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1. **Reformation of Moldovan Diplomacy Is an Imperative. Commentary by Victor Chirila, Acting Executive Director of the APE. IPN. 19.08.2009.**

During the last eight years, the Moldovan authorities had committed many mistakes in their relations with such major foreign partners as the EU, Russia, the U.S. and especially Romania and Ukraine. These recurring blunders made by our ever young diplomacy has made many of us wonder whether there was something wrong with our foreign policy and diplomatic service.

The April events and the collapse of the relations with Romania confirmed what our Western partners realized gradually – the foreign ministry of Moldova has lost the sense of reality, has become disorientated and is facing an acute crisis of professionalism and professional deontology. In other words, our foreign ministry became an institution emptied of the necessary content.

The perpetuation of this state is inadmissible if the Alliance for European Integration (AEI) wants to restore Moldova’s image of credible partner in a short period of time, to promote the European integration process and reestablish cooperation relations with the most important partners.

At the same time, the Moldovan foreign ministry should regain the status of spearhead of the European integration process. For this to happen, the AEI must reform the internal/operational structure of the



ministry and restore the legitimacy of decision making in the area of foreign policy. Otherwise, the European integration program of the future government risks being torpedoed from the very beginning.

Consequently, the reform of the institutional and decisional foreign policy framework should be based on the following objectives:

1. **To restore the head of state's responsibilities in the area of foreign policy in accordance with article 86 of the Constitution of Moldova**, so as to put an end to the president's involvement in the internal activity of the foreign ministry. Under the given article, the head of state is empowered to carry out talks and participate in negotiations, to sign international treaties in the name of Moldova, to accredit and recall the diplomatic representatives of Moldova, to approve the creation, dissolution or change of status of the embassies, to deal with the letters of accreditation and recalling of diplomatic representatives of other states in Moldova.
2. **To restore decisional and operational autonomy of the foreign ministry as it was until 2001**. As it is well known, after the internal restructuring of 2005 and 2006 carried out also with the assistance of the Security and Information Service, the foreign ministry became a docile instrument of the PCRM and practically a subdivision of the Apparatus of the Moldovan President.
3. **To restore the Parliament's role in the area of foreign policy as it is provided in the Constitution of Moldova**. Under article 66 of the Constitution, the legislature approves the main foreign goals of the state and, very important, controls the executive power, including the foreign ministry. Article 66 allows the Parliament to strengthen its role of supervisor of the way in which our foreign policy is implemented. In this connection, the parliamentary commission for foreign relations should claim not only a simply consultative role, but also the powers/responsibilities to monitor the work of the foreign ministry, diplomatic missions and ambassadors, and should take active part in the formulation of strategic foreign policy documents.
4. **To provide the Moldovan foreign ministry with programmatic documents - the Foreign Policy Conception and the European Integration Strategy**, which will define the foreign policy's medium and long term objectives, as well as the ways, mechanisms and instruments for achieving them. The existence of such documents should minimize and, even, exclude the temptation of other political players to interpret in distortion and abusive manner Moldova's national interests.
5. **To restore the professional dignity of the diplomatic service**. Despite the multiple failures of the foreign ministry, very few diplomats had the courage to draw attention of the central authorities and to warn public opinion about the shortcomings of our diplomatic service. Those that did it were either ostracized or expelled from the diplomatic service. The case of the former Moldovan ambassador to



the EU Eugen Carpov is as relevant as possible. Of course, any government needs loyal public officers, but the loyalty should not be confused with political servility as it has happened with the present authorities. Certainly, the AEI will need diplomats dedicated to the European integration cause, but, at the same time, the coalition also needs moral and professional diplomats. Consequently, it is essential to review the mechanism for promoting the diplomats, which should put equal stress on the merits, professional qualities, honor and respect for the professional deontology.

6. **To initiate transparent and constant cooperation between the foreign ministry and the civil society.** The idea of creating the Council of Foreign Affairs with participation of the foreign ministry is more than welcome. It is in fact a necessity. The experience of the last few years showed that the ministry of foreign affairs does not always have the institutional, human and analytical abilities to realistically, competently and exhaustively analyze the regional and international developments so as to formulate correct conclusions, set realistic objectives in the relations with the foreign partners and choose appropriate tactics for achieving them. The civil society has now the capacity needed to assist the foreign ministry in promoting a balanced and coherent foreign policy. Moreover, using its knowledge, experience and the communication and cooperation networks and partnerships, the civil society can maximize the impact of the efforts made by our diplomatic service. <http://info-prim.md/?a=100>

2. Foreign Policy Objectives of the “Alliance for European Integration”

**Transcript of a radio broadcast, from 16th of August, produces by the Foreign Policy Association (APE) in collaboration with Imedia News and Analysis Agency and with the assistance of the German Foundation Friedrich Ebert Stiftung (FES). The broadcast is aired on Radio Vocea Basarabiei every Sunday at 15.00.*

The main Topics of the Program:

1. The establishment of the majority coalition “Alliance for European Integration” and the prospective of working out of the political crisis;
2. The political and economic priorities of the “Alliance for European Integration”;
3. The paramount objectives of the “Alliance for European Integration” in the area of European Integration;
4. The objectives of the “Alliance for European Integration” in the area of external economic relations with the EU, USA, Russia, the neighbors – Romania and the Ukraine;
5. What should the “Alliance for European Integration” undertake in order to make the foreign policy of the Republic of Moldova more efficient?;



6. The economic crisis and the prospective of relations of the Republic of Moldova with the international financial institutions

Corneliu RUSNAC, moderator Imedia: Good day, dear listeners. I am Corneliu Rusnac and as usual I invite you at this hour to a broadcast of discussions on topics of foreign policy, produced with the support of the „Foreign Policy Association” and financed by „Friedrich Ebert” Foundation.

Today, we are going to discuss about the situation that resulted after the 29th of July elections.

We have invited in the studio *Miss Natalia Catrinescu, former secretary of the National Commission for European Integration of the Republic of Moldova and Mr. Valeriu Prohnițchi, Executive Director of the Analytical Center „Expert-Grup”.*

1. The establishment of the majority coalition “Alliance for European Integration” and the prospective of working out of the political crisis

Thus, here we have, on the 8th of August; the 4 non-communist parties that have made it to the parliament – The Liberal Democrat Party of Moldova, The Liberal Party, The Democrat Party and the Alliance “Our Moldova” – have announced the establishment of a majority coalition “Alliance for European Integration”. However, the situation is still rather uncertain, given that neither the majority coalition nor the Party of Communists have accumulated the necessary number of mandated needed for the voting of the country’s president. How do you think this situation can be resolved, in your opinion? Miss Catrinescu, please.

Natalia CATRINESCU, former secretary of the National Commission for European Integration: I think that there is a need for political maturity from the side of all the parties and probably it would be the most rational for the Party of Communists to agree to negotiate with these four parties and to vote the president of the country.

Corneliu RUSNAC: Mr. Prohnițchi?

Valeriu PROHNIȚCHI, executive director of the Independent Analytical Center „Expert-Grup: I do not think I could say it differently from what Natalia has just said. What has been happening within the four parties’ negotiation framework until now is to some extent reassuring and inspiring optimism. It is indeed the moment, the crucial aspect, whether the communists understand the political importance of



the moment, so to say, and would agree to transfer eight votes to elect the president, because upon these circumstance depend not only the economic situation, but also the political future of the country.

Corneliu RUSNAC: How great is the risk for this political deadlock not to be solved? Meaning that, the Party of Communists could refuse to elect the president of the country. And what would be the consequences, both internally and externally, of the perpetuation of this political crisis?

Natalia CATRINESCU: As I said before, I think that the consequences are too sad, both in the economic field and in the political one. I think that there are chances for this deadlock not to be overcome and those eight votes from the Party of Communists not to be found, because after eight years in government it is probably difficult to give up power. I think that certain members and supporters of the Party of Communists have too much to lose and they would very much like to remain in the decision making process.

We should understand, however, and I think that the Party of Communists understands this thing very well, that if the Party of Communists does not vote for the president they would be to blame for a new political crisis and then I think they are going to be penalized by the electorate. And in this case there will be attempts, in my opinion, to create at least the appearance that it is the very four non-communist parties, which have got to the Parliament, that could not make a deal, could not divide positions etc., so that the electorate would penalize these very four non-communist parties.

Still, I remain optimistic about the possibility of finding certain compromises or that some compromises are going to be made for this crisis to be overcome, even if this would mean certain closed door negotiations.

Corneliu RUSNAC: Mr. Prohnițchi?

Valeriu PROHNIȚCHI: I think that the chances that Natalia is referring to about the perpetuation of this deadlock are rather low, even if they cannot be ignored, but still I think they are rather low. I do not think that anticipated elections would be favorable for the Party of Communists and I have the impression that within the party there are people who understand that the only chance for this party to survive in the long run is not to provoke anticipated election, not to cause further destabilization of the political situation, but instead to modernize the party, to transform it in the long run into a truly European political party. And, from this perspective, I think that probably there will be found people with enough intelligence to vote.



2. The political and economic priorities of the “Alliance for European Integration”

Corneliu RUSNAC: Mr. Prohnițchi, what should be the priorities of the “Alliance for European Integration” in the political realm, in social sphere and of course in terms of the economy?

Valeriu PROHNIȚCHI: I would say that the mega-task of the new government is to start the modernization of the country in all spheres: political modernization, economic modernization, social, and even, why not, cultural modernization.

It is evident that the number one priority in the short term is the solving of the economic crisis, but we should here understand that the spectrum of instruments at government’s disposal is rather limited.

Probably, in the short term there is no solution and this crisis needs to be outlived in a way.

In the long run, though, it is absolutely clear that there is a need to change the economic development model of our country and in this case we should not probably reinvent the bicycle. First of all, the government has to eliminate those systemic institutional, structural factors that impede the economic development of the country, the growth of companies, and development of their competitiveness. And here I refer to the continuation, probably a much more determined one, of the regulatory reform, carrying on the reform of the central public administration, and why not going on with the regional reform.

Corneliu RUSNAC: Miss Catrinescu?

Natalia CATRINESCU: I would also divide the priorities of the “Alliance for European Integration” into short term priorities, medium and long term priorities.

Short term priorities: obviously it is the solving of the economic crisis, especially the problems in the budget sphere, because if we quote the finance Minister’s report, Mariana Durllesteanu, on the first seven months budget implementation, we see that the budget deficit is already at 2,5bn lei and if the same pace or the same tendencies will persist until the end of the year, then we are going to have a much larger deficit, which needs to be somehow financed.

A part of the deficit has been paid off until now from the previous year’s surplus – this is if we look at the public reports of the Ministry of Finance – and a part by issuing state treasury bonds. And we can see that only during the last public sale on the 4th of August, the Finance Ministry sold in the auction state bonds amounting to 150mln lei.



This practice cannot go forever, because treasury bonds have to be paid, and the interest and the money of those who have bought them need to be reimbursed somehow.

In this case we have to find new sources of finance. I think that here we need to make reforms in the “expenditure” section, thus let us see what reform could be implemented in order to more efficiently spend the taxpayers’ money. But these reforms take time and require effort from the part of the politico-administrative sector, but before implementing such reforms the government for sure will have to find sources of finance, probably from European partners and through a program with the International Monetary Fund.

Therefore, the first thing that the government needs to do after its investment – but firstly it should be established as quickly as possible, for the negotiations not to take too long – but first thing after that they should see what partners are available to offer the Republic of Moldova credits in concessional terms or even better grants, and to solve the budget problem, which is rather severe, in my opinion, because otherwise we would default on our internal payments. Thus, we do not have exorbitant foreign debts, as we used to at the end of the 90’s, but we have rather large domestic debt.

And in the medium term, I would agree with Valeriu that good governance reforms need to be implemented, meaning first of all the decision making process reform. The way in which decision are taken in the Republic of Moldova should come closer to the European standards. Not because there exists and functions the European Union, but because it proved itself as the most efficient and sustainable way of decision making, decisions that do not need to be changed every half a year after they have been adopted, ones that reflect the best the interest of the society.

In this sense, I believe that transparency has to be respected in the decision making process, draft proposals have to be made public and discussed before they are adopted. Thus, a coalition is favorable for the decision making process, which takes place through both internal and external consultations.

Additionally, the ex-ante analysis should be introduced; meaning a more detailed evaluation of the regulation impact, and obviously the power structure should be changed for a rule of law to exist in the Republic of Moldova.

3. The paramount objectives of the “Alliance for European Integration” in the area of European Integration

Corneliu RUSNAC: The new majority coalition attributed to itself the very suggestive name of “Alliance for European Integration”. How could this alliance draw the Republic of Moldova nearer to the EU in a purposeful manner? What are the concrete steps that we ought to undertake?



Natalia CATRINESCU: What does European integration mean? European integration means adopting the European values, first of all values of tolerance within the society and good governance values. Thus, exactly what we have just previously discussed. Therefore, to draw European integration nearer, the “Alliance for European Integration” should prove that it is determined to promote the principles of good governance, that is to say a fair and efficient decision making process, using tax payers’ money to the benefit of the society, establishing the rule of law and I think that these priorities are well described in the declaration that the four political party leaders have made.

Notwithstanding, in a practical or operational way, this is not always so easy to do, because even when there is political will it cannot sometimes be implemented due to deficiencies in the administrative system. Herein it is very important to create a mechanism within the administrative system, which would assure the implementation of the political will. Hence, there should be, in my opinion, an interdepartmental commission, which should meet regularly, to take decisions and to keep track of the implementation of those decisions. There should be trainings for public officers, so that they understand what means the spirit of European integration reforms and so that all the decision would be taken with this understanding and, of course, there should be a sophisticated and professional dialog with the European institutions. Therefore, we should have good diplomats in Bruxelles and in other European capitals and we should have a dialog with our partners based on evidence, arguments and on the so-called homework, in order to prove the capacity of Moldova to adopt these European values.

Corneliu RUSNAC: Mr. Prohnițchi, in economic terms, how could the Alliance draw nearer or what should the Alliance undertake in order to bring the Republic of Moldova closer to the European Union?

Valeriu PROHNIȚCHI: I think that the European integration of the Republic of Moldova starts in Chisinau and not in Bruxelles. European integration is for the Republic of Moldova, maybe even to a greater extent than for other countries, indeed a homework for the time being. Hence, there are numerous reforms in the economic sphere, in the judiciary, administrative system, which still need to be implemented and I think those assignments that the Alliance set for itself and which were publicly announced are somehow achievable. Even the signing of the association treaty is attainable for Moldova, if, of course, a series of domestic reforms are implemented.

For the time being, I think that it is unrealistic to talk about a true joining of the Republic of Moldova to the European Union in the near future. This thing is not well seen in Bruxelles. Moldova, up to the present does not have enough European advocates and our diplomatic corps, up to this time, has been rather heavy-handed in promoting this idea.



I do not know if I could add anything essential to those already mentioned. Thus, domestic reforms for coming closer to the European spirit and model; including the European decision making model, after that, probably joining the European Union would be more of a technical matter. It is obvious that we would have to overcome some political stereotypes from the past, which are still present in the European Union in what regards the Republic of Moldova as a country that politically is part of Europe.

Natalia CATRINESCU: I would here suggest the Iceland example, which in fact showed its desire to join the European Union, but thanks to the value system and the decision making system which are very close to that of the European values, it is a democratic one, probably this process will not last long.

Valeriu PROHNIȚCHI: And in a more practical way, in fact, what could this Alliance do, I wanted to touch upon this earlier, is negotiating a good, deep and comprehensive free trade agreement, which will have to be very pretentious for the Republic of Moldova. I would refer here not only to the liberalization of trade in goods, which is important for us, but which to a major extent has been already achieved, more so to the liberalization of trade in services and most of all to the liberalization of movement of the labor force, which evidently is a very delicate issue for Europe, but also for Moldova it is a subject of extreme importance.

4. The objectives of the “Alliance for European Integration” in the area of external economic relations with the EU, USA, Russia, the neighbors – Romania and the Ukraine

Corneliu RUSNAC: After the elections from the 29th of July, what changes should we expect in the area of foreign relations, including external economic relations with the European Union, the USA, Russia, and neighbors – Romania and the Ukraine, we know that relations with Romania are as bad as possible, but we also see now that relations with the Ukraine are far from being good ones. For instance we have now that Moldovan citizens will not be able to enter this country without having one thousand one hundred Euros per each person. What changes are necessary in foreign policy, including the economic one, Miss Catrinescu?

Natalia CATRINESCU: It is a rather complicated question, because we need a series of reforms. Hence, first and foremost, and this has become a statement of good consciousness, thus we must abolish the visas for Romanian citizens and we should eliminate trade barriers with our neighbor, which is a member of the European Union, thus even if we look in a pragmatic way, if we are to forget that this is Romania, hence it is a member of the European Union and is the neighbor with which we have important trade and economic relations.

Secondly, we should eliminate any kind of discrimination that we ourselves are imposing, hence, import or export restrictions, and giving preferences to certain companies. We should allow the economic



entities to function in an environment with equal rules for all. And here, at least my opinion is, that sometimes it is better for the government not to interfere and to create a favorable environment for the economic entities and they will make things go right on their own, they will trade with Russia, will trade with the Ukraine, will trade with Romania, they will trade with the whole world, because ultimately they are going to follow the logic of profit.

Then, the division into strategic and non-strategic partners will not exist or will become less important than it is now, I know, some political aspects in trade relations. And here I refer to exactly economic, trade relations, thus it is something else in the political and external spheres, but in what regards the trade relations, I think that first of all we should get rid of the restrictions that we ourselves are imposing on us.

Corneliu RUSNAC: Mr. Prohnițchi?

Valeriu PROHNIȚCHI: The same thing to a large extent, I also wanted to stress some things. One does not choose its neighbors; they are given by geography and history. You must have good relations with them, maybe even excellent relations with the neighbors. And relations with these two neighbors are of far more strategic importance for the Republic of Moldova than are other countries from further away.

In a nutshell, we need to normalize our trade policies and our economic relations with all countries. The government should clearly send a message to the business community that it is going to intervene until here, should create a predictable framework for them to be able to activate, all the rest is your job, it is your responsibility to identify your competitive advantages, what to produce, where to export, to sign and to negotiate contracts individually.

Because what we have now or what we have been witnessing until now in the Republic of Moldova has been a clientele system, an economic system based on political congenialities, where sectarian groups, families, various types of clientele were given preferences, whereas others were excluded, alienated from economic opportunities and so on.

5. What should the “Alliance for European Integration” undertake in order to make the foreign policy of the Republic of Moldova more efficient?

Corneliu RUSNAC: What should be done to generally make the foreign policy of the Republic of Moldova more efficient, including the quality of our Moldovan diplomacy?

Valeriu PROHNIȚCHI: I think that the diplomatic service needs to be professionalized. If the diplomatic service is going to be a professional one, in a period of probably several years it will prove its efficiency. When we send ambassadors to China or Cuba, or to the United States, or to any other country



in the world, people who go to enjoy a well deserved leisure time in those countries, instead of representing the interests of the country, who many times do not know the language of the country, it is clear that it is an unsuccessful system from the very beginning.

Corneliu RUSNAC: Miss Catrinescu?

Natalia CATRINESCU: I absolutely agree. The public service needs to be reformed, including the foreign policy sector; preferment should be based on merit and not on other criteria, and even if ambassadors are appointed in many countries, in fact, based on political criteria, at any rate, their professionalism plays a very important role in their appointment. And, trust me, if the president of the United States appoints an ambassador who clearly does not deserve that position, a scandal would come up in Washington.

Therefore, I think that if we had the same system, where the best would somehow represent our country, then maybe in Bruxelles or in other places, in other European capitals, in Moscow, why not, stronger advocates for the interests of the Republic of Moldova would come up.

As I was saying before, I always has the impression that we lack sophistication or professionalism in the way we discuss with our partners, be it IMF, World Bank, European Commission or in bilateral relations with the governments of Russia, the Ukraine, Romania and those of other countries.

And even in the case of these restrictions imposed by the Ukraine that you have mentioned before, it is not very clear to me how they have appeared, how it got to these restrictions?

What kind of dialog was held? Because these restrictions are, in fact, against Ukraine's domestic policies and against the relations that we used to have until now. Wherefrom did this idea emerge that Moldovan citizens should have a certain amount of money with them? I do not know... Even in this case, I believe, diplomacy should perform slightly differently. This is my impression; I do not have any proof.

Valeriu PROHNÎCHI: The thing with this random check of Moldovans is simply aberrant. Because Moldovans represent, according to some statistical data, somewhere around 15 percent from all the tourists, who come to the Ukrainian Black Sea coast. Are the Ukrainians so near-sighted so that to cut this flux of income, which goes to their budget anyway? I do not understand why? It is indeed a stupid situation, I would say.

But, coming to your question, I believe I would say one more thing, I do not know if it is indeed important and I am not sure if I understand well foreign policy, but from point of view, in order to have a more efficient foreign policy of the Republic of Moldova we need to have stronger control from the side of the Parliament and the specialized commission upon foreign policy. Because until now, we had just



one pole of decision making in foreign policy, one devoid of any restraint, deprived of any balance so to say, and often, very frequently took indeed aberrant decision. The introduction of visa regime for Romanian citizens is the last decision of this kind.

Natalia CATRINESCU: ... and inconsequent. It is evident that if European integration is a domestic and foreign policy priority, then decisions should be consequent with this priority. I think that indeed, in this case the Ministry of Foreign Affairs should be more open to discussions with other ministries, thus to improve the interdepartmental coordination and there should exist a check, because ultimately, foreign policy represents the whole country, not only the government. Furthermore, it represents the country for quite long periods, and thus makes history, let's say, and indeed decision should be taken better.

6. The economic crisis and the prospective of relations of the Republic of Moldova with the international financial institutions

Corneliu RUSNAC: To come back to the economic situation, could the Republic of Moldova overcome this economic crisis that it has found itself in without foreign assistance or not? Mr. Prohnițchi?

Valeriu PROHNIȚCHI: It depends what we understand when we say this economic crisis?

Corneliu RUSNAC: ... including the budget deficit.

Valeriu PROHNIȚCHI: The budget deficit, in my opinion, cannot be solved in the long run without an immediate assistance from the IMF, World Bank or the European Union.

As regards the crisis in the real economy, the real economy has a property of strong recovery. The economy, after it has reached a ground of resistance, starts inevitably to grow if there are, obviously, normal conditions for business to be able to operate.

When the government pumps up investments, it pumps up money resources from the banking system in order to finance the budget deficit, obviously that this government leaves the companies without investment resources. And this thing is the same or even more dangerous than the mere existence of a large budget deficit.

If the government is capable of finding lasting and cheap sources to finance its deficit, without increasing the domestic debt to unbearable levels, then I think the business sector would restructure itself, would merge, would divide, would find solutions, would identify new markets, new niche on the domestic and foreign markets in order to come out of this situation.



Their major problem at the moment is not the lack of finance sources in the short term, but more so the lack of investment resources in the long term and lack of markets, very difficult access to foreign markets.

Corneliu RUSNAC: Miss Catrinescu?

Natalia CATRINESCU: I would say just like Valeriu that in the short term, without external finance we will not survive, because the domestic debt to the banking sector is indeed a large one and a so-called financial pyramid has been created, probably without foreign finance we will default on internal payments, we will not be able to pay the debt to the banking sector and the banking sector will be put in a more difficult situation than it is now.

I would not like to say that a financial Armageddon would follow, but the situation would be very dangerous, as we have seen when the banking system of the United States slowed down or stopped, this has a severe consequence, because the banking sector is the circulatory system of an economy, it is the blood that feeds the economy. And here I would like to say that it is not so important where we find these financial resources from.

Herein, I would like to talk about the possible credits from China or Russia. It is important for these resources to come very quickly and for them to be cheap, in a way not to put us in debt handcuffs in the medium and long run. And these resources have to be used in such a way that they create economic growth in the future, so that we are able to pay off these debts.

However, I would like to point out that what regards the envisioned credit from China, there is just a letter of intention, I do not know if this possibility of receiving a billion dollars from China is a realistic one. Furthermore, we do not know what the conditions are.

What regards the 500 million dollar credit from Russia, once again, the negotiation process was not very transparent and it is not clear whether Russia will be willing to offer this money in case the political condition in the Republic of Moldova change, because we know that the decision of the Russian Federation are not always dictated by arguments, but sometimes also have political overtones.

In what regards the International Monetary Fund, if we want to receive the money from anywhere in the west, we must have a program with the IMF, which would provide assurance that the country is in a sufficiently good macro-economic shape in order to be able to reimburse the loan they offer.

And herein it is important to discuss with the IMF. Why? It is due to foreign policy. Hence, we said that foreign policy decisions have to be consequent. If we want European integration for ourselves, then it is



clear that these loans and grants should come from the European Union, from our Western partners and then we need to have a program with the IMF. If we borrow from Russia, then we must make sure that the European Union and other partners whom we regard as strategic agree with this lending.

From this point of view it is imperative that we discuss first of all with the International Monetary Fund and the foreign partners, particularly for reasons of foreign policy.

If the money does not come in October, November, if there is no clear political commitment from the part of the European Union, or from other partners that this money is going to reach the country, then I think that by the end of autumn we are going to be in a very difficult situation.

Valeriu PROHNIȚCHI: I do not know if I could add anything essential. I totally agree with what Natalia has just said.

It is important that these credits that are coming from Russia and the one not yet confirmed from China should not have political or geopolitical conditionality attached to them, but I am doubtful that this could be realized. Russia, in the last half a year, all the credits that have been given in the post soviet space, even in the European space – Bulgaria, the credit promised to Israel – were politically conditioned credits. This a Russian geopolitical imperative; to reaffirm its influence in the area that it once controlled. We must understand this, therefore we have to be cautious in our foreign policy and in the process of negotiating this credits with the Russian Federation.

What regards China, it was a surprise for everybody that China emerged here with such an offer, which was just an offer, only a letter of intention, indeed. Probably this is part of a more sophisticated strategy of China to extent its area of influence. Probably that China would not even so much politically condition this credit, but rather would require some economic conditions, like Chinese engineers, Chinese labor and so on.

Corneliu RUSNAC: Miss Catrinescu, Mr. Prohnițchi, I thank you very much for your presence at this radio show. Dear listeners, I, Corneliu Rusnac, remind you that you have been listening to discussion on topics of foreign policy, produced with the support of the „Foreign Policy Association” and financed by „Friedrich Ebert” Foundation. Here is where I say goodbye to you and I will be waiting you next week with a new program. See you soon.