

Romania: the death of reform

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On 19 April 2007, Romania became the first European Union state ever to impeach a sitting president. The previous three months, Romania's first as a full member of the EU, had seen an escalating power-struggle over the extent to which the country's political elite was prepared to abandon serial bad habits and make itself accountable to the law.

It was not supposed to be like [this](#) [1]. European Union entry on 1 January 2007 was the moment when Romania's tortuous transition from hardline communism was to end. The crooked businessmen who had invaded the political arena - in order to avoid retribution for transferring billions into their own pockets by engineering spectacular bank failures and looting companies made ready for privatisation - were now due to face their day of judgment.

This expectation was grounded in the series of bold reforms of the Romanian justice system launched - at the EU's insistence - from 2004 onwards. After years when this system had been extremely pliant to those in power, major prosecutions were undertaken against a string of important politicians unable to satisfactorily explain the origins of their fortunes. But instead of recognising that the years of plunder were over and it was time to salvage what they could, members of the Romanian oligarchy mounted a brazen counterattack.

The reforming justice minister [Monica Macovei](#) [1], a human-rights lawyer detested by the establishment, was flung out of office on 2 April. It mattered little that she had been hailed by the EU commission as the main person responsible for Romania joining the EU on schedule. On 19 April, her chief protector, President Traian Basescu, was himself [suspended](#) [2] by parliament. This was no simple challenge by a legislature to an overmighty leader; rather, it reflected the fury that someone parliamentarians had assumed would discreetly safeguard the interests of the powerful, instead had spoken out with growing insistence about how many top fortunes were based on systematic theft while millions of Romanians survived [on the edge](#) [3] of destitution.

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Also by Tom Gallagher in openDemocracy: "[Understanding Slobodan Milosevic: between the cold war and Iraq](#) [5]"
(13 March 2006)

"[The European Union and Romania: consolidating backwardness?](#) [6]"
(27 September 2006)

The cynicism of Bucharest's MPs is matched by the dilatoriness of European Union officials. The EU had advised doubtful member-states in 2006 that reforms were sufficiently consolidated

for Romania to be able to join and assume the benefits as well as the responsibilities of membership. The Romanian government's part of the bargain [7] was to prepare an extensive set of modernising projects that would, over the next six years, unlock access to €30 billion (\$40 billion) of EU taxpayers' money designated for this task. Instead, the government took a holiday from reform, as it expended energies in hounding individuals committed to fulfilling the EU's blueprint for change from their positions in the various ministries, regulatory agencies, and state media.

When EU officials have demurred, government figures have responded with mounting irritation. We are no longer a candidate but a sovereign member-state, is the message, and we resent being ordered around. In truth, there is very little Brussels can do other than impose a "safeguard clause" which prevents Romanian legal decisions being recognised in the rest of the EU.

A warped direction

On new-year's eve in central Bucharest, EU dignitaries should have recognised the warning-signs when they found themselves being shuttled between rival celebration parties: the president's in one square and the prime minister's in another. They assumed - as did the international media when it deigned to give glancing attention to Romania - that such evidence of political division [8] and difficulty could be attributed to the contrasting personalities of the two figures whom the Romanian constitution requires to share power.

Traian Basescu [9] is the former captain of an oil-tanker, an eloquent populist, flamboyant in style, sometimes erratic in judgment, who was narrowly elected president in 2004. Calin Tariceanu [9], the prime minister, is an uncharismatic and wealthy car-dealer with diversified business interests thanks to an alliance with Dinu Patriciu, who controls much of the privatised oil industry and whose firm Rompetrol is the biggest contributor to the state budget.

The political trouble began in earnest in 2005, when Patriciu was arraigned on corruption charges. Basescu accused Tariceanu of exceeding his prerogative and intervening with other officials (including the chief prosecutor and justice minister Macovei [10]) to try to influence the case. Patriciu showed the scale of his ambition when, at the end of 2005, he launched a multi-million international lawsuit against the Romanian state for damaging the reputation of his businesses. Tariceanu's response, far from one befitting a custodian of the national interest, was to state openly that he respected the decision made by his friend.

In a political system where most parties lacked programmes and were dominated by a shifting coalition of private interests, this frank admission revealed the warped direction Romania's transition from communism had taken. Many of the leading lights in Tariceanu's *Partidul National Liberal* (National Liberal Party / PNL [11]) had, like himself, been well-paid employees in Patriciu's companies. They proceeded to vilify Basescu; and cooperation with his party, the Democrats, collapsed and for an entire year - until EU entry - government became a mere holding operation.

The president vs the rest

Patriciu won the oil franchise under the PSD, and in 2004 he handsomely financed the election campaign of both it and his own Liberals. Basescu's unexpected presidential victory upset hopes in other quarters that a cross-party alliance could distribute EU pre-accession and structural funds in the way that much of privatised state revenue had been allocated.

The PSD had strenuously opposed the post-2004 reforms the EU insisted on, but in early 2007 it teamed up with Tariceanu's Liberals to depose Basescu and emasculate serious change. A parliamentary commission of enquiry into the president's conduct was set up on 28 February under Dan Voiculescu [12], a media mogul who in August 2006 was unmasked by a state commission investigating the Ceausescu era as an informer for the Securitate [13] (a charge he denies).

The EU commission was a helpless spectator as these events unfolded; its vice-president rushed to Bucharest in March to defend the reform-minded ministers, but was effectively told to mind his own business by Tariceanu and other Liberals. At the same time, the anti-Basescu coalition was able to obtain backing in the European parliament both from the Socialist group (few surprises there) and - more surprisingly - from the ninety-six-strong strong Liberals. Its head, the British Liberal Democrat MEP Graham Watson [14], granted Voiculescu's Conservatives membership despite the fact that leading elected members faced trial on very serious corruption charges (Voiculescu himself was issued with an indictment on 16 April).

It is a worrying sign that some European groupings, instead of exercising a restraining role on the more unattractive parties in southeastern Europe [15], are lending themselves to be manipulated by them. After meeting Voiculescu, Watson declared that Basescu's suspension was justified - even though, the day before parliament had stripped him of his powers, the constitutional court in Bucharest had ruled that none of his parliamentary opponents' charges had any foundation. The court further endorsed the view that the president should have an active role in political life, not the merely ceremonial one desired by his opponents; yet on 20 April, it also ruled [16] that the president's suspension by parliament was legal.

The naïve and the ruthless

The Romanian people will have the chance to judge parliament's actions after 19 May 2007, when a referendum [17] required to validate the president's removal from office is held. Basescu remains the country's most popular politician by a clear margin, but almost all the media is in the hands of his opponents and Tariceanu has hired top advisers used by Republicans in the United States to advance his cause.

As for the EU, it remains to be seen when it will wake up and acknowledge that its efforts to export its values and governing methods have failed in Romania. Its methods were superficial and it never properly audited them or became acquainted with the degree to which the local power-structures [18] were opposed to what it intended. Romania's political cartels were desperately keen to get inside the EU to enjoy the huge economic benefits membership would bring; to them, the EU is yet another entity that they need to suborn. In the attempt, they have seen close up how short-sighted, irresolute and even opportunistic some Eurocrats are in defending the values and processes that made the EU strong over the fifty years of its existence.

A naïve post-modern entity is no match for Bucharest's ruthless cartels. Without a profound and rapid rethink in Brussels, these predatory forces - now with only an isolated [19] ex-president standing in their way - could threaten the stability of the European Union itself.

This is no alarmist statement. My prediction is that despite historic suspicion of Russia, the power-brokers of Bucharest will not hesitate to link up with its economic interests (particularly in the energy sector) and become a phalanx of Russian influence inside the EU. In that event, instead of the EU being a westernising influence on one of Europe's borderlands, Romania instead could help to corrode the EU from within.

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[9] http://www.presidency.ro/?_RID=htm&id=4

[10] <http://www.ft.com/cms/s/5a05653a-e3af-11da-a015-0000779e2340.html>

[11] <http://www.pnl.ro/%29>

[12] http://english.hotnews.ro/Political-leader-Dan-Voiculescu-others-under-criminal-inquiry-for-money-laundering-articol_44648.htm

[13] <http://www.mesharpe.com/mall/>

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[14] http://www.csees.net/?page=news&news_id=60566&country_id=6

[15] http://www.lib.utexas.edu/maps/cia07/romania_sm_2007.gif

[16] <http://www.rferl.org/featuresarticle/2007/4/D51389B5-C978-4658-A616-B578B7A127C6.html>

[17] http://www.novinite.com/view_news.php?id=79822

[18] http://english.hotnews.ro/Who-runs-Romania-onstage-and-backstage-articol_44788.htm

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