

Annual Survey 2003

The political, economic and social situation

- Positive report on foreign policy: Continuation of the Euro Atlantic integration
 process and efforts to establish good relations with the neighboring countries
 - The results of the domestic policy should be viewed in a critical light: corruption, deficits of the party system, authoritarianism on the one hand, and a continued slow upward trend of the economy, as the social situation still continues to be critical for at least part of the population

The country continues to be characterized by strong disparities. Regions that have a differing historical background and various nationalities are ruled by a centralist administration, a state of affairs that regularly gives rise to discussions as to the nature of the very idea of a central state. For fear that the country might eventually break apart, the Bucharest administration is very quick to react and prevent such discussion from getting more exposure. The western part of the country bordering on Hungary and Yugoslavia (Transylvania and Banat) as well as Bucharest and the surrounding area have a more developed economy, while the areas east of the Carpathians were mostly avoided by investors so far and are structurally the weakest and poorest parts of the country.

40 years of communist dictatorship have left their mark on the civil society: as a result of the social incapacitation by the communist state, the interest of the individual for the development of society faded away and the people withdrew into their private sphere hoping that in doing so they would be able to escape to a greater extent from invasion of the state and its permanent control over their lives. The only persons displaying interest for politics and the public life were those who had consciously entered into the service of the communist state which didn't want civil society in the first place to become an opposite pole to criticize the policymakers of the time. Even years after the revolution the Romanian society is still undergoing comprehensive transformations, and personal and engaged participation in the future economic, political and social development of the country continues to play only a minor role. One of the reasons is certainly the fact that even before World War II there was no such tradition in Romania, but also the fact that the population is much too preoccupied with mastering the economic challenges of daily life which affect their already low standard of living and does not leave room for any voluntary work for the community. Moreover, despite globalization and all its influences. Romanian society continues to be characterized by subservience to authority and a latent submission to fate. This is evident as the institutions that enjoy the highest esteem are still the Military and the Romanian-orthodox Church.

Both the *parties* and the structure of the *electorate* continue to be fluid, and a division into left and right – as is the common practice for countries in Western Europe – cannot be applied here as such.

I. COUNTRY DATA

1. Country profile

Population	21.698.181 ¹
Surface	238.391 sq.km, the second largest country in Central- and
	Eastern Europe after Poland.
Neighbors	To the east: The Republic of Moldavia, the Ukraine, the
	Black Sea; To the south: Bulgaria; To the south and south-
	west: Yugoslavia; To the vest: Hungary; To the north: the
	Ukraine
Official language	Romanian
Ethnic structure	Romanian 91%; Hungarians 6,7% ² ; Germans 0,3% ³ ; Roma
	1,1%; other ethnic minorities 0,9%
Religious structure	Romanian – orthodox 86,7 %, Catholic. 4,7%; Reformist
	3,2%; Greek - Catholic. 0,9%; Protestant 0,1%; Unitarian
	0,3%; other religions 4,1%
Form of government	Republic, parliamentary democracy
Administrative organization	41 counties (including Bucharest) with 263 cities, 2685 mu-
	nicipalities and 13285 villages
Head of state	Ion Iliescu
Prime Minister	Adrian Nastase, PSD (The Social Democratic Party)
Currency	1 ROL = 100 Bani
GDP – Growth 2003	ca. 4,9 %
GDP per capita 2003	ca. 1597, 61 € (for the first 10 month of 2003, average exchange
	rate 2003 = 37.557 Lei / €)
Inflation 2003	ca. 14, 1 %
Unemployment 2003	ca. 9 %
Average income	Gross ca, 215 €, Net ca. 151 € ⁴
(12 / 2003)	

 $^{^{1}}$ According to the census of population conducted in the spring of 2002. 2 See under FN 1, which means a reduction of 0,4 % compared to the results of the last census of 1992

^{(1.626.000} persons), now 1.436.000 persons.

3 See under FN 1, which corresponds to a number of 60.088 persons, thus a drop of almost one half compared to 1992. There is some controversy as to the accuracy of the data among the German minority, which reckons in part with ca. 80.000 Germans.

compare internet site of the National Institute for Statistics, www.insse.ro.

2. Political, economic and social situation; Party political scene 2003

Until November 2002 when Romania was extended the invitation to join the NATO, the PSD-Government had been working with surprising discipline, the party and the factions in the two chambers of Parliament, the Senate and the Chamber of Deputies, had submitted to the Government's objective of leading the country into the Euro-Atlantic defense alliance without putting up any resistance. This aimed at creating the impression of an honest Government serving exclusively the welfare of the country and a modern, westwardly oriented ruling party as well as at presenting an altogether positive report on the Government's activity in all areas.

Since the PSD did not gain the absolute majority in the general elections held in November 2000 it had to form a minority government which, nevertheless, can count on the support of the Union of the Hungarian Minority UDMR (Uniunea Democratica a Maghiarilor din Romania). Initially, they signed a one year collaboration protocol, which has been extended periodically ever since. On top of that, several MP's of the opposition, especially of the democratic party which has the same leftwing political orientation (Partidul Democrat, PD) and the ultranational Party Greater Romania (Partidul Romania Mare, PRM) have gone over to the PSD, with the result that the latter is dependant on the votes of the UDMR only in specific instances.

But the account of Adrian Nastase's Government should be viewed in the light of different considerations:

Thus, the Romanian *foreign policy* has produced some positive results. Political relations to *Hungary*, which, after the introduction in 2001 of the so-called "Status-Act" regarding Hungarians living abroad, were temporarily subject to particular strain have, again, become more relaxed. Thus, in October 2002, the Hungarian president Ferenc Madl was the first Hungarian head of state to be visiting Romania after the breakdown of the communist Eastern bloc. During a meeting with the Romanian Diaspora on the Black Sea coast in August this year, the Romanian prime-minister Năstase even referred to the "Status-Act" as a model to be used in drafting a corresponding Romanian regulation.⁵

Furthermore, the Romanian Government has skillfully played its cards close to its chest in as far as comments on last year's strained political circumstances in the *Republic of Moldavia* are concerned, whose communist government had repeatedly accused Romania of interfering in its internal affairs. When the presidents of Romania and the Republic of Moldavia, Ioan Iliescu and respectively Vladimir Voronim met on the Prut on August 1, 2003 for the festivities organized in connection with the 25th anniversary of the inauguration of the dam in Stanca-Costești of the two presidents, Iliescu seemed to be the one more concerned about seeking conciliation.

Another important chapter in the Romanian foreign policy was at long last the easing of the tensions in the relations with *Russia*. Thus the two state presidents Iliescu and Putin

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⁵ Curentul, 8/11/2003.

signed a historic "foundation agreement" between Romania and the Russian Federation in Moskau on the 4th of July and thus put an end to a long political cold war period. The relations between Romania and Russia were for the most part tense due to differing views regarding the heritage of the past, the relations to the Republic of Moldavia and Romania's integration in the Euro-Atlantic structures. Romania was to date the only country of the former Warsaw Convention which had not signed a political treaty with the former world power. A first attempt failed back in 1991 – under Iliescu's rule as well - due to the downfall of the USSR. The only document to be signed at that point was a friendship treaty that conditioned Romania to conclude military and political alliances only with the consent of Moscow, which was construed by the opposition of that time as a "betrayal of the national interest". The contents of the treaty were kept secret and gave rise to many speculations before it was eventually published in a Romanian daily newspaper on the 8th of July. It regulates, among other things, the cooperation in matters concerning security policy and the fight against terrorism as well as the development of economic relations between the two countries. Nevertheless, two controversial issues were left aside: the possible retrocession of the Romanian state treasure by the Russian Federation and a denouncement of the Ribbentrop – Molotow – Pact which, at the respective point in time had enabled the Soviet Union to annex Romanian territories, as well as Romania's support for Germany under Hitler. The treaty as a whole was received with mixed feelings in Romania and there were also speculations in connection with the high expectations concerning the economic relations. But criticism in connection with the treaty subsided quite quickly. The treaty was also ratified by Parliament in fall, the PRM being the only political party to vote against it. ⁶

In mid summer president Iliescu made some waves in the country's foreign policy when he contested the uniqueness of the extermination of the Jewish people in an interview with the Israeli Newspaper Haaretz during his visit in *Israel*. Furthermore, he stated that, due to the present economic situation the Romanian state would not be able to indemnify the victims of the Holocaust⁷. These remarks re-fueled the virulent discussions concerning Romania's *approach to the Holocaust*. After the second World War Romania was always reluctant to take on responsibility for the genocide and thus, it was prohibited to mention either the Romanian persecution of the Jews and anti-Semite laws that were passed by the communist leadership of the time at the end of the 1930ies. Meanwhile the waves where smoothened out and the contacts between Romania an Israel are back to normal; furthermore, in October president Iliescu set up a commission in charge of establishing whether there was a Holocaust on Romanian territory. Nobel laureate Elie Wiesel was offered the chair of the commission, which is said to have set certain material and logistical conditions⁸.

The various disagreements between Romania and the EU, brought about two years ago by the signing of the treaty with the USA on the non-extradition of the US citizens to the Criminal Court of Justice on the Haag, without previous consultation of the EU and by further support of the USA in matters regarding the war in Iraq, were skillfully smoothened out by the Romanian Government without losing face or exposing the partners USA and EU.

⁶ Adevarul, September 22, 2003.

⁷ *Nine o'clock*, July 7, 2003.

⁸ Adevarul, October 23,2003.

There were some very positive developments in *German - Romanian relations*. Several top-ranking politicians visited Romania: Mr. Böhmer, President of the Bundesrat (April 17), Mr. Eichel, Minister of Finances (August 1) and Mr. Fischer, Minister of Foreign Affairs (September 1). The visit of Chancellor Gerhard Schröder on the 25th of September can be viewed as the highlight of bilateral relations between the two countries. On that occasion, Chancellor Schröder reaffirmed Germany's support for Romania's accession to the European Union. In the period under review Germany ranked second *among Romania's economic partners* as regards the volume of trading, the number of companies doing business in the country as well as in terms of investments.

The *results of the domestic policy* on the other hand need to be tackled from a more skeptical perspective. Important domestic decisions such as the urgent reform of the dead-beat health system were delayed up until after the NATO-decision in Prague in order to avoid social unrest. But this half-hearted approach still persists and thus, it is all the more true, that the limited economic resources and the economic and social reforms introduced only hesitantly and much too late continue to cause severe problems along the transformation process

Even if the economy has been on a rising trend ever since 2000, and positive results have become apparent at least in as far as the macroeconomic development is concerned, corruption, legal uncertainty, excessive red-tapism, the underground economy and the very slow progress of the privatization process remain the major impediments in the way of a significant economic upturn⁹. Viewed against this background, it is not at all surprising that inward investments, which have settled around 1 billion US- dollar per annum since 1999, are at a disappointingly low level measured against the economic potential of the country and its comparatively large market. They even dropped below 156 million € during the first six month of 2003, which is even less that the figures registered during the same period of the previous year. 11

Such deficiencies and shortcomings are constantly criticized by the EU and other supranational and international institutions as well as the foreign businesses. They couldn't follow the optimism of the Nastase government, which expects that Romania, as the last of the candidate countries to the EU, be granted the status of a "functional market economy" in the new country progress report of the European Commission which was due in fall. In the final analysis it was not considered as having been granted, the wording of the report causing some confusion, while prime minister Nastase even announced that the status had been acknowledged. The report reads: "Romania can be considered a functional market economy, provided that the progress made so far continues to be sought for with determination". ¹² Only one week after the report was published the government finally admitted that said wording did not actually acknowledge the status

12 compare Country Progress Report of the EU–Commission 2003.

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⁹ for details see Country Progress Report of the EU-Commission 2003.

¹⁰ See Carola Kaps, "The prospects of joining the EU drive the reform process", *Frankfurter Allgemeine Zeitung* (FAZ), 8/11/2003.

¹¹ Allgemeine Deutsche Zeitung (ADZ, german-language daily newspaper published in Romania), 8/13/2003.

of a "functional market economy". Up to that point those who had given the right interpretation of the sentence were met with sharp criticism.¹³

Throughout the period under review *economic development* was mostly positive. Nevertheless, fundamental issues are still open: progress in the field of *structural reforms* of the economy and privatization is very slow. The omnipresent corruption on all levels, already named on several occasions, the role of the state that continues to dominate the economy, backed by excessive red-tapism and a week and politically influenced judiciary, the politicization of the public administration and the lack of legal security are scaring off investors. This is why, at the international donor conference in mid April, the US-Ambassador Michael Guest launched some serious criticism, which was backed up by several other international representatives. High arrears in intercompany payments, especially in the energy sector, high salaries and too many employees in state-owned companies endanger the success in obtaining a significant reduction of the budget deficit and wining the fight against inflation. The underground economy continues to be estimated at more than 40% of the GDP.

The key macroeconomic features were altogether positive. Thus, the *gross domestic* product (GDP) for the first 3 quarters increased by around 4,7% ¹⁵, the budget deficit up until and including the month of October was of 0,7 GDP-% ¹⁶, and the rate of inflation (December 2002 – December 2003) was 14,1% ¹⁷. The average annual unemployment rate amounted to 9 % ¹⁸. The trade balance deficit for the first three quarters was 4,89 billion €, which means a 14,7% increase compared to the equivalent period of the previous year. For the fist eleven month exports totaled 14,36 billion €, an increase of 6.7% in comparison to the previous year. The main trade partners were Italy (24,2%) and Germany (15,6%). Imports for the first 10 month amounted to 19,26 billion €, thus an increase by 11,8%. ¹⁹ In the first 10 month of 2003 foreign investment totaled 1,02 billion €.

Unfortunately *social development* is still subject to many deficiencies. Thus, over the course of the last ten years the population dropped by 1,1 million down to the level of 1977. ²¹ The average number of inhabitants per physician is 480, which situates Romania last among the other countries of the European Union. ²².

 $^{16}\overline{ADZ}$, 12/11/2003.

²² ADZ, 8/9/2003.

¹³ Romania aims at concluding accession negotiations until the end of 2004 in order to be able to sign the treaty of accession to the EU in 2005 and join the Union de facto on January 1, 2007. Of the 31 chapters of negotiation 30 have been opened, 22 have been provisionally closed and 8 are currently being negotiated - state of play 12, compare the December 2003, review European Commission: www.europa.eu.int/comm/enlargement/negotiations; the EU summit in Thessaloniki held during the latter part of June 2003 is considered a success from a Romanian point of view as the result of the European Council stated 2007 for the first time as the possible accession date for Romania, even though in the presence of president Iliescu and prime minister Nastase it was underlined once more that the reform of the judiciary and the administration as well as the issue of corruption needed to be addressed with utmost determination.

¹⁴ For details see Sabine Habersack, "Romania a Special Case – Corruption, Deficiencies of the Party System, Authoritarianism", KAS/International Information 9/03.

^{15 &}lt;u>www.insse.ro</u>.

¹⁷ ADZ, 1/13/2004.

¹⁸ *ADZ*, 12/23/2003.

¹⁹ *ADZ*, 01/14/2004.

²⁰ *ADZ*, 01/14/2004.

²¹ Nine o'clock, 6/20/2003.-6/22/2003.

The Romanian health system is faced with one of the severest crises ever (especially, among other things, much too low salaries and thus corruption on all levels, insufficient medicines – which the patient is better advised to bring along in the first place – up to the lack of units of stored blood and insufficient medical equipment), which determined even prime minister Nastase to chose to undergo a rather uncomplicated surgery on the thyroid gland in Germany. ²³

Wealth is still distributed very unequally. According to the latest study of the Romanian subsidiary of the market research company GfK the richer 10% of the population spend as much on consumable goods as do the poorest 50%.²⁴ The fortune of the 300 richest Romanians totals some 12 billion USD and thus around 26% of the gross domestic product of the country according to the financial magazine "Capital" which published a special edition on the 11th of November 2003, giving a list of the 300 richest Romanians. Even though the number of people living under the poverty line has decreased according to the November report of World Bank, the percentage of 29% of the population is still very high. ²⁵ Nevertheless 37% of all Romanian believe that next year they are going to be more prosperous, while it is price increases and unemployment what they fear most. ²⁶

The *political superiority of the ruling party PSD* is overwhelming and gives cause to worry. It plays a part all throughout the country and can no longer be overseen; its hegemony in all important spheres of society is overwhelming and, meanwhile, goes far beyond the number of its voters. Thus, the triangle of power is built of – the formally independent – state president Iliescu, the prime-minister Nastase and the ruling party PSD, and determines nearly all aspects of the social, political and economic life. There are voices stating quite openly that the PSD has grown to be a sole governing party. All in all, it controls almost completely the entire apparatus of state and the administration, both on national and local level, and its power is continuously on the rise. Thus, in the last local election in the summer of 2000, it won merely 35,5 percent of the newly elected mayors, but its share had risen to almost 50 percent by the end of 2001 and counts almost 80 percent today.

One or the other of these mayors may have left their original parties of their own free will due to inner party disputes, but it is no secret, that the majority were subject to pressure by the PSD or have simply chosen join in with the stronger in order to cling to the local power structures. After the local elections held on May 11th due to various reasons in a total of 24 municipalities the ruling party strengthened its dominance even further.

Thus, nearly the entire country is in the hands of one party and there is no balance of power between government and opposition. Not even the controversial cabinet reshuffle in mid-July and the new appointments and reshuffle in the PSD leadership have managed to cause any damage for Nastase. Neither could the absorption of two smaller socialist parties, namely the Socialist Labor Party (PSM) and the Socialist Party for National Revival (PSRN). The PSM has always stood up to its communist origins, the PSRN is a party that had split off the PRM. The Enlargement of the PSD with this neo-

²³ Evenimentul Zilei, 07/25/2003.

 $^{^{24}}$ ADZ, 5/28/2003; the study was published on June 26, 2003.

²⁵ ADZ 11/06/2003.

²⁶ ADZ, FN 20.

communist parties can only be explained in connection with the elections scheduled for 2004/2005, for which purpose, the party thought it would be wise to recall its socialist roots. As far as that goes, the anniversary of "110 years of Romanian social democracy" celebrated a few month ago also fits into the overall strategy of the party. On that occasion, the PSD recalled, that the Social Democratic Party of Romanian Laborers (PSDMR) was founded in 1893. The prime minister and the PSD government were left unharmed even after the various accusations of corruption against Mrs. Puwak, Minister of EU Integration who would eventually step down (October), or the accusation of plagiarism against Mircea Beuran, Minister of Health, who also withdrew from office in October.

The opposition can be ruled out almost completely as a democratic counterbalance. Not only is it too week, but it also much too preoccupied with its own internal problems to be able to put some pressure on the Nastase government by offering a reasonable alternative. As the Romanian political scientist and journalist Stelian Tanase stated in a discussion in the spring of 2003, the opposition, even two years after the last parliamentary elections, stays away from all important debates because it holds no alternative propositions that could be implemented under the circumstances.

Only the *PRM* displays a organization and leadership that appears to be almost as disciplined as that of the government party. After several MP's defected the PSD, the factions in both Senate and Chamber of Deputies, which after all, make up almost a quarter of the members in both chambers are now stable.

The left-oriented PD does not only lose its Members of Parliament and Senators as well as regional and local representatives who change over to the PSD; but many observers of the political milieu predict anyway, that, unless it stabilizes itself in due time, the party will break apart after the next parliamentary elections at the latest. Thus, the left wing might thus change over to the PSD, while those members with a rather rightist outlook could join the PNL.

The *PNL* on the other hand establishes itself as *the* alternative on the right wing of the political spectrum. Over the last years, the PNL assimilated all liberal groups and orientations except for one negligible miniature party. Then, in mid-April it also incorporated the right-wing Union of Right Forces (Uniunea Forțelor de Dreapta, UFD). Only time can tell whether the PNL leader, Theodor Stolojan, who was prime minister under president Iliescu for one year - coming into office some time at the end of 1991 – and who therefore is said to be close to the state president, will manage to maintain his opposition to the ruling party in the long run. This was questioned on more than one occasion.

Last fall the *PNL* and the *PD* have established an electoral coalition – The Alliance for Justice and Truth / Alianta pentru Dreptate si Adevar, in brief D.A. with a view to becoming a more potent challenger for the PSD. Surveys conducted since then have shown that the alliance is steadily making up ground and is actually turning into a challenger for the PSD to be reckoned with.

The Union of the Hungarian Minority *UDMR* (EVP-associate member) is having a hard time. Separatist movements inside the party of the more radical groups, attempts to create an autonomous region in the counties were the Hungarians are in the majority, recurrently criticized cooperation with the PSD are constantly putting pressure on the party leader Marko Bela forcing him into action. Some political analysts even advanced the idea that the Union of the Hungarian Minority would fail to make the 5% required minimum in the parliamentary elections.

The *Christian-democratic / civil spectrum* is much too divided and the individual party leaders much too involved with dealing with their personal aversions to be able to pool a union of forces:

The Christian-democratic *PNTCD*, the leading party in the government coalition of 1996 – 2000 and EVP – associate member is no longer represented in parliament, being reduced to a mere splinter group of 1 % - 3 %.

Mid July 2003 saw the forming of a new party around the former head of state Emil Constantinescu (1996 – 2000), named the Popular Action (Actiunea Populara, in brief AP). It is a party that upholds the western, civil values of the EVP and will certainly seek admission into this group. Even though it was supposedly not set up as a competitor for the PNTCD, it now is. Grassroots and top of the structure alike include followers and former staff members of Constantinescu on the one hand, and on the other hand former followers of the PNTCD. According to the party leader many young, formerly politically uninvolved people have joined the ranks of its members. The party leadership, though, does not reflect this.

What is more, is the fact that the disintegration process of the PNTCD has dramatically picked up since 2003, and it is the upcoming generation of politicians in particular that seem either most repelled by the autocratic leadership of the party head Victor Ciorbea or were actually excluded by the latter. Thus, the chairman of the women's organization, Adela Cristea and the head of the youth organization, Cosmin Galu, both elected only back in summer stepped out in October 2003 and joined the URR. On top of this, for reasons beyond comprehension, Ciorbea is opposed to any reconciliation with the AP, even though such a rapprochement is sought by many leading members of the PNTCD on a local level.

The end of last year saw the foundation of yet another party within this political spectrum: the URR (Union for the Reconstruction of Romanian) which is headed by Cosmin Alexandru. This party is composed for the most part of business persons, university graduates, Physicians and has taken FIDESZ as a model, at least to a certain extent. The political argumentation is unmistakably future-oriented. Some of the URR leaders were former staff members of Constantinescu's of the second and third echelon. Thus, they had the opportunity to see the organizational apparatus of a head of state at work and experienced its rigidity as well as the continuing intermingling of politics and secret services. One of the characteristics of the party is the obvious young average age of its members (around 35 years), its future oriented outlook and the lack of genuine aversion towards other party leaders. The leaders of the party accept the fact that their project

may fail and they regard the merging of various groups of the center-right wing political spectrum in the absence of any personal motivation, aversions, etc. as a requirement.

The PCD headed by Silviu Popa, a former scholarship holder of the Robert-Schuman-Foundation should be mentioned as one more small party. It hardly plays any role whatsoever; nevertheless, a merging with a larger party such as the AP or the PNTCD could generate a unifying catalyst on this side of the political spectrum. Popa used to be a faithful vassal of Ciorbea's and founded with the latter the ANCD. When Ciorbea and the majority of the members returned to the PNTCD Popa founded the PCD.

A cross section of various surveys conducted in the period from October 2003 to January 2004 revealed the following results as regards the upcoming parliamentary elections: PSD 40 – 45 %, D.A. PNL-PD 27 – 30 % (rising trend), PRM (Ultranationalist Party Greater Romania) around 15 %, UDMR (the Union of the Hungarian Minority) around 5 %, PUR (the Humanist Party, also seeking admission into the EVP) around 3 %, PNTCD around 1 %, AP around 1 %.

One more thing to be mentioned is Romania's new Constitution. At the end of 1991 Romanians voted for their first post-communist Constitution in a constitutional referendum. The draft was prepared by the MP's of the time, which represented almost exclusively Iliescu's FSN (The National Salvation Front) which after the parliamentary elections at the end of 1990 had managed to secure almost 77% of the seats in the Senate and almost 66% of the seats in the Chamber of Deputies, while the civil opposition played a marginal role. 12 years ago Iliescu was in office as president of the country and he managed to leave his mark on the Romanian politics after 1989 like no other politician, while he was never actually independent in his capacity as head of state²⁷. On October 18/19, 2003 the Romanian citizens were called to vote on a Constitution for the second time after 1989. This was necessary in view of the Euro-Atlantic integration of the country, but revisions of other aspects were also required. According to the official end results 55.7% of the persons eligible to vote went to the polls, of which 89.7% were in favor and 8.81% against the amendments to the Constitution (1.49% of the votes were declared invalid).²⁸ The new Constitution comprises legislative approximation to the norms of the European Union, provides for separate dates for parliamentary and presidential elections, some revisions in areas such as the protection of minorities and the guaranteeing of private property. For considerations regarding the best interest of the country and its much desired Euro-Atlantic integration obvious inconsistencies and irregularities that occurred during the two day referendum were overlooked – according to a senior official, off the record, in a private conversation.

²⁷ Sabine Habersack, FN 10.

²⁸ www.revistapresei.ro, 10/22/2003.

Outlook 2004

The top priorities for 2004 are three issues of utmost importance: Romania must speed up accession negotiations firmly and regardless of the upcoming elections at the end of the year in order to meet the stated objective of the government, namely accession to the European Union on January 1, 2007.

Romania will be admitted into the NATO this year. All new NATO members will be able to join the defense alliance as full members even earlier as initially planned, namely on the 5th of April, the symbolic date on which the NATO celebrates its 55th anniversary. Other than that, there will be local, presidential and parliamentary elections which will mark the domestic policy. Local elections are scheduled for June 6th, parliamentary elections and the first round of the presidential elections for the November 28th and the second round of the presidential election of December 12th.

Bucharest, February 2004

Sabine Habersack (Director)