

## PROFILE

# The OSCE, Moldova and Russian Diplomacy in 2003

JOHN LÖWENHARDT

Is there a way, *any* way, for Western governments and international organizations to contribute to the solution of the ‘frozen conflicts’ at the edges of Russia? Governments and multinational organizations such as NATO, the Council of Europe, the European Union and the Organization on Security and Co-operation in Europe (OSCE, the only one of these with both the US and Russia as full members) have tested various policies to counter Russian manipulation of secessionist regimes in Georgia and Moldova–Abkhazia, Southern Ossetia and Transnistria. These tests have largely failed. In the OSCE, the most inclusive of all, Russia proclaims itself willing to co-operate with all in order to reach peaceful solutions. But progress has been disappointing.

This is a case study of the attempt during 2003 to unfreeze the Transnistria conflict. As such, it aims to shed light on issues of diplomatic competence, professionalism, effectiveness and imagination, both of the governments directly involved and of other key players. The leading part is played by the OSCE’s chair during that year, who was effectively blocked by the presidential administration in Moscow. But was this a victory for Russian diplomacy? Was it an example of its professional superiority?

Few foreign ministers will jump at the opportunity to chair the OSCE. With 55 member states, each with veto power, the organization is of such nature that progress through consensus is like wading through liquid asphalt – a challenge, indeed. In late 2002, the Netherlands minister of foreign affairs, Jaap de Hoop Scheffer, established a large task force within his ministry to help him through the 2003 chairmanship. With the benefit of hindsight one can say that he has done reasonably well. At the end of the

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'Netherlands year' the eleventh Ministerial Council, held on 1–2 December 2003 in Maastricht, adopted a strategy against threats to security and stability; a document on the fight against trade in humans; a further document on tolerance and non-discrimination; and an action plan on the position of Roma and Sinti.

In one respect, however, the Netherlands has had less success. It had hoped to make progress in bringing one of Europe's 'frozen conflicts' closer to a resolution: the Transnistria issue. Transnistria is the quasi-independent eastern slice of Moldova, in between the Dnestr (Nistru) river and the Ukrainian border. For two obvious reasons, the task force at the ministry in The Hague had selected Transnistria as the most 'promising' 'frozen conflict' in terms of the probability of making progress: first, because of its significance to the EU, where only a few years separate us from the moment when Moldova will border EU member state Romania; and second because some progress had been reached during 2002.

The efforts of the Dutch, however, resulted in a tense confrontation at the ministerial meeting in Maastricht. The Netherlands was praised, but Russia was entirely isolated *vis-à-vis* other OSCE member states. Bitter words were spoken, and negotiations seemed to have entered a cul-de-sac. Did the Netherlands chairmanship fail? And if so, why? Did de Hoop Scheffer naively step into a Russian trap? Or was the situation perhaps one of Russian failure? And if so, what does this say about Russian diplomacy under Putin?

### **The Transnistria Problem**

A few years from now, Moldova will border the European Union. The country is extremely poor, with a GNP equal to 1.8 per cent of that in the EU. It is unstable and its population is on the run.<sup>1</sup> After a short civil war in 1992, the country's slice of land to the east of Dnestr (Nistru) river seceded. Now the regime of Igor Smirnov in Tiraspol rules over a population of 630,000 (fewer than live in Amsterdam) on 12 per cent of the official territory of the Republic of Moldova. Smirnov's regime is generally seen as illegitimate and as a clan condoning and profiting from illegal trade in weapons, contraband, drugs and human beings. Moreover, Smirnov profits from the fact that his 'statelet' provides 90 per cent of Moldova's energy output and over one-third of its industrial production. His rule is supported by Russia and by criminal interests in Transnistria and also in Russia, Ukraine and 'west bank' Moldova.<sup>2</sup>

The Russian role in maintaining the *status quo* is indeed crucial, in terms of both diplomacy and military force. Russia's diplomatic influence derives from the fact that resolution of the conflict is in the hands of the so-called OSCE-5: the governments in Chişinău (capital of Moldova); President

Voronin) and Tiraspol (Transnistria; 'President' Smirnov), with Ukraine, Russia and the OSCE as intermediaries and 'guarantors' for the implementation of a hoped-for political agreement. Russia enjoys a disproportionate degree of influence, acting both inside the OSCE as one of the member states and central agents in the negotiation process, and outside the OSCE as the region's hegemon. Russia can make or break the Smirnov regime in Tiraspol. Further, Russia is crucial within the 'Joint Peacekeeping Force' that since 1992 controls the security zone to the east and west of the Dnestr river; within this force troops from Transnistria and Moldova proper are secondary. For more than a decade the OSCE mission in Chişinău has worked to reach significant progress. This, of course, is seriously hampered by the opaque, fuzzy conflict-regulation formula. It is also hampered by the manifold interests that are at stake.

Igor Smirnov has much to lose, as have his sons and other members of his clan: power and wealth. At issue for Vladimir Voronin, Moldova's president, is that his country cannot hope for economic recovery – let alone integration with the EU – until after Smirnov and his regime have been removed from Transnistria. At the same time it is imperative for Voronin to remain on speaking terms with Smirnov's protector in the Moscow Kremlin, Vladimir Putin. The situation in Transnistria allows Russian diplomacy to keep a grip on Moldova. Then there is Romania, the western neighbour and future EU member state. The Romanian government would of course like to see a friendly regime in Chişinău ruling over a reunited Moldova. But Romania is not a partner in the OSCE-5 negotiations and during 2003 has trusted the goodwill of the Netherlands chairmanship. Finally there is the European Union. It is in its interest that the instability and source of crime so close to its future eastern border is removed.

In the February 2001 parliamentary elections, the desperate situation in Moldova contributed to a landslide victory of the communist party (Party of Communists of Moldova, PCM). Since then the PCM has controlled 71 of the 101 seats in parliament. On 4 April parliament elected Vladimir Voronin as president of the country.<sup>3</sup> Because of his cordial relations with Russian President Putin, some expected a quick breakthrough in the Transnistria issue. It did not come, however. Progress was extremely slow.

In July 2002 the three external negotiators – OSCE, Russia and Ukraine – presented Voronin and Smirnov with a draft agreement (the so-called Kyiv Document) introducing the federal idea for future Moldova. Half a year later, in February 2003, President Voronin suggested that a new federal constitution be written jointly with the Tiraspol regime. By 1 February 2004 a referendum would take place in all of Moldova on the new constitution; a new federal parliament would be elected within the following 12 months. President Smirnov, however, insisted on a *confederation* instead of

a federation. He demanded that the new state formation would have to be based on an agreement between two equal states. Chişinău and the OSCE went for an asymmetric federation.

In the meantime, the Netherlands had taken over the OSCE chair. The task force in The Hague was in frequent consultation with both Javier Solana's European Council office in Brussels and the State Department in Washington. The EU provided support by pressuring the parties to reach agreement.<sup>4</sup> On 27 February the EU and the US jointly announced a visa boycott against 17 members of the Transnistria leadership, including Igor Smirnov and his sons; they were accused of 'continued obstructionism'.<sup>5</sup> The impossibility of entering either the EU or US had an immediate effect. Some of the Russian military equipment was removed from Transnistria and, at least until the summer of 2003, the OSCE negotiations made some progress, however slow. A Joint Constitutional Commission (JCC) started its work, with representatives from Chişinău and Tiraspol and with EU and Council of Europe advisers. By the end of the summer this commission reached an initial agreement, on part of its chapter on civil rights.<sup>6</sup> But Claus Neukirch of the OSCE Mission in Chişinău concluded in October that a breakthrough was not in sight. The work in the JCC stalled, and decisive action by the OSCE, Russia and Ukraine was badly needed.

At this stage it should be pointed out that Transnistria is not an issue for the OSCE alone. Geopolitical issues are involved that raise deep concerns in Russia. Since September 11 the United States has had a military presence in the Caucasus and Central Asia – and there are no plans to leave. In addition, the US has been insisting that NATO countries refrain from ratifying the adopted Conventional Forces in Europe Treaty (CFE2) for as long as Russian troops, bases and ammunition remain in Transnistria and Georgia (the so-called Istanbul commitments of 1999).<sup>7</sup> Russia wanted to have CFE2 ratified before the Baltic states were to join NATO, in the spring of 2004. The Russian leadership resents the fact that NATO refuses to apply the CFE to these new NATO member states, since in consequence NATO will be able to station weapons on the shores of the Baltic Sea while Russia itself is prohibited from doing so.<sup>8</sup>

### **An EU Consolidation Force?**

Russian policy-makers are also concerned about what they see as the EU advancing on former Soviet territory. In its 'new neighbourhood' document of March 2003, the European Commission suggested the deployment of 'EU civil and crisis management capabilities' in Transnistria as soon as a political solution had been reached, with or without intensified EU efforts.<sup>9</sup> Both The Hague and Brussels were engaged in intense consultations during

2003 about the modalities of a multinational consolidation force to be deployed immediately after a political settlement. The problem was how to sell the idea to the Russians.

In both capitals such a consolidation force was seen as a logical next step in the strategy to ‘unfreeze’ the conflict. After a certain hesitation, in June the Netherlands Chairmanship circulated an informal paper to Russia and other OSCE members, suggesting the replacement of the joint (Russian–Moldovan–Transnistrian) peacekeeping force by an OSCE Peace Consolidation Force that would be ‘outsourced’ to the European Union. In its paper, the task force wrote that ‘it could be explored further whether the EU is willing to carry out a peace consolidation operation in co-operation with other interested parties, if so desired’.<sup>10</sup> In other words, the ball was in the Russian court to come out and declare themselves another ‘interested party’ in an OSCE Consolidation Force implemented by the EU. The immediate reaction of the Russian ministry of foreign affairs (MID) was negative.

And yet, Russian diplomats might well have been worried over the slow pace of progress in the negotiations concerning the Transnistrian problem. After all, an agreement before the year 2003 was out would for Russia solve several problems at once, not the least of which was the CFE2 ratification issue. There were reasons to believe that the Netherlands OSCE chairmanship and Russia had a common interest in a political solution to ‘Transnistria’ that could be confirmed at the Maastricht ministerial meeting of December.

It was not to be. Why? Various sources have blamed the slow pace of negotiations on the fact that for Russia they were conducted by MID. Moldova’s President Voronin likewise was convinced that progress would ensue only if his Russian counterpart Putin would take the lead. And so he did. The informal chairmanship paper arguing for an EU-led Multinational OSCE Consolidation Force was the trigger that got the Russian president involved. In Moscow the proposal ‘was real dynamite’.<sup>11</sup>

Thus the diplomatic playing field changed without the OSCE diplomats being aware of it. Russia, after all, has *two* governments: MID is one of a select group of ministries – the ‘power ministries’ such as those for defence, internal affairs, and emergencies – directly subordinated to the president and his office, the presidential administration; the ‘lesser ministries’ (primarily those dealing with the economy) come under the chairman of the government, Russia’s prime minister.

### **Putin Intervenes**

In early summer 2003, at the request of Vladimir Voronin, Putin charged his confidant Dmitri Kozak with devising a speedy solution to the Transnistrian issue. Kozak, then aged 45, is first deputy chief of the presidential

administration and very close indeed to the president. He is a respected legal specialist with no experience in diplomacy. His nickname is 'Cheshire Cat' ('the broader the smile, the less he believes his own words'). Without informing the OSCE, Kozak started shuttle diplomacy between Chişinău and Tiraspol. Later, diplomats of MID said that they had not been informed about the details of his activities. The official 'OSCE-5' negotiations continued as usual, so that from summer 2003 there were in fact two partly overlapping negotiation circuits. It is not known whether or not MID and the presidential administration co-ordinate their activities, but one thing is certain: the OSCE was left in the dark.

This was the situation when on 11 September the OSCE negotiating team arrived in Moscow for talks at the ministry of foreign affairs. The team consisted of Ambassador Adriaan Jacobovits de Szeged, the OSCE CiO's special representative for Moldova, Daan Everts, head of the OSCE task force at the ministry in The Hague, and Ambassador William Hill of the OSCE mission in Chişinău. To their surprise, they found that MID was now prepared to discuss the idea of an EU-led consolidation force. But the disillusionment followed soon and without mercy. After leaving Moscow and waiting for plane connections home, they found out about Kozak's shuttle diplomacy. The three diplomats were stunned. They had engaged in a day of talks at the MID – and not one of the Russian partners had even mentioned Kozak's activities.

For some weeks after Kozak was found out, there were sporadic meetings between him and the OSCE team. Occasionally, Kozak allowed the team to view parts of the text that he was preparing. Several times OSCE Ambassador Hill in Chişinău proposed to combine efforts and to write one common document; the Moldovan side and MID in Moscow refused. MID also refused to consider the chairmanship's request to involve Kozak directly in the 'OSCE-5' negotiation format. Perhaps its career diplomats felt marginalized by the presidential administration. From the perspective of the chairmanship, the issue was made irrelevant when on 11 October (the day Holland beat Moldova 5–0 at football) Kozak declared that he was giving up his efforts to bring the impossible Smirnov and Voronin together. Putin's intervention appeared to have failed.

OSCE negotiations continued, and on 28 October the Russian MID, Ukraine and the Netherlands chairmanship reached agreement on a proposal for presentation to Smirnov and Voronin. After several details had been smoothed out, on 14 November Ambassador Hill visited the Russian Embassy in Chişinău for the Russian signature to the document. Instead of a signature he received from Dmitri Kozak, present in the Embassy, a 'Memorandum on the Basic Principles for the State Structure of the United State'. The next day this so-called Kozak Memorandum was made public and presented officially to all parties concerned.<sup>12</sup> It was to be signed in an official ceremony on 25 November in

the presence of Russian President Putin. On 18 November, the Russian minister of foreign affairs Ivanov telephoned his Netherlands colleague De Hoop Scheffer, asking for his support for Kozak's settlement.<sup>13</sup>

By mid-November Moldova was just six weeks away from the moment when all Russian troops and equipment were supposed to be removed from Transnistria. At Istanbul in 1999 Russia had agreed to withdraw troops and equipment by the end of 2002, and in December 2002 the OSCE, under its Portuguese chairmanship, had granted one year's delay. The Kozak Memorandum now defined the future 'Federal Republic Moldova' as a 'neutral, demilitarized state' without any reference to how this situation was to come about.<sup>14</sup> The Memorandum contained no fewer than 15 articles relating to the transition, making one thing perfectly clear: the proposed new constitution would come into full force only from 2020. Not one of these 15 articles referred to the presence of Russian troops. But within days of the memorandum being made public, Transnistrian President Smirnov demanded that Russia guarantee (by treaty) the continued presence of its troops for 30 more years.<sup>15</sup> For Voronin this came as an unpleasant surprise.<sup>16</sup> The Russian defence minister Sergei Ivanov, however, granted Smirnov two-thirds of his demand: on 21 November he stated that as a guarantee for the intended federation, Russian troops would remain in Transnistria for 20 years. This guarantee was included in a secret version of the Kozak Memorandum, subsequently initialled by President Voronin.

Mid-November was a busy time for OSCE diplomacy. During the week of 17 November, attention was increasingly focused on Georgia, where President Eduard Shevardnadze was under pressure to resign. One of the demands of the opposition in that former Soviet republic concerned an end to Russian military presence in the country. Following demonstrations and international pressure, on 23 November Shevardnadze agreed to step down. On the same day, the Netherlands OSCE Chair decided to reject the Kozak Memorandum. Voronin was visited by the US ambassador and received a telephone call from Javier Solana. Their message was simple: 'don't do it'. Demonstrations in Chişinău added to the pressure, demanding Voronin's resignation. During the night of 24 November a plane from Moscow, carrying Putin's advance security team, landed at Chişinău airport; early on the morning of the 25th, Voronin telephoned Moscow to cancel Putin's visit. The solemn signing ceremony was off.

### **A Federal Monstrosity**

The federation that was to have come into being would have consisted of two 'subjects' with their own territory (Transnistria, named the 'Moldovan Dnestr Republic', and Gagauzia), and a large remainder area, the 'federal territory'

ruled from Chişinău. Each of the two subjects would have its own parliament, government and judiciary – but in the ‘federal territory’ these functions would be exercised by the federal state institutions. Thus, the Kozak proposal had a certain resemblance to the British construction, albeit that the United Kingdom is not a federation, not even an asymmetric one. Parliament and government of its core area (England – or Moldova between Prut and Dnestr, so-called Bessarabia) would double as federal institutions. But unlike Scotland or Wales, Transnistria, one of federal Moldova’s ‘outlying districts’ with just 12 per cent of the country’s territory, would have a stranglehold on the federation.

Until the year 2015, federal organic bills (concerning joint competencies of the subjects and the federation) would require approval by 75 per cent of the members of the federal senate. In the 26-seat senate, Gagauzia would have four seats, Transnistria nine, and the rest of Moldova 13. Even with the support of Gagauzia’s four senators, Chişinău would not be able to reach the required 20 votes to exercise effective government. Moreover, the memorandum ruled that federal senators were to be elected by the parliaments in Tiraspol and Comrat (capital of Gagauzia), and by the federal chamber of deputies in Chişinău. But Kozak’s transitory articles stipulated that only from the year 2020 would the 71 deputies in the chamber be elected in one undivided constituency including all of federal Moldova. Until that year, they would be elected in three separate constituencies, one for each of the two ‘subjects’ and one for the ‘federal territory’. By this devious method, until 2020 Transnistria would have its own representatives in the lower house and thus would be able to add to its influence in the election of the Senate. In all affairs declared to be ‘joint competencies’ (and they were many), Transnistria would have a blocking minority of senatorial seats. The catalogue of joint competencies – and the secret deal on the continued military presence of Russia – were among the main reasons why all OSCE actors apart from Russia had objections.

In the end, the interference by Putin and Kozak resulted in a diplomatic defeat for Russia. In a period of just a few days Moscow’s presidential administration was forced to swallow the successful resistance of two former Soviet republics against manipulations that were meant to perpetuate the Russian grip. Worse still, NATO countries could now be expected to postpone ratification of CFE2 still further. Kozak blamed Voronin for a lack of ‘political courage’.<sup>17</sup> Less than a week later in Maastricht, Foreign Minister Igor Ivanov spoke bitter words against the Netherlands, the United States, OSCE and the Council of Europe: ‘If we really want the OSCE to play a dignified role in solving problems, we cannot allow her to change into an instrument of separate states’.<sup>18</sup> What he had in mind, of course, was the torpedoing of the Russian memorandum by the EU, US and Romania. But perhaps the



persons who should take these words to heart were Dmitri Kozak and Vladimir Putin, who had recklessly tried to short-circuit a difficult and complicated problem.

### **Russian Failure**

This contribution cannot answer all questions concerning the bizarre episode of Kozak's meddling in Moldovan affairs. What made Voronin decide to cancel the signing of the memorandum, affronting Putin in the process? Opinions are divided. Perhaps he feared a 'Georgian scenario'; perhaps he was swayed by pressure on the part of the EU and US; possibly both conditions apply. Of greater interest is the question of what made him decide to initial Kozak's constitutional model in the first place. It would, after all, turn him into the hostage of his arch-rival, Igor Smirnov. The opposition in Chişinău has a simple answer: Moldova's president is a figurehead of the Kremlin, more Russian indeed than the president of Russia. Other explanations are somewhat more plausible. A first is that the Moldovan president and his negotiators simply did not do their homework properly. They did not think the Kozak proposals through and did not realize what they were getting into, until it was almost too late. It is indeed difficult to escape the impression that the professionalism of diplomacy in Tiraspol is considerably higher than that in Chişinău. It is also likely that Voronin expected the Russian leadership to reward his loyalty by removing Smirnov from Tiraspol. Another possibility is that he acted in the expectation that he, and not Smirnov, would win OSCE-monitored elections that would have to take place in Transnistria.

And then there is the question what the Netherlands OSCE year teaches us about Russian diplomacy. It seems that the Transnistria issue had low priority in Moscow up to the moment when President Putin decided to intervene. He gave the task to one of his confidants, who was to sort the matter out in a couple of months. It is an attitude that seems typical of the presidential administration, where increasing numbers of young and loyal security officials show an inclination to overestimate their abilities. How else to explain that the task of hammering out a deal goes to an amiable and able legal specialist lacking experience in diplomacy? The ministry of foreign affairs, directly subordinate to the presidential administration, could do little other than keep the OSCE in suspense.

Kozak's negotiation error was quite serious. Trained negotiators make instrumental use of time pressure to reach their goal – forcing the other party to maximal concessions. But this, of course, works only if the time pressure is experienced by that other party. From the point of view of the presidential administration, the opponents were the OSCE chair (the Maastricht ministerial meeting was set for 1–2 December) and the government of

Moldova. But neither Netherlands Minister de Hoop Scheffer nor Moldovan President Voronin experienced significant time pressure, the first having been clumsily pushed aside by Kozak. Time pressure, in fact, existed only for the Russian side that wanted to reach a new settlement for preserving its military presence on Moldovan territory and that aimed to have CFE<sup>2</sup> ratified in the process. By their amateurish diplomacy, Putin and Kozak harmed the interests of Russia.

## NOTES

1. Approximately 14 per cent of the population has left, and 10,000 are leaving every month: Claus Neukirch, 'Coming Closer to a Solution in Moldova?', paper, 23 Oct. 2003. Some 300,000 Moldovans by now have Romanian (and thereby, within a few years, EU) citizenship: International Crisis Group, 'Moldova: No Quick Fix', *ICG Europe Report*, No.147, Chişinău and Brussels, 12 Aug. 2003, p.1.
2. 'Moldova: No Quick Fix', pp.5–7; see also 'Moldova: Regional Tensions over Transdnestria', *ICG Europe Report*, No.157, 17 June 2004, published after the text of this contribution had been finalized.
3. See John Löwenhardt, Ronald J. Hill and Margot Light, 'A Wider Europe: The View From Minsk and Chisinau', *International Affairs*, Vol.77, No.3 (July 2001), pp.513–28.
4. European Council, 'Declaration by the Presidency on behalf of the European Union regarding the Transnistria conflict in Moldova', 15272/02, 4 Dec. 2002.
5. European Council, 'Moldova: Council adopts restrictive measures against the Transnistrian leadership', 6679/03, 27 Feb. 2003.
6. Neukirch, 'Coming Closer to a Solution in Moldova?'.
7. See the statement of Assistant Secretary of State Stephen G. Rademaker on 12 Feb. 2003, at < [www.usembassy.md/en-ambassador24.htm](http://www.usembassy.md/en-ambassador24.htm) > ; and Zdzislaw Lachowski, 'The Adapted CFE Treaty and the Admission of the Baltic States to NATO', Stockholm (SIPRI), Dec. 2002.
8. Oleg Zorin and Gennadi Sysoev, 'Rossiya gotovit nastuplenie na OBSE', *Kommersant Daily*, 1 Dec. 2003.
9. European Commission, 'Wider Europe – Neighbourhood: A New Framework for Relations with our Eastern and Southern Neighbours', COM2003-104, Brussels, 11 March 2003.
10. 'Food-for-Thought-Paper Peace Consolidation Mission Moldova', no date, no place.
11. Netherlands diplomat, interview, 22 Jan. 2004.
12. 'Memorandum Ob osnovnykh printsipakh gosudarstvennogo ustroistva ob"edinennogo gosudarstva', RIA Novosti Moldova, 17 Nov. 2003.
13. MID Yedinaya novostnaya lenta, 2661-18-11-2003.
14. 'Memorandum Ob osnovnykh printsipakh gosudarstvennogo ustroistva ob"edinennogo gosudarstva', Art. 3.1.
15. News item, OSCE Mission in Moldova, 21 Nov. 2003, quoted in Michael Emerson, 'Should the Transnistrian Tail Wag the Bessarabian Dog?', Centre for European Policy Studies, Brussels, 25 Nov. 2003.
16. 'Pochemu ne byl podpisan Memorandum po pridnestrovskomu uregulirovaniyu', transcript of TV interview with Voronin on 26 Nov. 2003, Moldova-1 TV, *Logos Press*, 28 Nov. 2003.
17. *RFE/RL Newline*, 26 Nov. 2003.
18. 'Vystuplenie Ministra inostrannykh del Rossii I.S. Ivanova na 11-om zasedanii SMID OBSE', Maastricht 1 Dec. 2003, <[www.mid.ru](http://www.mid.ru)> (2771-01-12-2003).