

LANDSLIDE VICTORY FOR LEFT-RIGHT COALITION IN ROMANIAN ELECTIONS

[Policy Brief #63, December 2012 updated](#)



Less than 42% of Romanians showed up on December 9 to elect a record number of legislators, due to an electoral legislation which attributed extra-seats to individual candidates of nationally representative parties who lost elections in their individual constituencies. The left-right coalition (Social Liberal) won a record 60% of the vote due to its drawing on two different constituencies, the urban active one of the liberals and the rural one, who traditionally voted with Social Democrats. The main gain of this impressive majority is that the government will no longer need to buy support through pork barrel allocations, which has been the rule since 2007, when Mr. Băsescu quarrelled with the Liberals and the center-right coalition broke off. Such allocations were the rule not only to buy support of a middle layer of MPs, those migrating from minority to majority, but also towards MPs from the same party with the government. At least a third of winning candidates have benefitted in one form or another (mostly allocations of public contracts) from public resources other than their own salaries. The question remains if President Basescu will nominate the victor, current Prime Minister Victor Ponta, to form a new government. The landslide victory deprived Mr. Băsescu of many of his other options, so while he is expected to bargain over individual members of the government, he might have failed already to convince any politician within the winning alliance to betray Mr. Ponta and has no choice in the end than to nominate again his enemy to form a government.

Background and contenders

Romania held legislative elections on December 9, 2012, following a highly disputed political year, with a power contest which was settled on the streets and a new unsuccessful presidential impeachment. While the economic downturn is not particularly dramatic in Romania (a modest growth of 1% is forecast), a country sheltered from the

crisis-related unemployment which hurts other European economies through its high underground economy and intense labour migration, the rule of law and democracy came under great strain in 2012, confirming that Romania's 2007 EU accession had mostly been a political decision on the side of the EU. Since its EU accession, Romania mostly stagnated, its chronic political

infighting and corrupt administration making it the worst performer when it comes to EU funds absorption (only 10% after six years in the EU). The center-right coalition which came to power in 2005 broke apart and, since 2007, each party governed in turn with the Social Democrats attempted to capture as much of the center-right constituency by itself as possible. As President Traian Băsescu strongly identifies with one of these parties (Liberal Democrat, DLP), the conflict configured the political system in a pro-presidential and an anti-presidential coalition, which stretched Romania's semi-presidential system nearly to the breakpoint. External actors (notably the State Department and the European Union) also intervened in an attempt to protect the institutional framework enshrined by the Constitution and Romania's external engagements. Their intervention was widely perceived to support Mr. Băsescu.

The pro-presidential coalition is what is left of the Democratic Liberal Party of Mr. Băsescu, which, ahead of the coming elections, was hastily wrapped up with two mainly nominal parties, Christian Democrats (one of the many splinters of a one famous pre-war party) and a new party (Civic Force) acquired by former Prime Minister Mihai Răzvan Ungureanu due to lack of time to start his own. A third Christian party never made it through the Romanian bureaucracy, so its members simply run on DLP tickets. This mix is presented to the voters as the **Alliance for a Just Romania (AJR)**.

The other side is no less strange. In late 2010, the long standing Social Democratic Alliance with the Conservative party (owned by a media tycoon with ties in Ceausescu's secret service) split. In January 2011, the National Liberal Party (NPL) and the Conservative Party (PC) formed the Centre Right Alliance (ACD). In February 2011, ACD together with the Social Democratic Party (SDP) formed the **Social Liberal Union (SLU)**. They also allow people from other parties to run on their ticket – the most famous being “Steaua” soccer club owner Gigi Becali, famous for his lack of civility, sexism and racism. It also accommodates members of the UNPR, the party which was created from their own defectors to support Mr. Băsescu after his re-election in 2009, and who now returned for safer bids. SLU is forecast at 57-62%. The third party coming up fast from behind is the **Party of the People – Dan Diaconescu (PP-DD)**, a second party which had its roots in a successful TV station. Mr. Diaconescu is charged in several files for tax evasion and using his TV for blackmail purposes, but until he receives a final ruling, he is allowed to run. He has scored well in local elections and is presently forecast at 10-15%. Finally, the **Democratic Alliance of Hungarians in Romania (DAHR)**, which has been part of many government coalitions in the last sixteen years, has to compete against a more nationalist Laszlo Tokes, vice-president of the European Parliament, and his **Transylvanian People's Party**.

Mr. Diaconescu and Mr. Tokes had to fight AJR in Courts to register their parties. Likewise, former PM Ungureanu simply

negotiated to take control over an older party which was extinct but with a valid legal name. To register a new party under the very restrictive Romanian law (**14/2003, Official Gazette 25**, 17.01.2003), one has to show proof of already existing 25 000 founding members residing in at least 18 different counties and no less than 700 in one location. Independents are equally mistreated since they have to produce signatures from 4% of voters and pay a big security deposit to be allowed to run.

Legal framework and fraud allegations

2012 saw numerous attempts of parties in power to manipulate electoral legislation in their favour. On January 25th, 2012, the Constitutional Court ruled against electoral legislation put forward by the Liberal Democratic government (DLP) that would have delayed the June local elections to schedule them with parliamentary elections the forthcoming winter, thus postponing the encounter of his unpopular government with the voters. Thus began a process of negotiating a new electoral law, when the majority in the Parliament changed. The SLU majority then unilaterally passed a new electoral bill, introducing a first-past-the-post voting system. It was the turn of DLP to present a motion against this law at the Constitutional Court, which again ruled against it on various procedural grounds. That meant that the 2012 general elections were in the end held on the basis of previous legislation. The 2008 electoral system that had abandoned closed proportional lists in favour of single unit

constituencies (but with a national redistribution of votes correction) has since been the object of constant criticism, as in some constituencies second ranked candidates got seats while first ranked from smaller parties did not.

President Băsescu and his supporters claimed the turnout at the referendum was fraudulently increased by electoral bribing and has repeatedly stated – despite massive evidence of real collapse of his party and himself in the voters' sympathy – that his opponents are also likely to cheat on the general elections. Massive fraud seems rather implausible, as in the immediate aftermath of the referendum the figures of turnout and approval were nearly similar across exit polls and after a parallel count organized by DLP. The OSCE mission present in December found the elections fair and free.

The parties' programme essentials

The two main coalitions pledged to continue to respect the memorandum with the IMF and seek a new agreement in 2013. Consequently, there is not much policy distance regarding the essential issues.

Concerning the **privatisation of public companies**, the SLU promises to continue the privatization of companies in the energy field by increasing their social capital, while the AJR aims to sell minority shares owned by the state to the private sector, meaning that the state keeps its status as main shareholder. DAHR does not tackle this issue, but PP-DD proposes an increase in

state control by establishing an umbrella company to administer all public companies. However, Mr. Diaconescu was seriously discredited during the procedure to privatize Oltchim Râmnicu Vâlcea factory, Romania's largest chemical producer, early in the fall. After winning the bid and buying 54,3 % of the shares, he was unable to show that he disposed of the financial means he had promised during the auction. However, he broadcast a few well-seasoned speeches on how he tried to save the country both from a corrupt state and foreign investors and it is unclear if he lost or gained from an electoral point of view.

The positions of the parties towards **educational policies** are shaped by the parties' previous support – or lack thereof – for the 2011 Education Bill. DLP, the main party within the AJR, who pushed the bill avoiding a parliamentary debate on it while it was in government, desires its full implementation. The emphasis is placed on performance and performance appraisal of schools and universities, tying performance with budgets and introducing transferable vouchers for students, a comprehensive curriculum reform and the maintenance of research and education standards compatible with those at the European level. It also stresses the decentralization of pre-university education. Former education minister, Daniel Funeriu, a very vocal proponent of reforms and now an adviser to President Băsescu, introduced the very controversial reform of obliging high-schools invest in video-cameras to supervise exam cheating, which directly led to a majority of students failing the national

graduation exam. There was little debate or policy adaptation surrounding the fact that perhaps the system is to blame for such a major failure – Romanian students do very badly in PISA tests as well, where they do not cheat. Many schools forced to buy cameras have never even had an Internet connection.

SLU does not clearly state what their position towards the new law is, but the alliance has already amended it by government ordinances and it is likely they will continue to bring substantial changes to it in the future. If the AJR program seems inspired from very economically advanced countries, with its stress on performance incentives, the SLU program is more of a modernization program, taking into account that nearly half the Romanian population lives in rural areas, where economic conditions are very poor, dropout rates high and decreased literacy. Therefore, the SLU focuses on IT equipment, Internet, support for rural schools and poor students (school infrastructure, campus, meals, and textbooks subsidies). A system of incentives is proposed for research institutes.

PP-DD proposes a return to Communist times, with grants for students and central job allocation for university graduates. They also plan to support innovation outside the academic framework, but fail to give the concrete steps to achieve their goals.

DAHR supports the implementation of the law they also supported as part of government coalition with DLP. Their stress is on expanding the use of minority languages and autonomy for schools. They

also suggest that the private sector can be attracted into the creation of vocational schools.

All parties pledge to improve the connection between education and labour market, but the mechanisms are not entirely clear.

On the **role of the state in the economy**, all parties are in favour of a more pronounced presence, yet DAHR considers that there should also be a transfer of competences in this respect to the sub-national level. However, co-financing of European funded projects should remain a part of the central budget, according to DAHR. SLU proposes the establishment of a Development and Economic Forecast Council (DEFC), in addition to state guarantees and fiscal breaks for investments in important areas¹, financial incentives for exports, subsidies for agriculture, and a Risky Investments Fund for supporting public projects in strategic domains. AJR proposes the maximum usage of state-aid schemes, the establishment of the National Fund for Financial Stability (NFFS), fuelled by financial contributions of businesses with a registered office in Romania (especially commercial banks) and the creation of a Public Bank for Investments (PBI), either state-owned or with a majority of state capital.

Even though all the political contenders **aim to reduce taxes and contributions**, there

¹Infrastructure, research and development, human capital, generable energy, IT, ecologic agriculture, etc.

are differences. Both SLU and DAHR want to keep the flat tax at 16%, while SLU pledges to introduce a differentiated income tax on the individual revenue and fiscal deductibility, i.e. 8%, 12% and 16% corresponding to different revenue categories, and a reduction by half of all parafiscal taxes. AJR also aims to reduce the flat tax on both corporate profit and personal income from 16% to 12%, starting from 01.01.2013 and to reduce the total number of taxes. The DAHR's vision is that the income tax, profit tax and all the paid contributions should constitute income at local level. All parties advocate the reduction of the VAT at 19% (SLU and DAHR) or 10% (PP-DD), unlike the AJR which would maintain its value at 24%.

All contenders emphasize **the need to develop SMEs through state intervention**. In this regard, they promise state-aid schemes, financial incentives, risk funds, the simplification and decrease of bureaucratic costs (SLU, AJR), and either the payment or compensation of existing state-debts to firms (SLU). While the DAHR's preferences resemble those of the other political formations, it adds "The SMEs Test", following the European model, meaning the obligation to produce impact studies for any new legislative, economic, fiscal or budgetary measure. PP-DD puts forward populist measures of granting huge amounts of money and full tax exemptions for 3 years for investors coming from the Diaspora.

Concerning **fiscal management**, both SLU and AJR guarantee that the fiscal and

budgetary policies will be designed and implemented with responsibility, meaning that the loans and the budgetary deficits will only be used for investments. Regarding the extension of e-administration within the fiscal domain, DAHR is the only one to propose this particular initiative, whereas AJR points out the development of e-government services in general. The transparency of the state's arrears was discussed only by AJR, which proposes their full transfer in electronic format, and PP-DD, which demands their immediate payment to private economic agents.

Regarding **public expenditure and public investments**, all political parties promise a more rational, efficient and transparent public spending practice. SLU and DAHR propose the introduction of a multiannual budgetary programming system in order to improve predictability and (cost) efficiency, while AJR supports the establishment of the Governmental Council for the Programming of Public Investments (CGPIP). At the same time, they consider improving the correctness of public procurement procedures by extending the SEAP (Electronic System of Public Procurements) at all levels of state administration (SLU) or by creating dedicated legal structures within the National Anticorruption Directorate (AJR). SLU promises the highest number of public investments, followed by AJR and DAHR, the common focal point being the improvement and development of national infrastructure and regional development.

On the **reduction of labour taxes and social services contributions**, SLU proposes a differentiated threshold 5% for the employer for 4 years and the possibility of not paying it for 1 year in exchange for the creation of new jobs. On the other hand, AJR aims to reduce the fiscal burden with 5% starting from the 1st of January 2013, and DAHR proposes a two-step decrease without mentioning a specific calendar.

Concerning **youth unemployment**, both AJR and SLU support financial incentives or exemptions from social security taxes for employers. SLU proposes a similar measure for those above 45. AJR and DAHR propose the implementation of flexicurity and a more extensive use of part-time employment.

All parties except DAHR promise to increase the minimal wage, but both the degree and pace differ. SLU promises a progressive growth to a threshold of 1200 lei by 2016, while AJR promises an increase to 850 lei (from 01.01.2013) and to 1000 lei (from 01.01.2015).

On the **management of European Funds, centralization of the management structure** is a strong option for SLU, who intends to subordinate all authorities to a single ministry, emulating the Polish model, with a change in legislation. AJR offers a more toned down option by creating a coordinating structure for the management authorities in a re-baptised Ministry of Integration and European Affairs (MIAE). At present, each operational program involved in allocating funds is coordinated by its

respective ministry. The Ministry of European Affairs and the Ministry of Finance have important, yet limited competencies in the decisions concerning the allocations of funds, their management and control.

The **decentralization of the management structure** is the main option for the DAHR, because “the primary cause of Romania’s failure to attract and efficiently use resources is the system based on an inefficient regional structure”². Consequently, the option favoured by DAHR is to increase the role of regions in planning, prioritizing, managing and evaluating European funded investments at a local and regional level³. Although both AJR and SLU propose some sort of a **regionalization**, the actual mechanism through which this will improve the absorption of funds is unclear, as well as how it would be correlated with centralized planning. Victor Ponta called for an adoption of the Polish administrative model: a centralized management, while at the same time granting the regions competencies and resources necessary for an effective absorption and implementation

²DAHR, *Electoral Programme 2012-2016*, p. 23.

³ The DAHR representative, Istvan Csutak, in response to SAR’s questionnaire on the political parties’ electoral platforms, underlined the fact that the initial planning of the NUTS 2 development regions “lacked seriousness” and was done “without rigorously respecting the Commission’s methodology”, with unrealistic objectives and chaotic allocations of funds for which “nobody claims professional or political responsibility”. Furthermore, the Management Authorities are guilty of changing the rules of the game during the game, on certain occasions with the aim of granting advantages to the clientele of a political party.

of EU-funded projects at local level⁴. An interesting aspect which is worth mentioning is that although the SLU programme contains provisions with regard to the start of a regionalization process, **it will only be implemented after its approval through a nation-wide referendum**⁵.

Administrative improvements are present in all programs. The restructuring of development agencies is clearly preferred by AJR. A more efficient use of the Technical Assistance programme is supported by DAHR. An **improvement in the co-financing of EU-funded projects** by assuring that resources are available through a national guarantee fund is an alternative proposed by both DAHR and SLU. A **transfer to the private sector of a part of the implementation and management services** is an option expressed by AJR. Better information, learning from good practices (also mentioned by SLU) and even the reallocation of funds to the most efficient spender are the options of DAHR.

As **anti-fraud strategies**, AJR proposes a specialized approach, through the creation of bureaus within the National

⁴ “For 2014-2020, all management authorities are under a single authority, first under a Minister and afterwards under the regions, when these will be formed [...]. For 2014-2020 a single hat, a single coordination and a single responsible entity. Not six responsible entities because it does not work”. Source: Liviu Dadacus, “Ponta: Management Authorities will function under one authority in 2014-2020”, *Mediafax*, December 3rd, <http://www.mediafax.ro/economic/ponta-autoritatile-de-management-vor-trece-sub-o-singura-autoritate-in-2014-2020-10363286>

⁵SLU, *Governing Programme 2013-2016*, p. 33.

Anticorruption Directorate (NAD) whose goal would be to investigate and discover cases of fraud with European Union funds or public procurement irregularities. The SLU proposes to generalize the SEAP system (Public Acquisitions Electronic System) for all central and local procurements. At the local level, the solution offered by the DAHR until 2013 consists in better prepared authorities through intensive training and adequate information. For the 2014-2020 financial perspective, the same strategy is proposed: improving the professionalization and accountability of local authorities.

The **offer in the field of health policy is one of the most important**. The trigger of the Boc government's downfall in winter 2012 was a new health bill which proposed to scrap the highly appreciated emergency system run by Dr. Raed Arafat, the only naturalized foreigner in Romania enjoying a public position and very high popularity. The rally in favour of Dr. Arafat and against the ill-advised reform was replicated after his city, Tirgu-Mures, initiated it, and many others followed, after President Traian Băsescu called in a live talk-show to threaten him and demand he stop criticizing the bill. This turned Dr. Arafat in an instant hero. The SLU offered him the position of Health Minister in their own government, but he announced that he will step down after the elections to head only his national emergency service (SMURD).

One would expect, seeing this high stake that a lively discussion existed in the electoral campaign on the issue of reforming the health system. The reform is

driven by the IMF and targets the many arrears between the main state insurer, the National Insurance House, and the hospitals and pharmacies. **The problem is that a considerable discrepancy exists between what the national insurance system claims to cover and what it can actually afford.** This incongruity is not clearly addressed in the party programs, though another draft bill proposed by the Health Ministry suggests further reductions of services and creation of alternative insurers so as to take away a part of the fiscal burden. It is unclear, however, how these insurers will fund themselves, as the state keeps its monopoly on raising contributions to the health budget. Previous cuts of the contribution rate misbalanced the system and attempts to increase the number of payers in 2011 (for instance by making pensioners and self-employed contribute) did not manage to fill in whole gap.

Meanwhile, Romania has developed an alternative private system with over two million subscribers, but the problem remains for the rural poor and the pensioners who cannot afford it. Private contribution to health expenditure is high and health indicators continue to be at the level of developing and not developed countries with high rates of tuberculosis, infantile mortality and mental health problems.

AJR keeps in its program the essential thesis of the DLP government in 2010-2011: a superior organization of resources is enough to ensure better financing, although it no longer proposes hospital closures and

privatization of the medical state system, which proved highly unpopular. Instead it suggests private-public partnerships. Co-payments were introduced in 2012, with Mr. Dan Diaconescu promising to remove it if elected.

All parties pledge to raise income of doctors and nurses, who cannot survive without gifts from patients at current wage levels and who have started to migrate massively to other EU member states, but the source of supplementary funding is not specified. However, DAHR suggests that 12% of the total health expenditure should be reallocated to family doctors, who are in short supply. SLU proposes that the national insurer support pensioners with earnings

Lousy offer of candidates

The profile of candidates has been a prevalent theme in Romania, ever since a coalition of civil society organizations significantly impacted the projected result of the 2004 parliamentary elections through a campaign for political integrity. After that point, the topic was monopolized by Traian Băsescu who has, however, lost much credibility in the recent past. An ethics committee of his own party, led by Monica Macovei, a former Minister of Justice who built her reputation as a key anti-corruption figure during the 2005-2006 reforms, failed dramatically to filter the candidates. Ms. Macovei voted on integrity criteria against 96 AJR candidates – one was even arrested by the National Anti-Corruption Directorate (NAD) at the beginning of the electoral campaign. Nevertheless, the committee

under 250 Euro with 90% of their total pharmaceutical expenditures.

None of the parties take a clear position versus the health bill draft proposed by former minister Vasile Cepoi in the summer. Mr. Cepoi, a technocrat with a Communist background who managed to survive under both Leftist and Rightist governments, had to step down after being accused of personally benefiting from European funds that were under his jurisdiction. EU funds are seen as a solution to finance the development of health infrastructure in poorer regions by SLU.

over which she presided, cleared 58 of these 96 and the party leadership gave the green light for almost all the others. None of the notoriously corrupt members of the former government were affected. **The other parties were less hypocritical and did not even claim they attempted to screen their candidates⁶.** Therefore two of these

⁶On November 25th, the Romanian Academic Society (RAS) and the Alliance for Clean Romania (ACR) launched a new database containing all the relevant information about the integrity of candidates for the upcoming parliamentary elections. Every citizen voter can consult it and rate one's candidate according to the following 12 monitoring criteria: collaboration with the secret police of the former regime ("the *Securitate*"); positions held in the Communist apparatus, prior to '89; political and administrative positions held since '89; migration from one political party to another; nepotism: the degree of kinship between the candidate and other members of the same political party; the wealth of the candidate; business and contracts with state; the

candidates will participate in the upcoming election **from their prison cell**: one of them is an independent candidate who has been sentenced for corruption by the Court of Last Appeal and is currently serving time in jail, while the second is being held in custody following a court decision in a similar case. Four other candidates have also been sentenced to jail by a Court of First Instance, and four more were held in custody. 23% of the 700 eligible candidates which have been monitored have switched political parties at least once. A total of 35 eligible candidates are already at their third party. The newly established People's Party - Dan Diaconescu (PP-DD) which is a self-proclaimed anti-system party, has the highest number of "migrant" members. 45% of its candidates for the current elections were previously members of at least one other political party. The law does not allow local elected officials to swap parties, but legislators are allowed and migrate frequently to the party doing better in polls or having more resources to share. Twenty-four eligible candidates have been officially proven to have incompatibility problems, and are being investigated by the National Integrity Agency (NIA).

30% of the candidates have made their fortune on the basis of government contracts or enjoy other sorts of

debt of the candidate's firms to state; conflicts of interest and incompatibilities; whether she/he has been arrested or convicted; sponsorship to political parties; racist and discriminatory public statements.

government rents (like subsidized luxury housing). The value of these public works was estimated at hundreds of millions of euros. A notable case has been identified in Bihor County where the firms owned by three candidates holding public offices, or their family members, were awarded state contracts valuing 125 500 000 euros for undertaking construction works contracted by themselves. Some notorious political party sponsors throughout these elections entered politics quite recently, after being active in business and amassing fortunes on behalf of public contracts.

Moreover, 12 candidates are the sons or daughters of local politicians, with Prahova (3) and Constanța (2) the champions. Seven candidates are the wives of politicians/officials and eight others are also relatives of other politicians. Finally, 18 candidates are related to each other.

The data collected by ACR indicates that **Romanian politics continues to be dominated by nepotism and clientelism, with public resources being the main source of spoils and fuel of politics, recycled through private businesses to political parties.** Women are present in insignificant numbers, and seem to have access only through other (male) politicians, regardless of their political competence. Ten monitored candidates have also made recent discriminatory statements. Many of these statements have been publicly condemned by civil society organizations and some of them (the case of former External Affairs Minister, Teodor Baconschi) have also been condemned officially by the

National Council for Combating Discrimination (NCCD).

Parties do not have any code of conduct and seem to respect no quality criteria whatsoever. Romania did not succeed in passing lustration and the legal costs of racist or sexist behaviour are low to inexistent in public life.

Results and future evolution

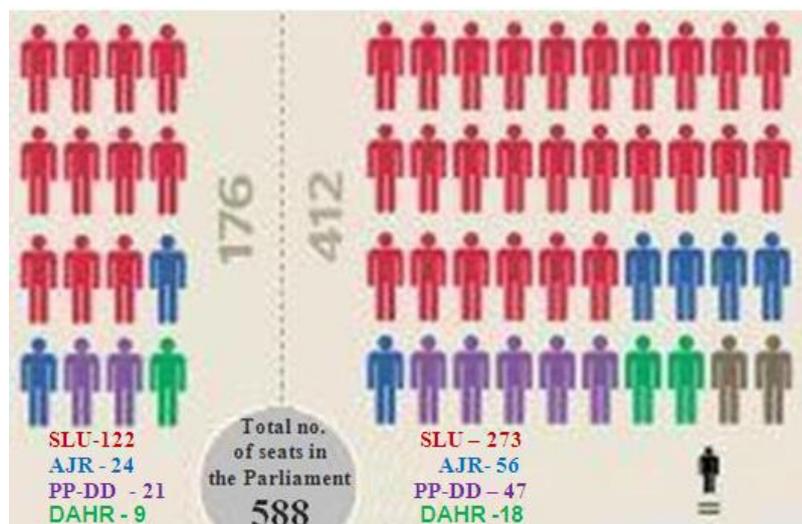
Less than 42% of Romanians showed up on December 9 to elect a record number of legislators, due to an electoral legislation which attributed extra-seats to individual candidates of nationally representative parties who lost elections in their individual constituencies. The left-right coalition (Social Liberal) won a record 60% of the vote.

According to the data provided by the Central Election Bureau the results⁷ of the legislative elections held on December 9th are the following:

(1) In the **Chamber of Deputies**: The Social Liberal Alliance (SLU) won 58.63% of the votes - 273 seats, the Alliance for a Just Romania (AJR) won 16.5% of the votes - 56

seats, The Party of the People – Dan Diaconescu (PP-DD) won 13.99% - 47 seats, and the Democratic Alliance of Hungarians in Romania (DAHR) 5.13% -18 seats.

(2) In the **Senate**: The Social Liberal Alliance (SLU) won 60.1 % of the votes - 122 seats, the Alliance for a Just Romania (AJR) won 16.7% - 24 seats, The Party of the People – Dan Diaconescu (PP-DD) won 14.65% -21 seats, the Democratic Alliance of Hungarians in Romania (DAHR) won 5.23% - 9 seats. The remaining 18 seats in the Chamber of Deputies (not shown below) are reserved for representatives of the ethnic minorities, in accordance with the provisions of Decree no. 92/1990.



(Source: Adevărul)

Exit polls results show that SLU won and AJR lost in practically every geographical, educational and occupational category. AJR fell below a quarter of votes nearly everywhere and managed to get a majority

⁷ SINA English, <http://english.sina.com/world/2012/1211/536588.html>

Semipresidentialism.com http://www.semipresidentialism.com/?p=2747&utm_source=rss&utm_medium=rss&utm_campaign=romania-legislative-election-2

only in the diaspora constituency of Republic of Moldova. In other words:

- If education is divided into three categories, each of them voted in similar proportions (nearly 60%) with SLU.
- Traditional fiefs of Mr. Basescu, such as Transylvania, voted massively (over 50%) for SLU.
- Urban areas also voted massively for SLU (over fifty %), though less than rural ones (even more).

This shows that the main advantage of the winning coalition was to assemble two different constituencies, the urban active one of the liberals and the rural one, who traditionally voted with Social democrats. Challenger Populist Party Dan Diaconescu also did very well, in many constituencies coming second. The main gain of this impressive majority is that the government will no longer need to buy support by pork barrel allocations, which has been the rule since 2007, when Mr. Basescu quarrelled with the Liberals and the center-right coalition broke off. Such allocations were the rule not only to buy support of a middle layer of MPs, those migrating from minority to majority, but also towards MPs from own party of the government. Mr. Ungureanu's government earlier this year fell immediately after refusing to satisfy his own MPs.

SLU has adopted the decision that Mr. Ponta, the leader of the larger of the two parties, will be their Prime Minister, and Mr.

Basescu has already announced he will not nominate him. However, he recanted on this threat before, when he appointed him in April. The ambiguous Romanian Constitution fails to offer a mechanism of dispute resolution if the directly elected President chooses another Prime Minister than the leader of the winning political entity. The President should offer a mandate to form a government if a *party* obtains an absolute majority in Parliament (Art. 103–1). The question remains if President Basescu will nominate the victor, current Prime Minister Victor Ponta, to form a new government. He already declared-before elections- that he would not, and that nobody will infringe on his right to nominate his own choice. The legal pretext is that SLU is an alliance, and not a single party, but even his own supporters consider this very thin. Furthermore, he failed to convince another Social Democrat to challenge Mr. Ponta, although he is said to have tried at least with Mr. Mircea Geoană, his former challenger in the 2009 presidential elections.

However, Mr. Basescu has the majority in the Constitutional Court, which granted him, for instance, the right to represent Romania in the European Council, although most other European states are represented by Prime Ministers. Also, in 2009, Mr. Basescu succeeded – after the fall of a government he favoured to refuse appointing a candidate (Klaus Iohannis, mayor of Sibiu) who had a majority, only in the end to have his own favourite sworn in again. The Constitution does give him the right to dissolve the chambers and call

elections again if two rounds of voting do not succeed in imposing a Prime Minister.

Mr. Băsescu claims SLU will not respect the rule of law and put an end to anti-corruption. He can certainly point to the poor SLU voting record in the Parliament since it voted against many anti-corruption bills, and its dismissal of the Ombudsman in the summer, which it planned to replace with a Social Democrat politician despite pledges to Brussels to look for an independent. SLU claims in its turn that Mr. Băsescu controls these agencies already, and quotes as proof the fact that the head of the National Revenue Agency (ANAF) was only indicted after the DLP fell from power

in the spring. While many in Mr. Băsescu's party were also pursued by the National Anticorruption Prosecutor, his close associates were indeed untouched. His favorite, Ms. Elena Udrea, is only now investigated for misuse of European funds, during her tenure as development minister.

The landslide victory deprived Mr. Basescu of many of his other options, so while he is expected to bargain over individual members of the government, he might have failed already to convince any politician within the winning alliance to betray Mr. Ponta and has no choice in the end than to appoint his enemy- a second time this year.

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Published with the financial support of the OPEN SOCIETY FOUNDATIONS.