE over time can and has done a significant amount with aspects of the economic or the second basket. You know, but the answer is, it depends.

First and foremost, the OSCE field missions are accredited to the authorities of the state within which they work, and the economic information has not always been particularly flattering to authorities, or it's been unflattering not only to authorities in Tiraspol, and therefore, one runs up against practical limits, or one makes inquiries and requests, and for one reason or another these things are not adopted as public or programs that are done publicly.

The second basket includes, though, activities that are economic and environmental, and let me give you one example from the past, take it to the

future and move on to the head of mission. You know, there have been wild accusations back and forth ever since the conflict about nuclear weapons, nuclear materials. The Washington Post embarrassed itself in 2005 with an article about dirty warheads on weather rockets.

You know, but one of the things that - well, they did embarrass themselves, but one of the things that we did quietly before, during and after my tenure, the OSCE mission personnel have dosimeters, and we have a pretty good idea what the levels are of background radioactivity and other stuff in all sorts of places, and, you know, there were not dirty bombs around there.

But we received a formal request, which came from the government of Moldova in 2004, to investigate sources of radioactivity in the steel mill in Ribnita, and we contacted both the - we were in touch with both the local authorities in Tiraspol and the International Atomic Energy Agency. And with the agreement of all concerned, we got IAEA personnel in who did an investigation.

What they found is it's very common when you make scrap, you know, take scrap metal, gather it up and throw it into a smelter to make steel, that you get little instruments - dials like from wristwatches, or, you know, equipment dials and stuff, that have very small but traceable amounts of radium and other radioactive materials, and so there's radioactivity there. The IAEA came in, investigated to the satisfaction of all involved, taught the guys in the steel mill how to avoid producing mildly radioactive steel rods and stuff, and issued a report.

There's a whole lot of environmental issues on a broader scale like this involved - the Nistru, or Dniester River, is dirty from top to bottom and needs - and, you know, there's other issues of pollution, and there is a real opportunity there for the OSCE to arrange for projects that cannot be done by other governmental authorities, because we work more easily by our constitution and mandates than does the EU, the United States or others.

And this is one of the things that I mentioned and I mentioned in my recommendations is the OSCE or - you know, the U.S. and others, but, you know, through the OSCE could do a whole range of environmental projects that would involve all of the actors in the region - Ukraine, Moldova, the Transnistrian entity and Romania - that would not involve recognition or principle of anything, but just actors involved at the NGO level or other ways.

And, you know, a new mission head could be very energetic about seeking backing from this in order to bring authorities, local authorities from all of these jurisdictions into contact and do some good.

And, you know, there's no limit on this. The only limit is what all of the authorities that you propose are willing to agree to. In other words, if one guy says no, then of course you don't do it. But this is something - I think, you know, the new mission head - the OSCE in Moldova is the last of the real conflict resolution missions that's left. All of the rest of them now do projects. And the mandate, if one reads this, is exceptionally broad, and so there is wide scope to take good ideas about demilitarization, confidence building, environmental cleanup, economic cooperation, infrastructure rebuilding or human contacts in the third dimension for media, people-to-people, freedom of movement.

And the limits are only how much - what the local authorities are willing to accept and how much the participating states are willing to pay, and there certainly is a limit on the latter, but then again, that's where the virtues of this being a relatively small region are good, because if you get - the scale is such that a modest contribution can go a long way.

It can be done. The OSCE mission raised \$30 million to help pay for the destruction or withdrawal of Russian military equipment and ammunition; about \$15 million of that still sits in a bank account ready to go if all the parties involved can be convinced to cooperate.

So my advice to somebody - you know, to my successor several times removed, and I think I know who it is, I hope, would be to have a big imagination, because the parties can only say no, and if they do say yes, you might actually get something worthwhile done.

So don't assume that just because - you know, status is not the only thing that you're empowered to do, and the other stuff, the mission and the OSCE itself, is uniquely positioned to make such proposals and to serve as a neutral actor to carry out such proposals. It's been done in the past and it's really the only place left in the OSCE world these days where you can still do something like that. Georgia used to be one of those; that's disappeared, alas, after the 2008 war.

And so this is also a place where one can actually show where a well-positioned

organization, equipped with a mandate to engage in conflict resolution, can actually do something with results.

So that would be my recommendation.

AMB. MUNTEANU: Can I?

MR. PARKER: Please.

AMB. MUNTEANU: Well, it's difficult to add some significant ideas after what has been stated by Ambassador Hill, with his professional background.

First of all, I think OSCE's mission cannot be pushed too hard, because it acts and operates into a special institutional framework, and sometimes the budgets are cut for OSCE when they are trying to do more creative things.

But absolutely right, I am in full agreement with the fact that the OSCE mission should be more creative, engaging the institutions from the left side to protect the freedoms and rights of citizens, irrespective to the language or nation they are.

I think that in the last years, Moldovan side provided the full evidences of being able and being willing to cooperate with the United States, for instance, on the nonproliferation issues, and as a testimony to that I would quote Richard Lugar's report on the nonproliferation, which shows Moldova in a very positive light.

I think security-sector reform should be consolidated in the Republic of Moldova to respond to the growing risks or to the continuing risks coming from the eastern space, ex-Soviet space. I think human rights situation in Transnistria needs to be addressed in a more decisive way. Too many cases when people are jailed in Tiraspol or in other cities, and the public opinion now about these cases after six months or years.

I just wanted to quote the fact that the Russian Federation has been - two decisions, in fact, were taken to condemn Russian Federation for the fact that it did not act to release the hostages in Transnistria, and even Russian military participated to jail some people of Moldovan citizenship in that region.

I think this is a situation that needs to be addressed as a preventive measure, as an early warning, not when everybody knows about these cases. And it is really of large concern for us, the fact that the infrastructure of fear and threats that is inherited from Antofaev (ph) remains intact.

This is a matter of security threat to all of us in the Republic of Moldova. In addition to that, of course, the ecology, environmental issues, can bring communities to work together. The business groups that may have joined on common projects would provide necessary bridges for communication and for creative work. I expect a lot of positive outcomes coming from the initiative of Mr. Shevchuk to lift some of the barriers for the circulation of citizens. This is fundamentally important.

And as soon as these obstacles all be removed, the people will see that there is no real difference between Transnistrians' interest of the population of Moldova. I think the psychological factor can be a glue for the reintegration of the country, irrespective to the received memories or other kind of models which, let's say, define a kind of antagonistic behavior towards Moldova.

I am very optimist (sic), and I think that 2012 will provide very interesting venues for the conflict settlement.

Thank you.

MR. PARKER: We have just a few minutes left, if anyone has a burning desire, as it were. Otherwise, I may ask the last question or so.

And this is -

MR. ROJANSKY: (Off mic.)

MR. PARKER: Oh, sure, would you like to add? Yeah.

MR. ROJANSKY: In addition to what I said before, just real quick - information, information, information. Nobody, in my experience, just informally getting information from people, you know, in the mission there, is more credible and reliable and has better reach in the region than OSCE, and, I mean, the quality of the press reporting from there is pretty lousy.

I have been variously described, as I'm sure you have, Bill, in many ways, as a - (in foreign language) - a CIA agent, a scholar of Chatham House, which I never have been, and many other things. I mean, I just think, you know, gathering, and sort of in some sense vetting information and making it public, documents, record of implementation of things that have been agreed, I mean, this - you know, in the Internet era, I think it's an easy task. It's just a matter of sort of archiving and resourcing and making it widely available based on internal lobbying within OSCE.

And I totally recognize it's a political entity, it's a political organization, depends on the will of the chair in office, but a little internal lobbying to raise the priority of this issue and in particular to put it on the agenda of what I realize is seen as sort of maybe a pointless boondoggle by some people, but the Corfu process, which is about Euro-Atlantic security, because I think this is a potential linchpin issue there.

And then lastly, I would put these two issues on the table. I don't know which way they cut, but, you know, some people have proposed legal personality for OSCE as a whole, and that may make a difference, and the second is a lot of people have talked about OSCE somehow taking on a peacekeeping role in Moldova specifically, and I don't think it's equipped to do that, and I don't know if it's a good idea.

But, you know, they're open questions.

MR. PARKER: Boy, don't get me started on the Corfu process. And boy, is there ever a long and complicated history on the legal personality issue.

Two quick questions, and they're real questions. Sometimes here, particularly on Capitol Hill, we ask questions we know the answers to or we ask questions we hope for a particular answer.

But Matt, I think you had mentioned something about, you know, the conflict's impact on conditions, on the prosperity of the region. You know, Moldova's often referred to as the poorest country in Europe, very high rates of multiple drug-resistant tuberculosis, trafficking in persons, corruption. How much of this would exist without the conflict, how much of it can somehow be traced to it?

Along those lines, one of the issues I'm wondering about, particularly on tuberculosis, for example: What is the ability of the OSCE to work with major, you know, corporate philanthropic organizations that might be fighting disease or things? Are there opportunities to sort of leverage interest, raise budget, you know, as a project, as something that might benefit both banks?

Another question I have, and this goes to the whole issue of sort of the blank

spots in history, historical memory, is the question - and I've never gotten a very good answer. A year or so ago there was an issue about access to Holocaust archives in Moldova. It was resolved, I think, when Vice President Biden visited. There was a change in Moldovan law, access to the archives.

It seems to me, just again, as a casual traveler visiting the region and sort of an armchair scholar of the period, that there's a tremendous amount of Holocaust-era sites, some of the worst atrocities committed, that are un-memorialized across Moldova and in the region of Transnistria, and while acknowledging that it could be a politically difficult issue, what are the prospects for confidence-building measures around that, around memorializing some of those sites?

You know, it just strikes me as something that for the wrong reasons, some in Transnistria could see it as beneficial and sort of framing it as, haven't we been telling you that it was the Romanian fascists. And yet at the same time it would be very difficult for a Western-leaning, pro-democratic government in Chisinau to stand in the way of doing, after all, what is right and proper, what has been done in other parts of Europe, and really digging at that memory and exposing it, with a hope to healing some of it.

Is there something there, or is this a harebrained scheme?

And with that, we'll close, after I get my answers.

MR. ROJANSKY: I'll just say something on the history. I mean, you've targeted the exact right issue; you're exactly right, which is if you tried to - I mean, I have to say, by the way, relative to Ukraine and Belarus, other parts of what Tim Snyder calls the "bloodlands," right, I mean - (inaudible) - was not quite as bad, partisan warfare was not as bad, but, you know, it was bad.

But if you tried to do a memorial, if you tried to do sort of joint activities to the extent that they've been tried before, I'm not aware of it, but I know that you'd be triggering exactly that reaction from the left bank of the river, and I think therefore something is required before you do that, before you provoke that confrontation. And that is an expert process which is done not in an ivory tower but not in a highly politicized way, which has the blessing of authorities on both sides, and I include in that the Russian and the Romanian

sides, because let's be quite frank - you know, it's not the Moldovan government of today that is the inheritor of that legacy. Right? I mean, just in legal terms, obviously, it's today's government in Bucharest that would have to do the "knee fall," as it were. And so I think you do a process that looks like the Russian-Polish expert working group, but you have to define two very important things.

One is an end point - you know, when has the process been completed, what do you do with the documents, where do you put them, how do they remain, how do they become a part of history and memory and no longer, you know, sort of a current debate?

And second is, what are the consequences? Because that's what people are going to care most about. So if you demonstrate that we were the guilty ones, what does that mean for us? Do you delegitimize our state? Do you delegitimize our society or our claims? I think you have to kind of define the terms of that engagement at the beginning, and I would not try to do some confidence-building measures around joint memorials until you've done those things.

MR. HILL: I began my career as an historian, and the history of this region is extraordinarily complex. During my time in Moldova I found, among other things, the diary of Heinrich Boll, who was attached with the German army retreating through the Moldovan front in 1944. And he mentioned that in the left bank at that time there were a number, a string, of German villages, inhabited, as you had through much of Romania, you know, then through the time of Ceausescu. These were ethnic Germans living in what was, you know, to be Transnistria, you know, long before that, and they suffered the fate of, you know, many Germans in other parts of Europe in post-World War II, and very little trace of the German villages now remains in Transnistria.

I mean, Chisinau, you know, and parts of Moldova, I mean, there was a flap a couple of years ago about ceremonies held at the graves of Romanian soldiers from World War II who are buried in central Bessarabia, but Chisinau is the site of the single greatest pogrom in the history of the Russian empire.

You have many people who are not necessarily happy with things that, you know, were done either by or to their ancestors there. I personally think that given the state of the histories now, or the way that, you know, people in the area look at history, left and right bank are still fighting over whether you have the history of the Moldovans, the history of the Romanians, or the history of the (PMR ?) that describes the region.

I did try to get historians together. In 1999 we formed a commission based upon the examples of Poland and Germany. We actually brought historians who had participated in Poland and Germany down. One of the participants locally told me that it looked like I had assembled the historical, you know, institute of history of the MSSR Academy of Sciences, because we brought prominent historians from Chisinau and Tiraspol together.

We were going to do a 20-episode common history of them. We basically finished the episode on the Scythians and got no further before they started - it's an endeavor that is well worth doing, and ultimately people in the region will live together only when they can write a history together with historians differing, as they always do, on aspects of it, but at least agreeing enough on what you call things in order to write - the historians and educators of the region now are nowhere near that, and that's one of the things that has to be done to enable the elites and the governments to live together, to agree at least on what they will call themselves when they write a history of the region.

And so definitely something worth doing, but I think your starting point is much further away than, you know, commemorating certain events. It's basically dealing with this whole process of how one describes one's past when one comes from that region, and until you can do that as part of a broad collective, I think, you know, aspirations to deal with more specific events are likely to come across rocks that are hidden, that are strewn everywhere through the histories of each, you know, separate entity that writes the history.

MR. PARKER: Mr. Ambassador, would you like the last word before we wrap up?

AMB. MUNTEANU: OK. On the same note, I think the history of the region serves as a box full of sufferings, and there are many spots uncovered by historians. And the fact that we have decided before Vice President Joe Biden visited us to disclose or to open the access to the archives served as a confirmation of our "strategical" will to engage in the restoration of the historical memory.

It is not always - this history and memory is not always pleasant, but it is inseparable for the health of our civic rights and freedoms. My father served in two armies, in the Romanian and then in the Soviet, so I have a very acute sense of history. I know exactly what happened. But many (sic) information one day will confirm or inform what I know about it.

We've lost, between 1940 and '46, 300,000 Moldovans that have been killed as

a
result of cleaning, of cleansing, for Soviets, by Soviets after the
invasion,
and then for the fact that they were rich. It's a huge trauma for us. And
of
course, to recapitulate and to recover this kind of sacrifices is very
important for us as well.

I think we should not push with some of the public education. We have to
create institutions in the ground that will be helpful to restore the
legitimacy of history or the sense of history for the region, and I think
that
all of the, let's say, victims of the past should be commemorated.

This is a part of the education, not to commit mistakes in the future. I
think
it's extremely important.

MR. PARKER: Well, thank you.

And thank you all for an interesting and useful conversation today.

We will put the transcript up on our website. We will certainly circulate
it
immediately with our mission in Vienna and with the new head of mission,
when
there is a new head of mission.

And do follow our website, CSCE.gov. We have some interesting events coming
up
in February we'll be noticing shortly, some probably on the Russia front, as
elections there are scheduled for March 4th.

So stay tuned, and thank you all.

(END)