

Moldova's Political Crisis Abates

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On June 14, 2019, a political crisis in Moldova ended when leaders of the formerly ruling Democratic Party of Moldova (PDM) agreed to dissolve the outgoing government in favor of a new coalition. The coalition includes a reform-oriented, Western-leaning alliance, ACUM (or "Now"), and the socially conservative, Russian-leaning Party of Socialists, which placed first in Moldova's February 2019 elections.

Moldova is one of three post-Soviet states that, together with Ukraine and Georgia, have sought greater integration with the West while coping with separatist territories occupied by Russian forces. Many Members of Congress have long supported Moldova's democratic trajectory and territorial integrity and have called on Russia to respect Moldova's sovereignty and withdraw its military forces.

Growing Discontent

Moldova's political environment was increasingly contentious before the recent crisis. The PDM gained power in 2016 after the prior government collapsed amid fallout from a bank fraud case involving the alleged loss of some \$1 billion, equivalent to more than 12% of Moldova's gross domestic product. ACUM leaders and many observers contend that the PDM, in particular party leader and wealthy businessman Vlad Plahotniuc, effectively "captured" Moldova's state institutions for personal and party gain. In summer 2018, mass protests opposed a court decision to annul a snap mayoral election in Chisinau, Moldova's capital, which had been won by Andrei Nastase, who later became one of ACUM's two co-leaders. In November 2018, the European Union (EU) indefinitely [suspended](#) a €100 million macro-financial assistance program, which was conditional on respect for "effective democratic mechanisms" and implementation of reforms, and announced a reduction in other aid.

Surprise Coalition Overcomes Resistance

Elections to Moldova's 101-seat parliament were held on February 24 and validated by the Constitutional Court on March 9 (for results, see [Table 1](#)). After the election, Moldova lacked a functional government for almost three months, while leading parties held protracted coalition negotiations. Moldova's crisis arose on June 8, when the country's Constitutional Court, which observers considered was under the PDM's influence, [issued](#) a series of controversial rulings pronouncing the newly announced ACUM-Socialist government to be illegitimate (the court has since [repealed](#) its rulings).

Table 1. February 2019 Parliamentary Elections

Party	Party List Seats (%)	Single Mandate Seats	Total Seats
Party of Socialists	18 (31%)	17	35
ACUM	14 (27%)	12	26
PDM	13 (24%)	17	30
Shor Party	5 (8%)	2	7
Independents	—	3	3

Source: Central Election Commission of the Republic of Moldova.

The Constitutional Court said it based its reasoning on the constitution and legal precedent, according to which a government is to be formed within three months after elections are validated. The court asserted that if parties fail to form a government, the president (currently Socialist Igor Dodon) must dissolve parliament and call new elections. On June 7, as the deadline for forming a government approached, ACUM and the Socialists indicated their readiness to form a government, with ACUM co-leader Maia Sandu as prime minister and Socialist leader Zinaida Greceanii as parliamentary chairwoman.

That same day, the Constitutional Court [issued](#) a controversial ruling that the President had to dissolve parliament after 90 days, not three calendar months. The 90 days fell on June 7, the day the court issued its ruling. The next day, the Constitutional Court ruled that the new ACUM-Socialist government was unconstitutional. The court temporarily dismissed President Dodon for not fulfilling his duties and authorized then-acting prime minister Pavel Filip (of the PDM) to act as president, dissolve parliament, and call new elections.

For a week, tensions escalated as Moldova had two rival governments. After parliament approved the ACUM-Socialist Cabinet, Prime Minister Sandu [appealed](#) to Moldova's civil servants and the international community to recognize its authority. PDM leaders, including [Filip](#) and party leader [Plahotniuc](#), insisted on the legality of the court's rulings; they also claimed the Socialists had accepted illegal financial support from Russia and accused Russia of plotting to establish dominance over Moldova by taking advantage of the inexperienced ACUM.

During Moldova's crisis, Western and Russian positions were aligned, which many observers considered unusual given their adversarial relations. The EU [stated](#) that it took "good note" of the parliament's decision "on the formation of the government coalition" and stood "ready to work with the democratically legitimate government." The U.S. State Department [stated](#) that the "will of the Moldovan people as expressed in ... elections must be respected without interference" and later [welcomed](#) the PDM's announcement that it was withdrawing from government. Russian President Vladimir Putin [expressed](#) support for President Dodon, who visited Moscow for consultations during the negotiations, and "his present-day coalition partners." Facing largely unified international discontent, the PDM backed down on June 14 and Plahotniuc left Moldova (temporarily, he says).

Outlook

Prime Minister Sandu [acknowledges](#) the ACUM-Socialist coalition is not a "natural partnership." Sandu [suggests](#) ACUM has united temporarily with the Socialists to combat corruption and restore the rule of law, which ACUM says has been undermined by the former PDM-led government.

With Moldova's political crisis abated, Prime Minister Sandu's government states it will now seek to restore the rule of

law, promote integration with the EU, and reform the political system. The Cabinet includes economic and foreign policy professionals who have been educated or worked abroad (Sandu worked at the World Bank and served as Moldova's Minister of Education). The government can be expected to seek closer engagement with the EU and the United States, which has increased assistance to Moldova in recent years (\$66 million in FY2017 and \$74 million in FY2018).

Looming over Moldova's democratic political transition, and of interest to many in Congress, is the question of Russia's role and intentions. For now, President Dodon has [called](#) for the Socialists to set aside their geopolitical differences with ACUM and work as "a united team" to implement needed reforms. How long the two parties will be able to govern in tandem given their different domestic and foreign policy orientations remains to be seen. It is also a question whether the Sandu government will investigate PDM accusations of illicit Russian financial support to President Dodon's Party of Socialists. For many observers, it is difficult to imagine Moscow standing aside if ACUM appears successful in its efforts to propel Moldova into a European community of democratic and rule-of-law based states.

For more information on Moldova, see CRS In Focus IF10894, [Moldova: An Overview](#).