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**POLITICS VERSUS POLICIES;  
HOW TO SUCCEED IN BLOCKING REFORMS**

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## CONTENT

1. Obstacles at the Start
  - 1.1. Negative Efficiency of Absent Structures
  - 1.2. The Fields of Public Life and the Temptation of Labyrinth
  - 1.3. Changes of the Course of Public Life
2. Dialectics of Inertia
  - 2.1. Sources of Ambiguity
  - 2.2. The “Public Involvement Discordance” Syndrome
  - 2.3. The Distorting Mechanisms of Policies
  - 2.4. Diversity and Dynamics of Governance Patterns
  - 2.5. Generalized Negative Functionality
  - 2.6. “The Fragmentation Effect”
3. 2000 - 2004 Perspectives
  - 3.1. The Most Menacing Possibilities
  - 3.2. Minimal Recommendations for the Therapy of Politics

*A ghost is wandering through Romania,  
it is the ghost of reform...*

**– ABSTRACT –**

The purpose of politics in a democratic society is to draft, endorse, and back public political life. Political life in Romania during the first decade of transition was very complex and dynamic. Even accounting for these obstacles, governance in Romania clearly fell short of its potential, mainly in finalizing reform policies. This poor governance impacts both the current socio-economic situation, and Romania's ability to excel in regional competition. Foreign investors' interest remained low, along with effectiveness in accessing Euro-Atlantic structures.

One can say that the contradictory developments of the socio-political relations have lately generated a genuine historical obstacle, in relation to the post-communist countries from Central Europe. At domestic level poverty, corruption, and a situation of administrative disorder have accumulated.

Romania is a "chaotic democracy". Through free elections, all relevant political forces have enjoyed full access to power structures. Yet they have failed to profit from the opportunities democracy offers for modernization, economic revival and social welfare, regardless of their political orientation.

Meanwhile, the Romanian political environment has consumed the preliminary enthusiasm generated after the release of totalitarianism. Public expectations have been disappointed and have declined, in an endless succession of internal crises, hesitating approaches, and spectacular but useless upturns, without achieving good governance. Indeed, bad governance has cursed the Romanian state throughout this whole century, irrespective of the political systems and regimes that have imposed themselves.

Romanian society faces a genuine deadlock at the onset of the millennium. Romania retains a harmful mixture of economic and social structures, of old fashioned practices and mentalities, of hazardous circumstances and options. These forces threaten Romania's natural and human resources, and prevent the realization of its historical potential.

Consequently, Romania suffers an increasing discordance between its regional activities, the needs and expectations of its population, and the effectiveness of the institutions it has built since the fall of totalitarian communism. This disequilibrium has branded Romania with helplessness and lack of cohesion. Besides wasting time, this inertia threatens Romania with marginalization, leaving its internal evolution isolated from the constraints and opportunities posed by the free world. An unprecedented historical opportunity is about to become a failure.

Can we distill enough positive energy from this experience enough to revive the transition in Romania?

Are we better able to determine necessary measures both for the present and the foreseeable future? Will Romania still remain paralyzed by its unique condition?

It remains to be seen, but it is obvious that the allotted time is very short. In fact, we are at a crossroads. The Romanians can go back to the traditional obedience of living “as prisoners of the circumstances.” Or conversely, they can overcome the traps of the past decade, achieving through political will and consistent public effort a strategic shift to modernization.

## 1. Obstacles at the Start

### 1.1. Negative Efficiency of Absent Structures

Romania initiated transition with less favorable conditions than those experienced in Poland, the Czech Republic and Hungary.

The December 1989 Revolution succeeded in liquidating, almost at once, the institutional structures of totalitarian communism. During the previous two decades these structures had expanded their activities in line with the neo-Stalinist dictatorship. As a socio-political phenomenon, the Romanian revolution did achieve a radical break from genuine socialism.

The transition toward democratization, and the reconstruction of the free market, commenced however in the absence of the essential premises of Western-type modernization. Modern structures were presumed to exist both at the level of public debate and at the level of national institutions, where political pacts and social agreements worked to establish the new *modus vivendi*. In fact, the Romanian society committed itself to the modernization race with an essential handicap, one that was difficult to overcome in a short period of time.

The new political structures—provisory ones at the national level as well as local ones—and the new economic and social policies emerged and operated based on the presumed existence of three groups of factors:

- Pro-capitalist public elite;
- Population eager to prosper under circumstances of competitiveness, decentralization, and steady effort;
- Economic environment open to new forms of organization, management and settlement in accordance with free market conditions.

Were these factors in place, the reform, as a strategic process, would have meant transformation through consistently supported stages. This would have ensured positive results accessible to the great majority of the population, achieved through the finalization of projects, through the re-assertion and operation of local communities. In fact, however, discrepancies between the ideal case and the actual circumstances have entailed, from the very start, a halving of the civil discourse. They have produced some political progress, both courageous and vulnerable in light of initial obstacles, but the great majority of these new institutions, initiatives, and actions work against modernization.

The absence of these elements at the outset of transition has allowed for the emergence of certain trends hostile to reform. Efforts at change have been diverted, undermined, and blocked. The missing elements of reform, and the adverse activities that this situation permitted, eclipsed the positive movements in its influence over post-revolutionary options, expectations and hopes.

Consequently:

1.1.1 The post-communist political class called to initiate and back the policies of reform has manifested itself as a heterogeneous mixture, a critical non-liberal mass, dependent on the state regime or stuck in nostalgia for inter-war Romania. The public Administration, inherited from the former regime, was frightened at first and subordinated itself during the first steps toward reform. Quite soon, however, the bureaucracy in the ministries and the managers from the state companies recovered their influence over some important economic and social balance levers. They have now ensconced themselves as durable obstacles to reform.

1.1.2 The great majority of Romania's population, particularly the active population, lacks the reflexes of a healthy civil society, autonomous in exercising its freedom of speech, association, and initiative. Rather, the dominant patterns of individual and collective behavior revert to egalitarianism, and the paternalist protection of the state. The society has almost no experience with free initiative, communitarian association, or civic exigency toward political leaders upon which to call. Society has responded timidly to the radical changes brought by the separation from communism, and to the risks involved in open structures, competition, and differentiation. This fear has manifested itself in affinity for a wide range of popular actions (socialist, nationalistic, mercantile). The rediscovery of the value of money and the market, and the competitive appraisal of the enterprises inherited from the socialist regime, took place in an ambiguous climate, one without convincing landmarks and accessible opportunities.

Moreover, the collapse of the socialist economy has fully exposed the scope of the social crisis, and has made more attractive solutions that simply delay consequences. The threat of unemployment, of inflation, and of rapid social differentiation, has become part of daily experience for a population that is already exhausted by the megalomaniacal policies of the former dictatorship. Consequently, individuals are drawn to a gradual approach, one which will postpone as much as possible confrontation with a reality that had remained under the influence of dogmas for more than a decade. In fact there have never been more favorable conditions for the success of the anti-capitalist propaganda that had emerged in the previous decades.

The rapid erosion of public support for structural change, the preference for the "Gorbachov pattern" for restructuring Eastern Europe, seem today to be unavoidable trends, very consistent with the first years of public life in Romania.

1.1.3 The Romanian economic environment, ruined by the bankruptcy of the state planning system, also completely lacked the minimal structures of the profitable private competition. In agriculture, in the small industry and in the service sector, small property had disappeared almost completely, along with private companies and alternative methods of thinking and public communication.

Opportunity has remained for quite some time the privilege of certain groups directly linked to the political process. Access to opportunity was simply transferred from the state monopoly to the oligarchies currently being established.

The middle class, so often invoked in public debates, has remained an absent character. Though a great deal of the legislative initiatives and facilities were initiated in its name, this proved to be a mere formal exercise, an apparent ritual, supported mainly for its value to

Romania's image abroad. The privatization processes, started soon after the May 1990 elections, did not have a domestic commercial class capable of leading Romanian industry to profit.

And as regards the foreign partnership, why did the slogan "We do not sell our country!" come out so soon and see such effect?

The historical wind of opportunity, opened by the December 1989 Revolution, completely lacked a genuine perspective. The reform has begun as a game in a virtual space, spectacular in the development of political life, but modest in genuine structural developments in the economic field.

## 1.2. The Fields of Public Life and the Temptation of Labyrinth

If we take into consideration the historical peculiarity of the processes of transition in Romania—the deficiencies it faced in its initiation—we can see more clearly the evolution of political dynamics and governance during reform.

First of all we must take into account the simultaneity of some domestic processes, specific to the first years following the fall of the totalitarian communism. Within the political environment, democratization favors the institutional reconstruction effort and a massive amplification of the ongoing political life. At the same time, the first changes in the economic and social life result in an exponential multiplication and diversification of problems and trends. The responsibility for solving these new problems places an unprecedented pressure on authorities. The economic crisis of the socialist economy, now freed from the control of authoritarian state policy, exacerbate this situation.

Soon after the moments of general euphoria that followed the release from the dictatorship, the new democratic structures, still fragile, incomplete, and lacking the expertise or the management methods of an open society, had to choose between their own consolidation—assuring a new social balance, focusing on the economic agenda—or the initiation of structural changes. This choice is very difficult to make, and it is the first determination of whether transition will proceed by a reforming governance or by the establishment, with preference for stability at the price of stagnation.

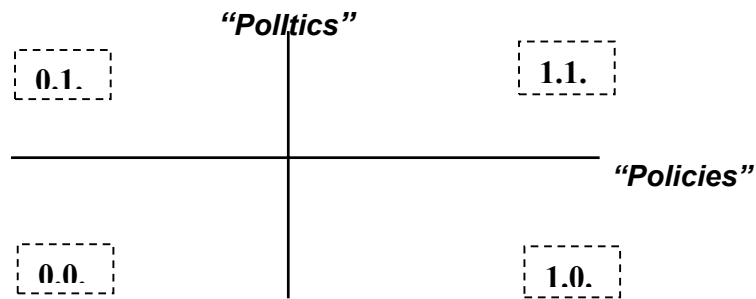
This historical trap is related to the content of transition itself, and the East-European experience of the first ten years offers a great variety of situations and solutions.

To shift focus to the exigencies of political and social factors on one hand, or to the requirements and rules of the developing free market on the other hand, expresses the essence of the overall evolution of the course of public life. It can mainly be seen in the evolution of the post-communist society toward the modern capitalism system.

The negative effect of this trap, which becomes a dominant phenomenon, comprises precisely in forcing a choice between political factors and the initial function of drafting and

backing reform policies, between “politics” and “policies”<sup>\*\*</sup>. The emphasis on politics, at the expense of effective policy, becomes the main obstacle to economic reform, and distorts the other processes of change (decentralization, community development, selective and stimulative social protection).

The fields of the public life are to be seen exactly between these two axes of the public life: politics vs. policies:



This situation (0.0.) describes in fact the order previous to the authoritarian state policy, where both the political factors of the pluralist democratic system and the economic policies specific to the market economy are equally missing. As it has been said before, Romania’s case represents an outstanding example of the near past, totally hostile and opposite modern capitalism, which was characterized by the sole party system and that of the state-communist management.

As a pattern for the interval (0.1.) it characterizes the first stage of democratization in which, under the circumstances of the fall of the dictatorship and the disappearance of its main institutional structures, political parties, free media, free trade unions, non-governmental associations emerge and develop at a steady pace. The public debate reaches high levels, convulsive confrontations and developments deepen the separation from the old system, and a new public life expands and diversifies. Some decisions and packages of steps target economic structures. However, they do not establish policies for reform itself, but rather their main goal is to stop some severe malfunctions in the management of a socialist economy in deep crisis and the assurance of a social preliminary balance for a population that had been subjected to shortcomings and constraints for years on end. An important component that emerges gradually and prepares the field for new economic policies is aiming exactly at the institutional reconstruction and the legislative framework of the mechanisms for drafting, supporting and finalizing the reform policies.

This pattern (1.1.) defines the maximal variant of the reforming approach, where the political factors have established themselves as a whole, already benefit from a democratic governance and support a high functionality of the mechanisms for drafting policies oriented toward the establishment and support of a free market, and of the Euro-Atlantic integration. This pattern describes the regime of governance through reform. Both the legitimacy of the power and public support are balanced and define their “state reason” by creating efficient policies in

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<sup>\*</sup> *The Romanian language, but mainly the dominant political mentalities fail to make the necessary distinction among "Politics" and "Policy"!*



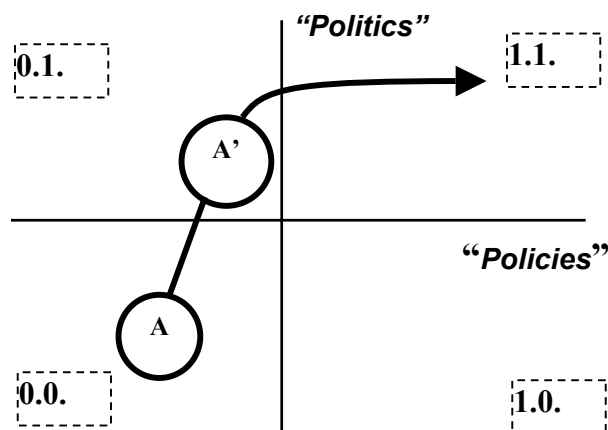
backing up structural changes, assurances of the macro-economic balance, revival of domestic and foreign competitiveness as new resources for social stability and attractiveness toward foreign investments and international cooperation.

The post-transition pattern (1.0.) describes the perspective once the main “critical thresholds” are overcome. These thresholds are the main milestones in developing the role of economic restructuring and in assuring the balance of the social structures and of the labor market. Modernization policies are increasingly drafted and supported through the market mechanisms, communitarian development, civic participation and international cooperation. Political actors keep their importance mainly as regulating mechanisms: they protect, encourage, and stimulate the development of a public and economic life that has meanwhile recovered its consistency, structural properties and its own dynamics. The mission of reform as a strategic process would come to an end, the post-communist society would make room for a new status quo, specific to the free world.

All these patterns define distinct stages of the transition and constitute themselves in a reference index of its dynamics. The polarity between the predominance of the politics and the development of the market economy is therefore an intrinsic characteristic of the transition process. Their antinomy, the tension and even the conflict between the trends, through which they manifest themselves, clearly shows their deviation from a reasonable trajectory. The experience gained in the first ten years highlights a series of “routes” that helped to focus the political factors or the reform policies. This has often taken place in an oscillating manner, with recapitulation and deadlock along these fields of transition. A labyrinth-type behavior is the characteristic of the Romanian transition.

This makes the way longer, more expensive and, worst, permanently lacking in perspective. “The light at the end of the tunnel” has become an institutional cliché exactly owing to this excessive complication of the transition routes.

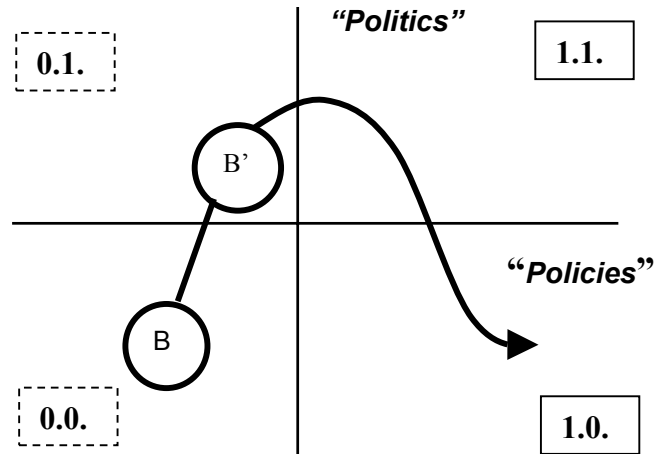
1.2.1. This trajectory (A) describes the successful evolution from the state property type of real socialism to a state of balance and efficiency in the relations between the new democracy and management through reform.



(A') : The road was shorter and less complicated: there the effective existence of some alternative structures at political, economic, and communitarian levels have survived, co-existed

or even played an active role before the fall of the system (Poland, the Czech Republic, Hungary).

1.2.2. This describes the full evolution of the post-communist societies in relation to the post-transition perspective (B) and it highlights the fact that “breaking up from the reform” will most certainly include specific sizes and “critical thresholds” and not only an ordinary approach.

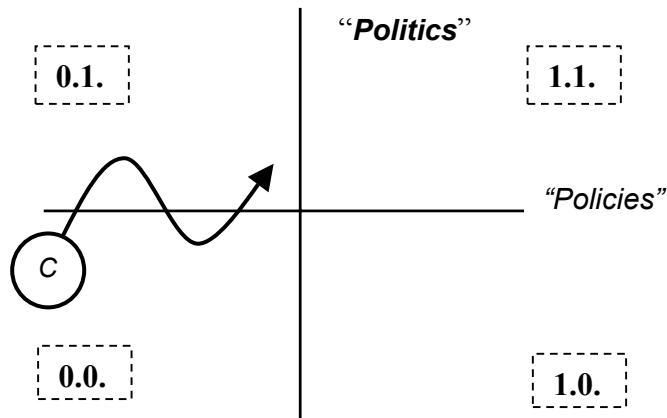


“Access to the future” through integration in Euro-Atlantic structures and the maintenance of foreign markets will bring new topics and targets for the societies that have succeeded in reaching the parameters of reform for the system.

Conversely, stagnation in reaching this threshold makes possible other trajectories, and distorts the perspectives on evolution, extending too much the emancipation efforts at national level, increasing social and material costs for access to modernization.

Here are some of the “entrances to the labyrinth” that the Romanian experience has tried with a stubbornness worthy of better causes.

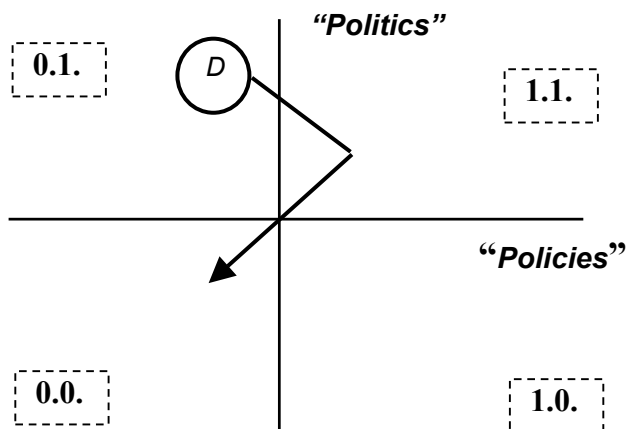
1.2.3. This describes the sinuous evolution of Romanian politics (C) in the first interval of democratization, when progress in assessing some democratic bodies have been marked by convulsive developments, non-democratic practices, and retaliation trends.



“The University Square Crisis” in June 1990 and “The Miners’ Incursion” in September 1991, have highlighted, in different ways, the barriers that remain in the public sphere during the process of complete separation from the authoritarian system.

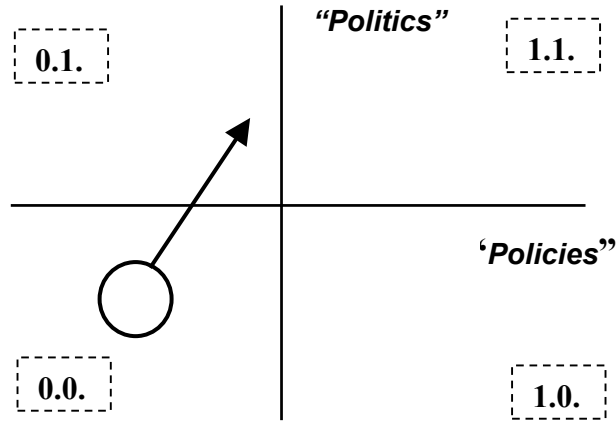
The maintenance of these discrepancies and internal divisions both in the power-opposition relations and quite often within those in office, have eroded the social energy, consumed the political actors and prohibited them from achieving significant progress in drafting and supporting economic reform.

1.2.4. The Roman Cabinet (July 1990 - September 1991) has followed in turn the zigzag of a contradictory evolution (D) . Starting from the initial advantages of the power structure after the May 1990 elections, which also paid the domestic and foreign costs of the June 1990 crisis, the team of experts advanced programs related with institution building and the first steps of economic reform.



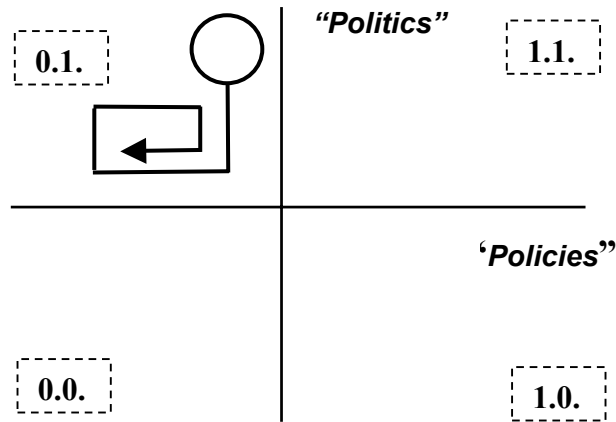
The tensions between the executive and the legislature, between the reforming and the conservative FSN wings, along with the manipulation of social relations, have brought Romania back to a disqualifying status, owing to the September 1991 miners’ incursion.

1.2.5. Coming back to a normal situation was the Stolojan Cabinet’s mission(E), that is returning to the May 1990 departure point.



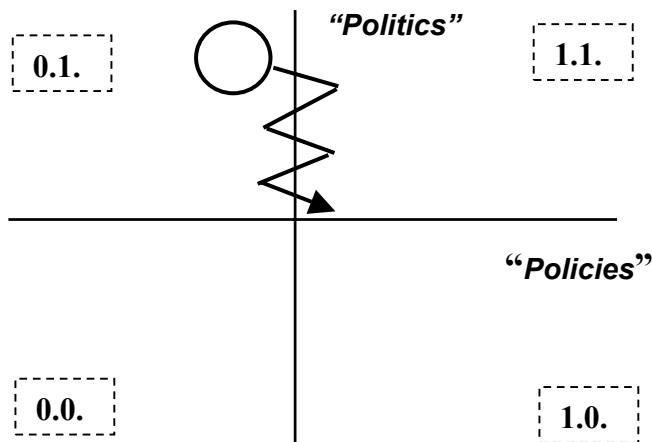
By putting them next to each other, these periods of time describe "a vicious circle," to which the Iliescu regime has stuck, between 1990-1992.

1.2.6. The Văcăroiu Cabinet (1992-1996) has acknowledged exactly the status-quo of the social-political stability, through stagnation. (F).



A fake reform that combines, through half measures, the postponement and reconsolidation of state levers with apparent developments at economic level (economic increase through stocks, accumulation of foreign debts, slowing regional and Euro-Atlantic integration).

1.2.7. Another sinuous trajectory characterizes the Ciorbea și Vasile Cabinets (G) .



Taking advantage of free and correct elections in September 1996, and of the fact that a pro-Western coalition took office, these governments have however wasted time, resources, and opportunities owing to the permanent political instability, programmed orientation differences and the difficult balance of the various interests.

### 1.3. Changes of the Course of Public Life

Changing the course of the public life involves a whole range of significant changes in the structure of power, of the representation of interests, and the strategic orientation of decision-making mechanisms in local and central administration.

The transition was far from a linear process, and the dynamics of the public life highlight a permanent tension between these dimensions. At the same time, one must take into consideration their specific evolution, unequal timeframe and significance that have provided their basic identity, with the most significant impact on stability and the nature of changes.

It is not by chance that the opportunities for changing of the course of the public life are landmarks in recent history. They have established a certain status-quo, which has formed the backdrop for interaction between the political sphere and the structural developments in the economic-social sphere.

This assumption is grounded in the idea that in Romania there exists predominantly "the up reform," which shows the overwhelming influence of political factors on the orientation of the decision-making mechanisms in the circumstances of a sporadic intervention, often an oscillating and contradictory one, of the emerging interest groups. However, it is essential to take into account all the above-mentioned three dimensions presented in turn as variable factors.

The evolution of the political factors from the December 1989 - January 1990 FSN until the present resulted in a permanent oscillation of the political influence on the management and

orientation of economic reform. The relatively high degree of political instability both in the Administration and in the opposition, but mainly within the political parties and groups, represents the main counter-productive influence on the drafting, backing, and finalization of relevant economic policy.

It was not only the sinuous evolution of political parties and groups—inherent in a new democracy—but also the very ambiguous relations with the new interest groups that caused chronic ambivalence of the political actors.

In these circumstances, the crises and foreign relations with the IMF, World Bank, or the European Union are very often much more influential factors on the orientation of policies. In other words, the pressure or the conditions they imposed have had much more authority on the politicians than the representatives of interests, observance of the Constitution, or the building of consensus on national priorities. Even so, although far from being taken into consideration as an argument for the acceleration of economic reform, the economic and social crises were a pretext for political actors in office to slow down or even abandon previous initiatives.

A similar approach has characterized the behavior of the political actors in office in their relations with the international financing bodies. Despite foreign conditions that they have tended to impose on the orientation of the decision-making mechanisms, the overall balance either shows a “sine die” postponement in achieving the set goals, or the abandonment of the relationship until the establishment of a new pattern in the public sphere. The relations with the IMF, WB and EU have meanwhile become one of the myths of the post-communist Romania.

Beyond the game of facts and circumstances, after ten years of contradictory developments, a truth emerges that is difficult to ignore. The establishment and evolution of Romanian public life has not found its place yet in the economic-social reality, such that it may answer effectively to the demands of the market through the content and efficiency of economic policies. It should also stimulate economic behavior through competition, as well as assure domestic consumption and develop the labor market.

With too few and ephemeral exceptions, partisan political opinions have dominated this discourse, driven by conservative or opportunistic approaches, by the influence of economic interest groups that seek to take advantage of the agony of the former socialist economy, currently lacking the protection of the state dictatorship. Panic-stricken reactions to crises or populist concessions to the social reactions of a population confused by a contradictory reality, who lacks all perspective, complete this complex of attitudes.

Although the transition of the post-communist society to the market economy, free enterprise and democracy is essentially a liberal revolution, the economic policies of the past ten years’ in Romania were everything but liberal. Even the intervention of the international financial bodies was often reduced to the role of a “sanitary factor” to maintain the economic-social stability by some “damage control operation” to overcome the critical moments and not to consolidate the course of reform.

That is why the sinuous and often convulsive evolution of the course of the public life represents a revealing reality and an object for analysis that is significant for the understanding

of the Romanian situation, of the causes to bring about internal barriers for reform and, of course, for the identification of necessary openings.

## 2. Dialectics of Inertia

### 2.1. Sources of Ambiguity

What are the sources of this excessive complication of the transition's trajectory in Romania? What is in fact behind events, behind the oscillating changes in the orientation of social-economic policies?

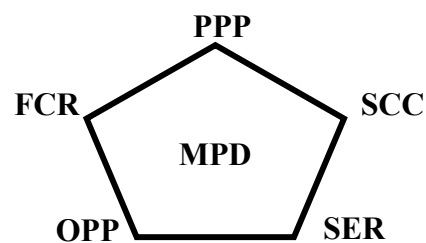
How did the political actors relate themselves to what was at stake during transition and to what extent did these stakes make them come nearer to or farther from their position for reform? To what extent did this position dominate the decision-making mechanisms and processes (DMP) as an internal majority current, or was it more a simple syncopated alignment to the regional evolution or was it the indirect effect of the anti-crisis measures?

To be able to answer these questions we shall consider as a starting point a brief evaluation of the influence of the main inputs into the decision-making mechanisms. Their influence can be seen, in various percentages, depending on the political-social and economic circumstances, both in the content of the endorsed policies, but mainly in their practical finalization.

The most influential and relevant influences on the orientation of the policy courses during the first ten years of the transition are the following:

- The power's programs and priorities (PPP)
- Structural challenges and constraints (SCC)
- Social expectations and reactions (SER)
- The opposition's political pressures (OPP)
- Foreign commitments and requests (FCR)

The combination of these sources' influence differs from one government to another or even within the same government, and the resulting configuration offers a truthful image of the sense of transition, beyond statements and formal institutional aspects.





2.1.1. Power's Programs and Priorities or the Official Political Agenda constitute, in principle, the formal background, established through the Parliament's vote, which defines exactly the main fields and directions of action in which the transition policies are to be drafted, supported, and finalized. Its endorsement explains, on one hand, the forces' ratio set through free elections, the main political trends of the partners from the majority coalition, the current economic-social situation, alongside the strategic targets for the foreseeable future. Of course, these programs mostly resume the electoral offers of those who had won elections. It is considered that they assure the legitimacy and authority of the votes expressed by the population at a certain time.

It is an unanimously acknowledged truth today that in Romania the electoral commitments saw only limited realization in finalized policies. This discrepancy indicates in fact the electorate's reduced influence on the orientation of policies, the decreased role of the public's control mechanisms over the government, and the latter's reduced interests in satisfying the commitments they had made in the electoral campaign.

Had they achieved at least half the list of electoral promises expressed during the past ten years Romania would have ended the transition, would have joined NATO, would have a genuine chance to access into EU in the years to come, Romanian products would be competitive on the foreign market, and its citizens would have been spared the poverty, and the anxiety connected today with the inflation, prices, health insurance, etc.

The discrepancy between promises and actions remains one of the dominant characteristics of the new Romanian political class. The main consequences are eroding confidence in the political leaders and state bodies, and above all the delays of reform and transition.

2.1.2. Structural Challenges and Constraints have imposed themselves to a much greater extent on the orientation of decision-making mechanisms. As they were ignored "until the last minute" they found themselves again in hasty measures, in half steps, more to limit the impact of the already existing crises and malfunctions. Instead of being considered as landmarks for structural policies, of economic recovery and modernization, the economic challenges and constraints have been in fact turned into pretexts to postpone reforms.

A defeatist mentality has gradually become endemic, and people forget that apparently unsolved problems are in fact only the consequences of recent failures, not intransigent problems.

The political actors in office tend to hesitate between endorsing short term populist decisions, while ignoring economic constraints with serious medium term effects, or conversely overestimating the importance of these constraints to impose austerity measures. In both cases, the political game is prevailing over the concern for a responsible and realistic governance.

2.1.3. Social expectations and reactions should constitute a first priority in orienting and modeling policies, a significant source to establish the rhythm of changes, the correlations among social effort and benefits, as well as the raw material to assure and consolidate public support for the reform.

The Romanian experience of transition is moreover traumatic, both at the level of individual life, and in relation to the evolution of the new social groups and local communities.

A serious discrepancy has survived between the dominant political topic and the current life topics, at social and economic levels.

When some frustrations, discontent, reactions, have been taken into consideration, it is clear that this process was undertaken selectively, not to set up modernization policies, but to influence the balance of power within the political game, to settle scores between rivals, to dispose of a free access to power structures, non-censured by the law. “The Miners’ Incursions” have sometimes made history in Romania. However, they reversed the direction of evolution, and made the institutional system stop exercising its natural duties, distorting or annihilating the course of reform.

The social dialogue has not yet become a significant element of decision-making mechanisms, but is rather a slippery field on which is played out the politicization of the developing trade union movement, recruiting some of the most influential political leaders, who are also concerned with achieving spectacular political careers.

After ten years of transition, the Romanians find it difficult to understand what privatization and restructuring mean. They accept with increased reticence the government’s ambitious projects. They are confused in matters related to the near future and they are increasingly dependent on the post-communist state, with its populist, paternal offers.

In a country that has consistently failed to cross the critical thresholds of re-entering the free world, the ordinary people fear more the effects of regional and global competition, and foreign investors, and it is easy to influence them with nationalistic demagogy.

Instead of becoming partners of the political efforts supporting good governance, they have gradually turned into a humble and stressed mass, and hesitate among exaggerated and irrelevant, either left- or right-oriented offers.

The increased uncertainty of everyday life is thus becoming an unsettling element in the political background, severely reducing internal stability, so indispensable to reforms.

2.1.4. The opposition’s political pressures are one legitimate and productive factor in the new Central and Eastern European democracies. In this respect, taking office in turns represents most probably an irreversible acquisition of Romanian democratization.

This has contributed to the decantation of political trends, to the maturing of some political factors, to the consolidation of institutions and representative relations at the central and local levels.

The smooth operation of relations between those in office and the opposition assures the protection of the minority interests in relation to the rest of the population, the preservation of some previous changes at a structural level, the contribution of public and parliamentary debates in drafting viable policies, and the consolidation of public support.

The Presidential body has to play an important role in the function of mediation, in the management of internal crises but mostly in the successful passage through moments of confusion, and the orientation of structural changes. With too few exceptions, (such as the Snagov Declaration in 1995 referring to the assurance of the national consensus in relation to EU accession, or the “Round Table” in 1999 referring to the unlocking of the endorsement of property laws) this function was exercised in quite a modest manner.

On the other hand, the relations among those in office and the opposition have maintained themselves exclusively at the level of sterile confrontations and have often accommodated extremist tendencies. The excessive polarization of the political sphere was also fueled by the vain ambition to resume the transition “from scratch,” each previous stage being criticized on the basis of particular interests, such as the “disastrous heritage” . . . The obsession with their own image and mutual culpability, their preference for diversion and mystification have consumed the greater part of the energy and creativity of the new political class’ representatives.

The main result of this “coffee shop drama” that has been laid out during the past ten years is the political class’ inability to achieve and maintain the national consensus for the major topics of transition. In its absence, the most important structural changes can be achieved only with great difficulty, or not at all.

2.1.5. Foreign Commitments and Requests represent a significant source of political influence. This influence extends to the point of modeling policies on those that bring Romania nearer to the Western world, rephrasing and consolidating new strategic alliances, and most of all, increasing the dependence of the Romanian economy’s on foreign financing and investments. In fact, through its own social and economic pattern that gives substance and suggests the historical trajectory of the transition, the relations with the West acquire a major role. At the same time, it becomes obvious that successful cooperation with great powers have greatly stimulated and favored the balanced development of some countries such as Poland, the Czech Republic and Hungary in crossing the transition.

The political actors have constantly done their best and have fully succeeded to turn Romania into “Eastern Europe’s terrible child”, an unpredictable, sloppy and inefficient partner in most of the strategic change processes meant to assure the reintegration of the former Soviet block countries into a stable, viable and prosperous region of the free world.

However, both these trends and the effects of the foreign support have been severely diminished by the lack of consequence, a weak grounding of their own stances, a reduced capacity for reaction and for forecasting regional trends, and mainly by a reduced availability to open for the implementation of the European standards for economic management at domestic level, alongside institutional coherence, and human rights observance.

The vain trends of traditional isolationist behavior, cosmopolitan obedience or hesitating approaches have delayed cooperation, and have progressively decreased the foreign partners’ confidence and interest.

In these circumstances, the positive effects of cooperation have been maintained at a modest, circumstantial level, leaving Romania at risk of being marginalized and isolated.

## 2.2. The “Public Involvement Discordance” Syndrome

The discordance that emerges in the politicians’ and political parties’ approach to public problems are a phenomenon specific to transition. The wide prevalence of this phenomenon has manifested, during all these years, an ambivalence of political behavior both within the parties and moreover in the power structures, from Parliament to ministries to local administration. Consequently decisions, initiatives, declarations, postponements, hesitations and half-steps have proliferated in the context of complete operational ambiguity. This ambiguity has drastically reduced the efficiency of public action, has introduced various characteristic component structures, and has distorted or completely changed the nature of the transformation.

Of course, there are extenuating circumstances relating to the inherent conditions of an emerging political environment. In Romania, these circumstances, understandable in the beginning, have turned into an ordinary practice, into a widely spread syndrome among political leaders, higher officials, political parties and alliances, and have influenced key moments in the decision-making process.

The “Public Involvement Discordance Syndrome” also describes the political groups within the parties and the governing structures. Its main result is a spectacular series of internal tensions, divisions and deadlocks, in addition to a general pattern of behavior that amazes foreign partners.

The main consequences of the “DIP” Syndrome within decision-making mechanisms are the delay in establishing new structures, the appearance and maintenance of artificial vulnerability, a decrease in the leaders’ credibility and the governing bodies’ authority, a decrease of institutional coherence, the endorsement of heterogeneous solutions that bring about diverging opinions and deadlocks, confusion within the public, confusion within the political organizations, and fragmentation of the administration’s activities, among others.

Other symptoms are the confusing situations resulting when the “DIP” Syndrome produces these effects. Christian-Democrats who back decisions that are unfavorable to the Christian-Orthodox Romanian church; liberals who impose a taxation system that ruins free initiative; Social-Democrats who impose severe restructuring measures while ignoring social costs; Socialists who cooperate with rightist Western governments; former radical trade union leaders who support authoritarian responses to social rallies; cosmopolitan university professors with chauvinistic inclinations; ethnic minority leaders obedient to the single national state; local leaders who become upstarts in the capital and back a central budget to the detriment of local initiatives; dignitaries with solid economic backgrounds seduced by the political game; other dignitaries with humanistic higher education who ignore the precarious conditions in which the community of arts barely survives; ignorant people of all political colors who invent and support authoritarian utopias, which would make the former communist nomenklatura green with envy...

Of course, the list is much longer, for the mere reason that the “DIP” Syndrome is an “operational business”!

This did not come about by chance. On the contrary, it is a reality that describes the most of the human heterogeneous condition, alongside the institutional and situational ones that characterize post-communist Romania. The main cause of the perpetuation and proliferation of this phenomenon is the lack of clarification and the public authority’s internal decantation. These have made the decision-making mechanisms remain open to the influence and intervention of completely foreign factors, which are even hostile to a genuinely democratic status-quo.

Although Romania entered the transition through a Revolution, the December 1989 events were marked by ambiguities whose impact continues to echo in public life, the dynamics of events, and the logic of transformations.

The most radical separation from communist totalitarianism was “infected” by components and factors that have become medium-term paradigms for the content of transition. The greatness and misery of the December 1989 Revolution consists exactly in the discrepancy between the radical separation from Ceausescu’s regime and the heterogeneous character of the factors for change. Similar to “the whole people’s property” in socialism, the revolution belonged to everybody and to nobody at the same time.

A dominant political style emerged from it, which has improved and consolidated itself in the following stages, and which has defined the pattern of the post-communist politician, an agent of change for personal survival and an instrument for contesting everybody.

That is why the “DIP Syndrome” afflicts the prominent reformers with a decreased capacity to adjust to the consequences of change, generating confrontations between those who share the same values and incredible compromises between “deadly enemies.”

Consequently, what is the internal structure of this political-social mechanism, with obvious pathological connotations?

One can see here an overall set of differences among some essential dimensions of the political behavior at the top level of influential organizations and institutions, at the interface between the political environment and the public administration.

The Public Involvement Discordance Syndrome is the expression of tension, of differences, between:

The values projected by image, political color, group association, and the system of internal standards of the organization and political alliances;

The roles allocated within the organizational framework of the political game, of the electoral competition or in the public administration system;

The dominant pattern of behavior applied in exercising attributes, opportunities and requests that depend on the functions, responsibilities means of and influence in the public life.

The “DIP” Syndrome can easily be observed in decision-making mechanisms, owing to the weakness of the new democratic bodies and the ease with which they are reduced to formal matters. This is the way to establish favorable circumstances where the charismatic offer dominates the institutional authority. People relate themselves to them more easily, and prefer to take the proponents as leaders for the institutions. The “VIP Industry” is the first one to have proliferated in Romania after the violent disappearance of the dictator. Ten years after the December 1989 Revolution, it is easier now to understand the general relief that followed and has instigated spectacular careers for individuals and interest groups. In the previous decades of retaliation and manipulation, survival was the personal or collective goal for these aspirants. Their priority has become emancipation and a public career, seen from one angle, but from another angle they also appear to suffer the temptation of power, of supremacy in public life.

One of the most important consequences of the December 1989 Revolution was the liberation of a minority! After ten years, the majority population can see that the minority’s road to emancipation is long, difficult, full of sacrifices, uncertain, and even lacks a certain perspective.

As a matter of fact this is the trap that the “DIP Syndrome” poses to domestic public life. The chance of a minor emancipation for those engaged in politics, in the midst of a population traumatized by totalitarianism, has ferociously absorbed several thousands of Romanians and turned them in public life addicts, people possessed by power. The experience of freedom, but mainly the access to the levers of power, are in fact a temptation of the post-communist era. Unfortunately this temptation bears an embarrassingly strong resemblance to that of totalitarianism.

The new Romanian political class’ preference for the spectacular but useless political game, to the detriment of the public interest, expresses perhaps most acutely the danger of this trap. Romanian politicians are still ashamed to be what the democratic culture of the West defines as a “public servant.” There, this phrase has become an honor, an acquired honor and one must constantly justify it. This effort materializes itself in honorable public careers, which represents nothing but a thankless job for the ready-made politician from Romania. From this viewpoint, the Romanian society has remained throughout all these years a mediocre post-communist society, at the level of public life.

Self-serving personalities, the reinvention of privileges, the access to opportunities under the protection of immunity to public control, despise toward transparency and lack of interest for honorable situations characterize, unfortunately, the childhood of Romanian democracy.

That is why, quite recently and with unlimited chances for perpetuation, an ambivalent political style has emerged as a dominant feature of the public life. Its structure matured and, moreover, it has established itself under the protection of an implicit consensus in the political environment. One cannot compare the strength of this political style to the weakness of the institutional system inspired by Western democracy. The danger that the institutional system may become a mere instrument of the new political class is increasingly obvious; the concern is more acute in light of the fact that in societies east of Romania this reality has sunk strong roots.

If we do not fault the public institutions or the political organizations for their names or for the image of the buildings where they reside—what has become in fact media routine—then a *sui-generis* mechanism appears to us in a manifestation that is both active and bankrupt for the public interest. Ten years of failure in drafting, supporting, and missing the majority of policies and programs for Romania’s modernization: we have to acknowledge that such an impressive result is not the product of a divine curse, but rather the fruit of consistent, organized, constant effort. A negative performance that implies political factors, energy, actions, even competition! It was not easy at all!

We can note that there is some kind of responsibility for failure, for persistence in making mistakes, for exercising one’s power with vanity.

Bad governance consumes budgets, misses opportunities, consigns a confused and dependent population to unprofitable work, chases away foreign partners. “Fooling history” in the Romania of the 1990’s ultimately is a complicated adventure, which consumes standards, times, and beliefs! A public comedy whose characters have style, authority and, of course, an efficiency worthy of a better goal.

“The DIP Syndrome” does not lack diversity—this makes it compatible with pluralism—and dynamism, which assures its persistence, continuity and even perfection.

The politicians, the people responsible for public positions, are usually defined through compatibility, balance and symbiosis between Identity, Attributed Role, and the Current Practices for Exercising Attributions.

“The DIP Syndrome” expresses exactly the acute discrepancies between these dimensions.

2.2.1. A typical situation, noted mainly in the first period of transition, was the discrepancy between the assumed Identity on one hand, and on the other hand the distribution of Roles, along with the reduced competence in the concrete exercising of some Practices. The formulation of identity constitutes an option which is relatively easy to achieve and to assume through the mechanical appropriation of the “hat classified list” of the classical pluralist democracy. To a great extent, a game of the masks where “to be of leftist orientation” or “to be of rightist orientation”—to be a Christian-democrat, liberal or social-democrat—has reduced itself to the registration in one of the tens of parties (reduced from the more than 150 of post December 1989 Romania). People unearthed hidden vocations and obsessions, family relations, imaginary dissidence, temporary solidarity—and most of all, a new rhetoric.

It is not by chance that political radicalism has emerged and thrived, related mostly to tempers and frustrations, with the explicit purpose of following personalities with some uncertain qualities.

As a matter of fact, it was natural that the assertion of the new system of political beliefs, and the assertion of the new identities under circumstances of pluralism and democracy, should pass through a phase of general enthusiasm, but also of imposture, hypocrisy and Phariseism.

Of course, the experience of freedoms of choice and speech has stimulated a dramatic re-evaluation of both the self and collective groups. The exposure to new values remains one of the main resources of the new democracy.

However, only few would have thought that so many enlightened liberal personalities existed under the general communist obedience, including today's Christian-democrats, environmentalists, globalists or fanatics of the regional, sustainable, communitarian development. We discovered that we even have "human former Securitate employees," pragmatic communists, and even very pragmatic communists.

If this eagerness for the "transfiguration" had mainly remained an important episode in personal life, then both the separation from communism and the transition would have eventually acquired those "roots of the democracy" indispensable to good governance.

The discrepancy between the "window identity" and the game in the new roles, but mainly the preference for the old routine and procedures, has become an important fault of the new institutional system! However, this discrepancy has a decisive impact exactly on the drafting, supporting and finalization of policies for change.

The self-absorption of the great majority of Romanian politicians, the obsession with the image, the political narcissism, occupy a great part of their working time and represents the preferred state of political competition. Slandering others, publicly discrediting one's opponents and even one's partners follow in order of their importance. Once they reach top positions, these politicians disappoint owing to their lack of compatibility with the assumed roles, and harm with improper practices either the budget or the national interest.

2.2.2. The change of the political system has naturally caused a wide transformation of the Roles in the public life and their distribution through democratic elections. The representative democracy, based on the "party lists system", the mechanism of the political algorithm in dividing prey within the coalitions, has made it possible for a new type of dysfunctional situation to spread. The discrepancy between the public Role allotted to a politician or to a political party and his/her Identity, but mainly in relation to ordinary practices and proceedings, represents another variant of the "DIP Syndrome."

This is where the negative effect of the distribution criterion intervenes, in relation to public responsibilities and the predominant influence of the circumstantial compromise of the political clientele and, quite a few times, of corruption.

Here one overlooks one essential aspect, namely that the fraudulent benefits of the political transactions that usually define corruption do not involve only money, but also access to the decision-making process. For many individuals or organizations, being appointed to a very leading position, which involves much responsibility, represents a value of exchange similar to, or even more tempting than, a preferential loan or undue income, in cash.

Corruption, in the form of appointment to top positions, has become an ordinary practice. Of course, it has various causes. It starts with the supremacy of nepotism, to the pre-electoral



escapes, from blackmail in the media to hidden influences, all of which has helped to establish a genuine culture of prey division.

These mechanisms that distribute roles and responsibilities do not have any connection with the political identity of the beneficiaries, and they totally ignore the true capacity to back practices and procedures adequate to the targeted institution.

Competence is the last criterion we are going to take into account. This would complicate too much both the political game and the small circumstantial balances.

We must not overlook the fact that the distribution of public roles to the clientele has remained the main source of authority of the political leaders throughout all these years.

There is no need to additionally highlight the devastating effect of the variant of the “DIP Syndrome” on the drafting, backing, and finalization of policies. The problem is whether it would be possible to temper it, to limit it in the short term, for the Western democracies show us that it will never disappear.

2.2.3. A third variant of the “DIP Syndrome” is the discrepancy between the new practices and procedures on one hand, and the effectively exercised roles in the public life, and the genuine political identity of the political actors with official responsibilities on the other. Owing to circumstances, a wide range of new practices and procedures have become customary in public life.

The international agreements that Romania has signed with the European Union, the Council of Europe, the International Monetary Fund, the World Bank, and other partners (governments, international political organizations, foundations, political movements, and so forth) have played an important role in determining the nature of these practices.

Each time an important law is endorsed in Romania, a moment of suspense follows “How will the standards and implementation rules of the law look?”

Once we overcome the moment, we return to the reality. The task of implementing the laws is most often given to institutions and political factors whose role is to postpone and finally compromise the respective law. If the law deals with social protection, it is almost certain that a liberal will be appointed to lead it to ridicule. If it is about restructuring or privatization, an employee from the planning body of the hated former dictatorship will certainly be present. If it is about taxation, it will either be made subject to the retaliation instincts of a former communist Machiaveli disciple, or it will be given to an expert in underworld economy.

If it is about corruption, biologists, geologists, and astronomers will have some role, mainly during news conferences, and they will prove themselves experts at proclaiming illusory changes.

Only the aliens have yet to interfere with Romania’s accumulating problems.

There is also a dominant trend in Romanian public life whereby the most radical solutions and the most ambitious interventions initiate from politicians and bodies that have not the slightest connection with the area in concern. Hamlet plays better the grave digger's role, who plays better Ophelia's role, who has just gone mad . . . and plays all the roles.

### 2.3. The Distorting Mechanisms of Policies

Romania did not lack significant reforming trends, however. In various proportions and with various influences, they can be found again in the programs and in the initiatives of the great majority of the politicians currently in office or in opposition during these past ten years. Moreover, these reforming trends have survived even in the intervals dominated by conservatism and crisis.

One could say that the negative balance of transition confirms exactly the permanence of the movement for change, and the separation, in many ways very deep, from the system of totalitarian communism. The survival of reform as an orientation, as a partial approach and interrupted effort, prompt Romania's characterization as a "border country."

From a geographical-political standpoint it is place at the eastern limit of the Central Europe, at the Balkans' Western limit and in proximity to the former Soviet Union. At the same time, Romania is mired somewhere in the middle of the transition process toward modern capitalism.

The stabilization of the inertia is not only an effect of the first years. This inertia persists due to the establishment and operation of some distorting mechanisms that influence the decision-making processes, Euro-Atlantic integration policies and the finalization of modernization.

The distorting mechanisms are complex groups of political factors, practices and institutionalized relations that exercise a constant influence on the decision-making processes. These mechanisms often dominate the formal side of public life, avoiding the legislative framework or using it only selectively and incompletely. Through concurrent decisions they contradict the governance programs, international agreements, and preliminary consensus established in elections. The distorting mechanisms mainly characterize the operation of the official power structures, but they can also be felt in the relations between those in office and the opposition, and quite often in the relation with the interest groups . The distorting mechanisms constantly operate in industrial relations and foster confusion and mistrust in the social dialogue, and in public communications related to the population.

Thus, the distorting mechanisms double and in certain periods of time even dominate the official public life, the seat power, the internal debate. They consume energy, material, human, and institutional resources, but mainly waste domestic and foreign opportunities. They become visible mainly owing to their effects and most often direct intervention overlooks them. They are not mentioned, or are simply protected by compromise, incoherence, and lack of power.

It is also significant that the distorting mechanisms are “inherited,” reproducing themselves in governance formulas that considered themselves to be different or even contrary. The political stage of the 1996 elections was expressed through the thesis of the change of Iliescu’s regime, that is to eradicate the postponement of reform, stagnation and corruption.

The first three years of the “Constantinescu regime” are suitable proof that these mechanisms are stronger, have deeper roots, and are more efficient than the CDR’s ambitious rhetoric and that of the new coalition that has taken office. In these circumstances, the new opinion, relating to the “change of the change,” could seem comical were it not lugubrious. . .

Consequently, what powers have these factors that effectively combine and exercise in real time what the institutional structures, legislative framework and electoral programs claim in words and on paper?

The economic, sociological and political analysis is quite rich in identifying the internal devices of these mechanisms. Even political criticism, especially coming from the opposition, often refers to this topic. But their influence has never overcome the freedom of speech in Romania. Naming them in this study does not only aim at a pure academic or rhetorical interest, but it aims at establishing them as targets for action.

2.3.1. Maintaining Political Instability: as a means for acquiring influential positions of power and access to the privileged redistribution that follows the agony of the socialist economy. This mechanism results from putting together a complex group of political and para-political factors, which also included representatives of those currently in office, and from the remaining structures of the former system (old Securitate, local rings of the former communist party, representatives from the previous or new underworld economy).

It is significant to notice that the “Mechanism of Political Instability” has had cyclic interventions whenever Romania was faced with endorsing a final decision in relation to the course of reform, whenever the reforming trends were about to generalize the course of reform and of approaching deep structural targets.

It seems strange, but nevertheless it happened, that the rightist political forces’ were tempted to involve themselves in the ambiguous circumstances of the first years of transition with support and even promotion for political instability, which they considered to be a prerequisite for access to the office in the absence of popular support.

At the same time, we must underline the high degree of involvement in the new social movement, in particular the important role played by the new trade union elite in starting events with disturbing consequences on the course of reform.

These events’ controversial and never fully clarified character—from whence came the now-famous “the miners’ incursions”—make the full elucidation of this mechanism’s internal devices very difficult, and tempts simple speculation. However, from the past ten years’ perspective, it becomes increasingly obvious that these would have never started, and most of all their influence would have not been so important, without the complicity of certain state bodies, from the Parliament to the Secret Services.

The presence of the “Political Instability Mechanism” on the governing alliances had a special, very corrosive form.

Both the operation of the “Red Quadrilateral” of the coalition that the PDSR had made with parties that were anything but reforming (PUNR, PRM, PSM) and also of the former democratic opposition’s coalition (CDR, USD, UDMR) were torn apart by the great presence of the political tensions in relation to the institutional effort of supporting and finalizing some valid economic and social policies. One cannot ignore the private media’s partial involvement, that of the public television stations, and of the other factors that influence the social relations, taking into account their remarkable performances in manipulating public opinion, in distorting and deviating the meanings of the reforming policies.

This mechanism had a very costly direct effect on Romania’s foreign image, on its prestige in regional competition and on its attractiveness to foreign investments.

2.3.2. The mechanism of reform delay represents the most important form of political involvement in deviating the course toward reform, which has mainly inspired and oriented the Vacaroiu Cabinet throughout its glorious survival.

Apart from the current argument with “the poor relatives” from the PDSR’s alliance after the victory in the 1992 elections, the Vacaroiu government has systematically implemented a “double accountancy” for drafting and backing economic and social policies.

Starting with the fake privatization through populist policies - “the great voucher allotment” - through which the state’s withdrawal from the economy turned into a new “Song to Romania on Shares” festival, to the systematic failure of the agreements concluded with the IMF, the World Bank and the European Union, The Postponement Syndrome has started to have followers and will remain an unforgettable chapter in the “Charter of the Romanians’ Failure of the Reform.”

The unhealthy economic increase and the accumulation of stocks, the foreign debt and compromising the local administration’s autonomy are accomplishments of the politics of the multi-lateral Counter-reform.

The burden of this term of office does not excuse the Ciorbea government’s hesitations. On the contrary, it has stimulated resumption of the vicious circle in maintaining stability through stagnation, to the detriment of steady modernization.

2.3.3. Corruption has caused resources to be wasted, opportunities to be missed, and has given palpable and consistent expression to uselessly performed social labor.

Aside from its criminal aspects, and those related to specific charges that have been leveled in public debate, The Mechanism of Corruption has significantly distorted decision-making mechanisms, the orientation of policies, and the formulation of strategic choices among which privatization ranks as among the most important. In the first months that followed the collapse of the old system—with its characteristic discipline through retaliation—one could feel growing the influence of some in dubious business circles, completely unaware of the logic of

the market and of the ethics of free competition. The legend of “Ceauescu’s accounts,” substantiated by now-forgotten facts from before 1989, refers to the existence and proliferation of an underworld economy and a black market of goods in the socialist era, a significant matter in a society rent by shortages.

The germs of corruption, of the financial-economic crime, originate from the old system’s “golden epoch” heritage and, as a matter of fact, are also present in the pre-communist tradition.

In the circumstances of transition through “half measure” policies, the Mechanism of Corruption has assured the fraudulent allotment of the “lion’s share” to the political clientele of the generations that followed. It seems that there was no exception, taking also into account the continuous series of scandals that have accompanied the transition.

The major risk posed by the operation and mainly by the expansion of corruption is not merely theft at the macro-economic level, but moreover the control it can exercise on decision-making and political mechanisms at the national level.

This risk—more grave than foreign aggression—confront the new East European democracies with large-scale economic implications. Beyond this, however, these nations must fear its institutional implications, with its operation now hardly hindered at all.

The case of Russia remains a very obvious reference, where “the supremacy of the Mafiosi structures over the whole people” seems to be an already established fact. A similar fate appears to be a very accessible option for those post-communist societies that fail or are late in finalizing the reform.

The fact that the best weapons against corruption are not the police and justice but privatization is an acknowledged truth.

2.3.4. Toleration of Population’s Progressive Poverty is a product of the inefficiency of economic management and the demagogic interpretation of the costs of transition.

The premises for this distorting mechanism consist in the division between the emerging political class and a very confused population, extensively exposed to the unfavorable consequences of the former socialist economy and to the failure of the economic policies that have substituted themselves for reform.

The constant concern of the new privileged groups, among which the politicians had easily found a comfortable space for maneuver, is to promulgate facilities, discriminatory licenses and conditions protected by immunity. Yet these concerns contrast deeply to the range of vulnerable conditions and frustrations experience by the population, and the formal social protection which they are assured.

The complicity of those in power in the proliferation of poverty in a country suffering an extended transition is shocking; more shocking than that is only the denial they demonstrate in refusing to acknowledge the general poverty they have produced in these ten years. Despite

ongoing human suffering, turning daily interaction into mutual aggressiveness and despair, the political actors persist in ignoring a fact of strategic importance.

It is obvious that the people's poverty has contributed decisively to undermining the labor market, to depleting the resources for consumption and domestic demand and last, but not least, to depleting Romania's capacity to sustain its competitiveness on the foreign market.

The isolation of politics in a public life marked by events that are both spectacular and useless, its isolation from the human resources of development, are the most important mistakes of the first ten years of transition.

What would be the outcome of the public's isolation, when it is frustrated by shortcomings and when its expectations of the political environment are limited to current needs? Apart from electoral indifference, the political support for economic recovery and modernization are drastically reduced.

This makes room for populist gestures, political extremism, and aggressive reactions misled by lack of perspective.

After all, the transition belongs to the Romanian society and the loss of the social partnership does not represent a simple electoral failure, but a source for the disintegration of the national interests system. There are neither political institutions nor armies strong enough to defend the national body of a society under disintegration.

#### 2.3.5. Ambivalence toward the West

A bright viewpoint of Western capitalism has replaced the communist perspective of bankruptcy in demagogic address, and potentially in conventional wisdom as well. As a matter of fact, that which characterizes most Romanian society after ten years of transition is exactly its lack of an accessible viewpoint, on the grounds of certain and correlated domestic developments. At the end of the 20<sup>th</sup> century, Romania is a chaotic democracy where the people's daily concerns have no connection with the new political class' cosmopolitan and ambitious predictions.

From the "library whose books nobody reads" of electoral programs from the past decade, one might find it difficult to distill a lucid and systematic historical, future-oriented reference (even those who assumed office failed to read those books after the elections).

In fact, it is the overwhelming priority of the public administration in its happy days to escape the crisis of the true socialism, which the fall of the dictatorship has allowed to develop without the constraints imposed by retaliation structures. The fact is well known that the great Western powers and, to a small extent, the international financing bodies have embraced the post-communist societies in their new spheres of influence as if they were "history's orphans."

The crisis-solution packages, including Euro-Atlantic integration policies and material aid distributed according to severe criteria emerging from strategic interests previous to the cold

war, represent a global mechanism with major regional implications for Central and Eastern Europe.

In fact these have offered the most stable influences on the region during the past ten years, which the dynamics of post-communist regimes were otherwise marked by unpredictable, sinuous evolutions.

Without reaching the coherence and consistency of the Marshall plan, the Eastern European transition assistance programs have employed their maximum effort to maintain stability in the region and to prevent the restoration of substitute nationalistic communist regimes, in cases where the fall of the communist regimes was only perfunctory.

However the partnership with the West has become a genuine “oxygen supply” for the post-communist governments, mainly for those who saw themselves cheated out of their secret expectations for a rapid revival of the former Russian empire.

In these circumstances the pro-Western stances, the movement back toward Europe, and mainly the persistent visits paid to the capitals of these countries have become a “fashionable practice” of the new political class. The imitation of the pro-Western attitudes, the openings toward the West, have established a broad trend, gladly embarked upon by the political leaders who kept on trying to please the Western leaders, the new centers of influence in the world’s political scene. Their access to free travel and mainly to the “sanitary assistance” of Western aid are still difficult problems.

On the other hand, the fall of the former CAER’s economic exchanges has deeply altered not only the foreign economic circuits, but to a greater extent the standards of performance for the domestic economy.

Regional security was affected more deeply by exposure to the competition of goods from the Western market than by the very discreet disappearance of the Warsaw Treaty.

Under these circumstances, “good relations with the West” has become a truth of domestic politics, irrespective of the government’s political color.

If only political realism and economic calculations were to prevail in the evolution of these relations, things would have finally arrived at a certain normal condition. Nevertheless, the capacity of the new post-communist political class’ for dissimulation in its relations with the Western partners is amazing.

Even in the case of the somehow finalized experience with Euro-Atlantic integration, with some countries awarded for their efforts, the Western officials and representatives were not spared surprises that almost astonished them. These are to persist with the ongoing process of integration.

In Romania’s case, a whole group of domestic political factors has combined in a constantly ambivalent attitude toward the Western values, toward procedures and standards

without which partnership and cooperation are meaningless words, ranging from the ridiculous slogan “We do not sell our country!” to some occasional politician’s inefficient obedience.

The explicit or hidden nationalistic attitude—its visibility determined by its satisfaction of the “assistance without obligations” condition; the discrepancy between festive statements and the capability to act; hesitating options between Moscow and Washington; and above all the modest capacity to update the market economy and the democracy at home, have amazed the West daily, to the point of indifference.

As a conclusion, a foolish and vain grudge has come to express the dissatisfaction that it is more difficult to fool the Westerners than your own country’s people.

Under the circumstances, as much as it was, the influence and consistency of Western support has decreased, has become less certain and is already bearing the burden of failures suffered in Madrid, Luxembourg, Washington, Paris, Bonn, Tokyo, and other capital cities of the world.

There is no need for additional focus on the strategic risk of Romania’s marginalization, of its being isolated in a region that has been and will be marked by instability for a long time.

The question is under what circumstances could this risk be taken into consideration both at the level of political structures and mainly at that of drafting, supporting, and finalizing policies?

#### 2.4. Diversity and Dynamics of Governance Patterns

The analysis of the distorting mechanisms becomes increasingly relevant if we go deeper into their impact on the governance of transition. The main mission of the political actors consists of supporting a government capable of assuring the irreversible character of changes, the consolidation of the new economic-social structures, and the assurance of some relevant openings in relation to domestic, regional, and global trends.

In these circumstances, the transition’s “good governance” is permanently related to three main fronts of public action, in different variants:

Crisis management and prevention. The intervals of social-political instability and those of economic unbalance were predominant in the first stages that followed the fall of the communist political system and the bankrupt socialist economy. Later on, governance faced structural and social unbalances that were related with the assertion of the new market mechanisms, with the social fragmentation and stratification, with the presence of some differences in the foreign relations.

The size of these unbalances, their combination in crisis and conflictual structures favored the influence of the distorting mechanisms. The maintenance of political instability, the



delay of reforms, the proliferation of corruption or of financial-economic crime, alongside others, severely limit the public administration's capacity to moderate the crisis of transition.

Support for structural changes represents the “tough core” of governance during transition. This explains why good governance is mistaken for reform, mainly with the economic reform in its development as a strategic process. The management of coherent and correlated policies, the assurance of the rhythm of change, the maintenance of the transformations' course toward the generalization of the market economy, the stabilization of the labor market in a genuine affiliation with the modernization process, and so forth, represent the basic elements of good governance. The impact of the distorting mechanisms first of all affects the selection process of strategic targets, of the moments to start the changes, as it entails deadlocks and obstacles. “The vicious cycle” that has characterized the evolution of privatization and unhealthy economic increases—including macro-economic stability and restructuring inertia—is a notorious example of the bankrupt governance of change.

The assurance of functional balances is yet another one of the essential pillars of governance during transition, owing to the high volatility of the economic-social reality. This balance mainly aims at the major fields of public action which in normal conditions assure the operation of the production processes of economic-social life.

The assurance of public services, of the rule of law, the maintenance of public health, national education, and relations among central and local power, of the public communication and of other similar sectors between normal standards, are aspects that cannot be put “between brackets” in highly volatile periods. These fields achieve mainly the reproduction and productivity of human resources at the national level, and assure a decent living standard for the majority of the population.

The efficiency of the distorting mechanisms in maintaining the operational balance can be seen today in the proliferation of poverty, crime, social polarization, in the decline of the population's health and productive capacity, and in the waste of social work.

These circumstances favor the development of “parallel spaces” in the social-political life such as “the black market of the labor force,” fiscal evasion, organized crime, manipulation and mystification through media channels, parasitism, prostitution, and so forth.

At their extreme, their amplification reaches critical thresholds of some trends of the social cohesion disintegration, where they establish conditions and fields that cannot be governed.

The experience of the first ten years highlights a number of aspects of governance in relation to the asymmetrical combination of these three types of targets. Depending on domestic or international circumstances, on assumed and backed priorities, the management of crises, the structural reforms and the concern to assure operational balances get a different share of and give a special characteristic to the act of governance.

This typology of governance in relation to the priority targets highlights exactly the role of the political and institutional factors in managing the transition.

2.4.1. Militant governance with a pretense of reform, which focuses on overcoming the crises of the former system in order to bring about fractures at institutional and structural levels.

Crisis management becomes the main instrument for change. This requires that some functional disequilibrium arise within a specific time frame, fueled by the public's desire separate itself from the past. One can also notice a consensus for overcoming the intervening period through the predictable consolidation of a new status-quo. In Romania, this type falls within the standards of governance of the first provisional structure, in place between January 1990-July 1990.

The rapid compartmentalization of the domestic political environment in January-February 1990 resulted in the contradictory nature of this period. It led to the fracturing of public consensus, during the crisis in June 1990, and has left a situation of permanent instability in the internal political life.

The majority of present political behavior was instigated in this period, and has become a paradigm for the Romanian transition.

Moreover, the trend to associate social tensions with political conflict, to manipulate and absorb vulnerable and dependent social categories in the political conflict, has amplified instability and has also distorted other processes of change of the associative structures, at the level of mentalities, at the level of public debate, and so forth.

Instead of using the governance of change to overcome the crises of the old system, the Romanian political environment has relied instead on the use of the social instability. Meanwhile the social resources, the Romanians' post-revolutionary enthusiasm, were wasted in confusion and conflict.

2.4.2. Conversely, other Central European countries, which responded to crisis more rapidly, profited from some preliminary but substantial structural changes, combined with the assurances offered by minimal functional balances. The pragmatism and value of certain premises relating to the preservation of the private economy's traditions, and the more rapid adjustment of the public and the labor market to the new conditions and opportunities, facilitated a more rapid start for the reform policies in the Czech Republic and in Hungary, mainly in the form of economic reforms and incentives for foreign investment.

The solid foreign support was important under the circumstances, precisely because it was not wasted through instability, hesitations, and domestic deadlocks.

In Romania, the relatively stable situation that followed after September 1990 assured a several-month interval to the Romanian government, involving a similar approach for the period September 1990-July 1991.

The political constraints within the FSN, consisting of tensions between the reforming and the conservative wings, have however limited the scope of change in the field of legislation, and limited the extent of action during "the window of opportunity" that closed suddenly in September 1991.

The Roman government was established in the interval immediately following the June 1990 “University Square” crisis and it also fell owing to the return and the predominance of political crisis, this time the miners’ incursion in September 1991.

2.4.3. “Take Care of Government” represents another pattern where the goals become minimal, focusing on management of the social and political consequences of crises, on recovering macro-economic stability and the functional balances of public services at administrative level.

The title of this reform is put in quotation marks because there is neither political nor social support, nor the political will institutionalized through the governance program, to initiate, support and finalize policies for economic changes.

From this perspective, the Stolojan Government has seen relative success at the level of recovering stability at the cost of a controlled delay of the initiation of reform.

2.4.4. Governance by Stability Through Stagnation involves assuring functional balances at the cost of neglecting the reconsolidation of administrative structures. This is a populist distribution of public resources in order to maintain a provisional and apparent social peace. For a society in transition, placing stability as a main or even exclusive goal of governance may come as a surprise. In Romania, this pattern of governance was employed by the Vacaroiu administration and received endorsement from the PDSR coalition.

The Vacaroiu government has in fact subordinated economic policy to some conservative political requirements that reemerged after the FSN’s division into various forms of socialist or nationalistic populism.

The recrudescence of state property and of bureaucracy demanded a period of management through stagnation. The costs of consolidating power structures included the restriction of political diversity, the social compromise of egalitarian social protection, and economic growth on grounds opposing the competitiveness of the free market.

Romania has succumbed to inertia and has slowly withdrawn from regional competition. Consequently, the West is losing interest in supporting Romania’s effort with financial and political assistance.

Although it has successfully survived the pressures of the democratic opposition and has ended its term of office without major crises, the Vacaroiu government could not avoid the accumulation of major structural deficiencies at the economic-financial level and has gradually exhausted the material resources of the social compromise based on the populist redistribution of social protection.

The fall of the Iliescu regime’s popularity before the 1996 elections has proven that this model of governance assures neither the structural performance for clearing obstacles nor the public credibility needed for the maintenance of social support.

Conversely, the costs of the Vacaroiu pattern of governance have deeply marked the first period of the “change of regime” after the 1996 elections. The Ciorbea government has fully borne the shock of the “waking up to reality” and has paid the price for resuming the effort for structural change. This has contributed to the postponement of raising reform as a top priority.

2.4.5. Governance through management of deficiencies and of stagnation, recovery of functional balances.

However, these conditions fail to fully explain the postponement of reform from 1997, and the waste of the first year of the term of office after the September 1996 elections.

The divergent internal political opinions played a decisive role in a heterogeneous coalition, made up of Christian-democrats and liberals on one hand (united together in the CDR) and the social-democrats from the PD—concerned with reclaiming office and recovering the helm at economic and administrative levels—on the other hand. The obsession with the unilateral achievement of the ethnic-related claims of UDMR, who is the fourth partner in the coalition, has contributed to instability. This conglomerate of trends and orientations has from the very start produced a malfunctioning political mechanism and almost permanent political instability. Again, the priorities of politics were prevailing in relation to the mobilization of institutional energies toward drafting, supporting and finalizing the policies of structural change, mainly at economic and social levels.

The poor decision to maintain an apparent social balance in order to beautify Romania’s foreign image leading up to the June 1997 NATO Madrid reunion exacerbated the existing situation, as it fueled the illusory expectation that Romania would be invited in the first wave of the North-Atlantic Alliance’s expansion. Shortsightedness and vanity on the part of a majority of the coalition leaders encouraged their descent back into noisy stagnation.

The political dispute and personal ambitions, “the battle for the algorithm” of the redistribution of top positions to party clientele, have overshadowed a constant but minute concern for the functional balance that failed entirely to support public services and modernize the administration.

The waste of the first 200-300 days of the much-promised “Contract with Romania” left the new coalition with a serious handicap. Moreover, it brought back the political instability mechanism, and failed to eradicate corruption and halt the population’s impoverishment.

2.4.6. Under these circumstances, the second term of office of Ciorbea’s government, from February - April 1998, resumed the stubborn and useless exercise of political crisis management.

The minimal control over the functional balances was lost slowly but surely under the pressures of diverging political opinion, and the coalition reached the limit of cohesion. The management of structural reforms has practically disappeared from the list of priorities for the new government.

Given the circumstances, the very first months of the Vasile government dealt mainly with repairing the balance and cooperation among the partners in the coalition.

2.4.7. Romania is not the only one to bear governance marked by the predominance of the efforts for structural change. The “shock therapy” variant is its doctrinal application, and adjustment is in fact implemented over short intervals even in the other Central European countries. This method of governance bases itself on the assurance of some functional balances set in administrative structures and social services that are already modernized and efficient.

In Romania, the reform of the public administration is part of a collection of topics for debate, the civil servant’s statute is part of the collection of the transition myths, and the faulty decentralization of budgets toward local administration has taken the public services beyond the threshold of bankruptcy.

The use of this model of analysis however illuminates one peculiar aspect of Vasile’s government.

If during the past six months (February - September 1999) support has grown for restructuring policies—mainly in the banking system—for austerity policies that make social reactions and control of minimal balances seem less important, and for economic recovery in general, they are mainly the result of:

- Awareness of the financial collapse spectrum and the imminent start of a “Bulgarian crisis”
- Massive realignment of decision-making mechanisms and processes to a course of policies coming out from the agreements concluded with the IMF and WB.
- Consequently, one realizes that it is still not possible in Romania for internal political forces to achieve a reform-driven governance, in spite of the fact that avoiding economic collapse is their essential mandate.
- Imminent crisis thus becomes the only impetus for a reforming orientation.
- “Reform out of Fear”, the fear of collapse, has a greater influence than the governance programs, the representation of the electorate’s interests, or the need to perform.

The Romanian political class has exhausted all tricks for postponement, dissimulation, and deviation of structural reform, and it has come to a crossroads. It either carries out economic recovery and structural transformation programs under the command of the international financing bodies, or it returns, as it has before, to the management of crises, to all types of games and populist gestures.

Having run out of resources to waste, and facing a population confused owing to shortcomings, the Romanian politicians prepare themselves for the elections.

The negative diversity of the governance patterns, exhausted as typology in the first decade of the transition, is increasingly suggesting that the cycle might be resumed soon, after the 2000 general elections.

## 2.5. Generalized Negative Functionality

The Good Governance of the Transition involves assuring effective management of crises, orientating and finalizing structural changes, and preserving minimal balances in public services. The identification of deadlocks, of distorting effects, illustrates the nature of the inefficient approach with a wide expansion that has characterized the past ten years.

The routine of governance sets in rapidly even in emerging political environments. A new set of practices, mentalities and typical reactions receive implicit endorsement as rules of public life. In Romania's case a routine has even established itself (prematurely) in the institutional system, despite the fact that different and apparently opposed political forces have taken office in turn. The perpetuation of political behavior has perpetuated failure.

Even if each administration started its term of office with a harsh criticism of "the hateful heritage", it did not take long for the routine set in, for the inertia of the system to return the economy to deadlock, and to add new faults to the social burden of the transition.

The continuity of negative management in Romania through all these years raises serious questions about the relevance of the diversity of doctrinaire political pluralism, and the relevance of political competition as a seed for pluralist political systems in the new democracy, though they be very sonorous, photogenic and costly.

This continuity is not a simple repetition, it has fueled a complex process of expansion over the new spheres of social action, has constantly grounded the modernization trends, consuming resources and opportunities.

The general poor efficacy represents the main internal obstacle separating Romania from the finalization of transition, from reintegration into the free world, from the direct and substantial access to the benefits of civilization and global development.

This mode of operating is mainly the product of the typical methods through which the political factors relate themselves to the practice of governance.

In principal, these modalities, which do not lack a certain diversity that might seem confusing at first sight, come from the way in which the political factors relate themselves to some of the dimensions of reference of the governance during transition, mainly of those who control the structures of power.

For the economy of this analysis we shall select three of the most relevant ones for Romania's case, also taking into consideration the criteria for their constant aggregation throughout this interval (1990-1999).

2.5.1. The formulation of the official economic-social agenda as an electoral program, governance program or, in many cases, as an international cooperation agreement on topics of strategic interest certainly represents a primary landmark in understanding the dynamics of governance.

If we consider that the reform is a medium-term, constant, strategic process (10-20 years), the relevance of the official agenda, as a public document, with an institutional value should be clear. The Parliament's vote gives it its legal importance, and the document is meant to reflect the priority targets and the contract concluded between those in office and the society, in an interval of time defined by the Constitution.

There are quite a lot of fields in which the experience of the transition shows Romania to be "a chaotic democracy". The topic of the "Official Governing Agenda" holds top position in the "fuzzy type" games, which are widespread among the Romanian national sports, mainly with the politicians. If we want to have a sound opinion that something certain is not going to take place in Romania in the near future, it will be very useful to consult these official documents, which fill the officials' drawers, once presented in the electoral campaign or officially endorsed. Whoever has enough patience to compare the very meaning of these public documents with Romania's real evolution in the first ten years of transition will be totally amazed.

This does not mean that the full implementation of these programs would have assured good governance and an easy transition for the population. In fact, the only dangers that the politicians have avoided without too many efforts are some of the goals stipulated in their own programs.

It is not by chance that the Romanians have a childish preference for the leaders that have not done anything yet.

Both the lack of coherence in action, and the irrelevance of some options and orientations included in the Official Agenda of those who had taken office so far, explain the unconvincing evolution of the transition process.

The main faults in formulating the Official Agenda that have affected the practice of governance are:

The absence of a coherent strategic perspective that addresses genuine economic and social dynamics. A reactive approach, a reluctance to confront true and not imaginary challenges, a cosmopolitan pretense and a nostalgic dependence are dominant characteristics of the thinking and practice of post-communist politicians.

A continuous discordance between the parties' political agendas and the people's expectations. Individual pride and party dogma have been proliferating at a high level in public policy, owing to a systematic failure to notice the concrete evolution of the social-economic situation. This cleavage not only grinds public performance, it also causes a premature erosion of trust in democracy, in the valences of the market economy, in the orientation toward the free world. The recrudescence of nostalgia for communism, of course a selective process, distorted

by the absence of retaliation and dictatorship, represents the unavoidable reaction of a public who is tired of the indifference and isolation of the new political class.

Insolence toward domestic or foreign expertise, except for in cases of crisis or the rapid loss of popularity, renders certain programs ill-informed and therefore irrelevant.

The modest influence of public control over the establishment of public commitments, due to an incomplete and inefficient institutional and juridical system, favors an excessive tolerance for the systematic failures of those who take the helm of the state. We might say therefore that things could be worse, but the multiple costs of maintaining the Official Agenda at the level of a “week-end magazine” make us restrain our praise.

2.5.2. Mastery of the Structural Dynamics constitutes another essential dimension of the governance in transition. The concern of public administration is focused on counteracting the effects of the socialist economic crisis that still persist after the fall of the state system and the secondary consequences of the policies of change. At both the macro-economic level and the level of local administration this activity involves more than the simple management of bureaucratic functions. Very often, the flexible resolution of crises tests less the administrative structures than the main national decision-making bodies, such as the Parliament, the Government, the Office of the President, agencies, and special services.

A new culture of deficiencies has proliferated in the Romanian political environment, faced with both unlimited access to the levers of power and a great number of unpleasant surprises.

Late intervention is undoubtedly the government officials’ preferred way of taking action. Even when they are in the opposition, the politicians are more energetic, firm and clever when difficulties have already manifested in economic and social life. The system has not learned to anticipate the negative experiences of other countries. On the contrary, a strange temptation to experiment with everything that might go wrong seems to inspire those “who pretend to work” in the official buildings. If it is true that the leftist movement was the disease of the childhood of communism, it is obvious that the inclination for catastrophe has made followers in Romania after communism’s demise. However, it is the voting body—not those who hold office—who must pay the costs of these reckless structural evolutions. These are the workers, consumers, and tax payers.

The practice of half-measures in conceiving and implementing solutions follows naturally from this position, and it explains fully the existing governance style, in which pressure from material constraints or social reactions precipitates hasty endorsement of circumstantial policies. These half-measures are meant to ease a state of affairs that increasingly defies reason. There is even an internal political competition between half-measures, which makes the expression of the voters’ options increasingly difficult. “Things can be done this way too” has become a mantra in the new financial-economic bureaucracy and among those who are asked to answer to the public’s confusion, as they commute between receptions with foreign delegations.

Another common practice involves shifting difficulties away from one area by simply redistributing unjustified costs to areas not yet affected by crisis. This infects the fields that



might assure dynamism, openness and performance with the deficiencies suffered elsewhere. Excessive taxation, steadily destroying the private sector, today plays the role previously held by incursions of migratory people.

Ignorance of the separation of powers seems to be a privilege reserved for the refined ones, who are at the very top positions of the political system. We witness hazardous initiatives—ranging from the fight against corruption to pro-investment environmental policies—suitable for international conferences but unfit for mastering the precarious and volatile economic reality. Political developments generate a “black humor” anthology, deriving from the sober horror that the drive to defeat political opponents exceeds both in creativity and energy efforts to remedy the current situation.

2.5.3. Constant support for the government’s actions, necessary in any sovereign state, has remained a unfulfilled desire of the new Romanian democracy.

Though we might not notice the conspicuous similarity between the imposing architecture of public buildings and the attitude of their occupants, we can hardly ignore the way in which the public officials resemble education faculties that do not deign to lecture.

Operational discontinuity in the main structures of power, including the Parliament, Ministries, the Presidency and other specialized agencies, has become a structural fault of the new political environment.

The past ten years’ experience provides several examples, based on “famous achievements”:

The discrepancy between the current activity of the state bodies and government policy is constant, and in many areas it is increasing. The problem of non-governed areas has expanded. They are part of the formal attributions of the hundreds of newly established institutions that also receive financing and assistance. Conversely, the withdrawal of the state from fields that, owing to their nature and substance, would function better and more profitably without the chaotic intervention of the bureaucracy, knows a resistance comparable to that of the French. Older employees, some of them famous in the old regime, or newer ones, better known in intimate family chronicles, are walking around confused, however serene, in the halls of some buildings that had been built in a hurry during the last years of the Ceausescu dictatorship. A cleavage announcing serious crises is developing between them and the hot, daily, structural topics of the Romanian reality. Conversely, there are quite a few young people, trained according to international standards, that experiment on their own account with circumstantial occupations or even the academic unemployment.

Here, one can see a chronic discordance between the public functions and the areas of competence and involvement of the infantry of Romania’s modern bureaucracy. It is equally true that the discordance persists owing to the promotion of the parties’ clientele to key positions in the new bodies of the transition.

The tacit or explicit abandonment of substantial initiatives represents a common recourse of government action. The Romanian government did not miss out on the holiday of superficial

modernization, the festive spirit of acquiescing to all the Western modernization rhetoric that the Central and Eastern European governments have accepted. On the contrary—since everyone enjoys spending money—budgets were allotted with magnanimity, leaving all initiative funded: not impressive governmental programs, nor administrative structures to promote the new economic recovery, nor social protection, nor communitarian development, nor transparent public communication, nor stimulation of the new human resources processes.

Even if these initiatives suffered from being planted on a field still inadequately prepared—or planted simply on the fertile field of cosmopolitan vanity—they could have stimulated trends and eased genuine expectations at the public level.

Yet the more spectacular their media launch was, the more certain was their slow disappearance from everyday routine, amplified by the deficit of efficiency of the post-communist state's bodies. Many trips abroad, too few to the real Romania; many demagogic statements, little direct practice.

A suspiciously long series of governmental drafts lie about—starting with the introduction of industry to the regional market, to regional development, poverty fighting, legislative reform and public service reform—and this list does not even include the initiatives that were begun, but never finalized.

Wasted budgets, missed opportunities, increasing frustration.

A crisis-response cadre is maintained and expanded in order to detract attention away from the poor performance of administrative bodies with superficial and sensational motions.

The transition governments also benefit from some past (communist) and future traditions of mobilizing the state's bureaucracy and the population in the eleventh hour. They prefer to reserve this “heroic” behavior for those “critical situations” they have been developing for a long time.

Alarming statements, theatrical confrontations, and spectacular gestures are hard habits for the Romanian bureaucrats to break, and they offer juicy raw material for the tabloids. The management through crisis has proved to be the institutional practice that best answers to the vocation and genuine capacities of the new post-communist political class.

The constant result has been an unpredictable, unstable and inefficient Romania.

This false heroism conceals—though with increasing difficulty—their incompetence, inconsistency and their dubious taste for drama, which lacks any relevance to the pertinent and responsible performance of public functions.

The Sectoral Fragmentation of support for reform policies remains the most profitable of the dominant deficiencies of the culture set in supporting the governmental action.

The Romanian transition does not lack partial successes, isolated in some sectors of the public administration, at local or departmental level. For these it can thank the political

circumstances related to the organizational availability of the parties involved in the government, or to the marked psychology of some characters of the transition involved in decision-making structures.

There were “moments of grace” even at the top and these have kept Romania on the list of the countries advancing on the Western path.

This sectoral heroism, obvious and beneficial, is in fact “the exception that proves the rule”. On one hand it points out the fragility of the structural devices of reform, and on the other hand it illuminates the circumstantial character through which the reform has imposed itself as a coordinating axis of the transition.

Sectoral fragmentation has another drawback, namely that it makes it more difficult to harmonize renewals at the national level, even if it does not often entail “fratricidal conflicts” between the representatives of reform belonging to different ideological orientations or political parties.

That is why, before approaching the basic topic of national reconciliation, the political actors are asked to reconcile the diverse, though genuine, reforming trends.

Romanian politics still lacks a force able to synthesize these trends, to decrease the sources of national disagreement, and to form a national consensus on the major issues.

## 2.6. “The Fragmentation Effect”, or the Influence of Political Actors on the Fragmentation of Decision-Making Processes.

Although the state’s step by step withdrawal from the economy is one of the defining trends of the reform, and marks the separation from the totalitarian regime, the presence of the political factors in the decision-making structures is constant and has a decisive influence.

Moreover, the appearance of political competition, and the explosive development of public debate, generates a paradoxical revival of the political agents’ presence in the economic and social structures.

It is not only that the political aspect remains constant, but it is also encouraged to proliferate, as the new social-economic opportunities and the new interest groups offer both stakes and circumstances that are inherently attractive to the politicians. Moreover, the new economic-social structures lack elements of protection, and the autonomy of the civic structures and the private sector is still far from being consolidated.

In these conditions, the adverse reactions in which the association with the political factors, the request for their protection and their patronage are much more frequent and comes to compensate exactly for their weakness. An incredible dependence on the political factors is maintained and makes it possible, for quite a long period of time, for several actors to interfere in the most surprising ways.

That is why the political actors' presence and influence damages the decision-making processes most of the time. In its first stages the market economy, free initiative, and local autonomy are vast political shows, and consequently they endure a severe fragmentation and distortion, mainly at the decision-making level. It is not rare that the logic of the market falls under the jurisdiction of political actors, with all the distorting and deviating effects that they induce.

Most often, the political factors' interference in the logic of the market distorts the economic reality, damages competition, corrupts relations and delays the liberalization of the labor market.

This effect of fragmentation and distortion is more deceitful as it does not take place only when the political factors are of a leftist orientation.

The populism of liberal origin, the state property reflexes that can be seen in the behavior of some Christian-Democrat politicians, proved to be, during the first ten years of the transition, a palpable reality in almost all Eastern European countries. Even the intervention of the international financing bodies, behind which there are Western governments whose liberal tradition cannot be questioned, often bring to bear foreign trends and circumstances, even though they may not hostile to the emerging free markets from the post-communist societies.

One could draw the conclusion that during the first years of the transition, for these emerging markets, and for the new competitive environment, the political element was, irrespective of its orientation, an anti-liberal factor.

The finalization of transition requires not merely the release from the socialist state and the domination of the sole party, but moreover release from politics in general.

From this standpoint, the "top-down reform" is set as a historical trap through which Eastern European societies have passed, and in which some remain. This includes Romania.

The universal character of the reform also provides the political institutions and the public administration with unlimited access to the decision-making processes of the emerging market economies. One can notice here an unclear and dynamic border, and indeed the governance of the reform is a sort of border management, where the "releasing" political forces must lose ground to win the battle. That things often take a different course is a consequence of the infamy of the Romanian FPS<sup>\*\*</sup>, which only the various ministries can overcome.

Although it seems apparently chaotic, this ambivalent practice of the emancipation of the economy and of the civil society through political factors has acquired a certain coherence through ten years of faltering reform, systematic postponements and failures.

The most significant examples of the political factors' interference in the policies of reform follow:

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<sup>\*\*</sup> The State Property Fund - essential body established by the privatization law as an instrument of the state's withdrawal from the economy.

### 2.6.1. Public Information and the Establishment of the Goals of Reform

The primary activity of the decision-making mechanism is to draft the official agenda for governance as an assumed list of priorities, in accordance with the social-economic balance and in supporting of the reform policies.

Identifying major topics on the agenda implies a set of strategic targets defined by the governance program in accordance with the way the current reality is perceived and evaluated at the institutional level.

Normally, the strategic goals agreed upon in political arrangements leading up to the election -- and which dictate the *modus vivandi* in the period immediately following the election -- help to determine the nature of official public information and the main goals of governance.

That is why gathering information, acknowledging facts, classifying the true magnitude of trends, and arranging and classifying official information represents a very sensitive field which is also very relevant for drafting public policies.

A highly complex process, one central to the functioning of the modern state, is required to formulate of the priorities of government for a given period.

Public acknowledgment of the factual situation faced in the social and economic environment, and of the existing or dormant trends, provides the raw material for determining options, decisions and rules.

That is why this field of governance is one of the most important, with respect to having direct access over the levers of powers.

Those who preside over the most relevant, officially accepted facts also control to a great extent both the content of related decisions and the distribution of responsibilities, their performance and their resources.

One could often see during the past ten years that drafting the government agenda was a chaotic activity, subject to either momentary constraints from subjective political or social pressures, or to the mechanical application of foreign models according to circumstantial options. All these have proved to have too little substance in relation to the national interest.

A legacy of the old authoritarian system also remains, whereby the mystification of truth represented an essential method for subordinating the population and consolidating the position of the ruling class. Despite democratization, the temptation of "bureaucratic control," of the monopoly on public official information and the liberty to "beautify" facts, continues to distort primary data. At the same time, there was little data collection, processing, or specialization, particularly as it concerns the news processes, the market economy, the new needs of the labor market -- with the profile that the social environment has received meanwhile -- or new frustrations and vulnerabilities. Far from being a simple academic enterprise, the study of reality acquires a primarily strategic function. As it is, one can hardly contest that the foreigners know Romania better than its own administration, and both better than its people.

This handicap has been continuously amplified by the political actors' excessive concern for "image" at both domestic and foreign levels.

"The state of things" has remained one of Bucharest's mysteries throughout all these years, alongside the mysteries of the revolution, corruption, former Securitate files and controversial events of the post-revolutionary period. As in all other cases, running away from reality contributes mainly to the amplification of myths. In this regard the control of information relating to the economic-social situation represents one of the most serious threats to the national security, as it distorts or deviates the decision-making processes from the start.

The production, administration, and dissemination of public information has not become yet an institutional, consistent, systematic or fully accessible practice for the decision makers. This situation represents a unique mechanism that generates inertia, misleads efforts and initiatives, and maintains an uncertainty that has a severe impact on the politicians' credibility.

At the same time, the ambiguity of information within the system allows the production and maintenance of non-issues in public debate, opens unexpected opportunities for conservative politicians, and leaves Romania as a whole a marginal imitator in regional and global competition.

The conceptualization of facts, trends and social-economic events relating to transition represents in fact a primary qualitative resource of those in power. Most often this essential function of the modern state has remained simply an arena of "public fight" among the political actors marked by passion, dogma and mean interests.

"The Little Babylon" from Bucharest excels in the picturesque and irresponsible pleasures of issuing simple opinions about an increasingly complicated and precarious reality. In the past ten years, too many poets and writers have built public careers out of assigning names to the bitter deeds of transition in a country marked by systematic failures.

Too few studies, reports, data bases, and procedures for institutional communication have been drafted and integrated into the decision-making processes. The high level of informational risk is one of the most serious consequences of the political actors' interference in the decision-making mechanisms.

#### 2.6.2. Setting Standards in the Economic and Social Fields

In the conditions of the post-communist transition, reform can be defined as an effort at the national level to orient the profitable disorder. Taking into consideration the fact that stagnation represents one of the most serious dangers, setting standards in the fields of expressing free initiative brings the relation between the assurance of stability and the management of unbalances to new levels. These fields of initiative include community autonomy, the diversification of behavioral and communicational patterns, and the amplification of exchanges through the stimulation of competition.

At the same time, one can also notice a deep need to produce specific languages to describe the new roles, structures, forms of organization, and rules in this rapidly expanding social-economic environment.

It is equally true that, although there is a consensus for rejecting the values and principles belonging to the old system, in fact, for an interval of time difficult to set, one can see a constant inertia for promoting new behavioral models both at the level of economic activity and in everyday life.

In this field it is a great danger when control of -- or influence over -- the standardization mechanisms acquires a “value of exchange”, and represents a high-impact political resource. Those who pay the piper will set the tune, mainly the results.

On the other hand, sociological studies have highlighted, an intrinsic and unavoidable tendency for mass-level experimentation in the effort to reform the new social-economic environment. This comes as no surprise, following decades of blind retaliation, disobedience and social evasion.

Disorder represents a tempting sort of “freedom” for a population that has shed the constraints of a system whose manipulation defied the limits of tolerance.

One can pursue normality and efficiency with the premise that transition toward an open society should be based on standards that stimulate initiative, profit from new resources, and maintain balance during the general change of economic and institutional structures.

During the first decade of the Romanian transition the majority of political actors have succumbed in a partisan way to the temptation of controlling access to standardization activities and bodies. Standardization and the normative function have not become a genuinely public function at all.

The discrimination, retaliation, personal ambition, political dogma and cheap cosmopolitanism of the current system have raised to new levels things that totalitarian communism never had the chance or the intention to do.

Still far from being a source of balance and preservation through selfless service, the post-communist state’s standardization function has often made itself conspicuous through partisan selection processes.

What is equally serious and harmful is the almost unanimous belief that the standards are not going to be observed in any way. Consequently they are simple landmarks for an incredibly broad variety of practices that follow political motivations as much as the law.

In this way, the act of standardization has become one of the premises for corruption, the underworld economy, the black market of labor, fiscal evasion, selective justice and great political scandals.

The failure of institutional politics to cover transition from the viewpoint of standards results from compromises accepted at certain of crossroads, from the endorsement of the new Constitution to the essential laws of reform.

The disjunction between the standards of the state and those of the private sector -- between exigencies and the public administration's domestic and foreign behavior -- mark a normative space where the initial disorder of change was permanently replaced, not with an order of the active normality but with a reality subordinated to the ephemeral political balance between two terms of office.

This is why the act of justice seems to be a failed public hope. This is why the practice of the contractual agreements failed to become a predominant mechanism for the achievement of economic and social balance. This is why Mafiosi-type behavior extends and consolidates itself as a variant of success in the establishment of new interest groups.

The politicization of standards brought about a legislative instability and has severely diminished the performance of the economic structures and the basic communitarian initiative. In time, it could consume a considerable part of Romania's reconstruction and modernization effort.

After ten years of transition an ambiguous political environment, marked by various authoritarian trends, finds itself increasingly lacking any authority.

### 2.6.3. The Operational Deficit through Procedures of Standards and Policies

The Romanian reality and the domestic political environment do not miss opportunities for historical decisions and spectacular decisional starts in the most varied fields. Political programs, social contracts, sectoral agreements, statements of principles, proclamations, domestic or international commitments, legislative frameworks and local decisions have proliferated within the public sphere and largely cover many public officials' careers.

Congresses, reunions, seminars, news conferences, official bulletins, or press releases fill the public memory of the Romanian society. "In principle" quite a lot of serious topics were approached and set in official documents.

The functionality of procedures in the new institutional structures remains a significant deficiency in public life. The public consequently lacks concrete and accessible means for solving problems in economic and social fields.

During all these years, drafting and mainly supporting procedures in everyday life has been the big bluff of the post communist system. It was a systemic deficiency, for the differences between the political orientations of the decision-making factors were negligible.

The politicians of post-communist Romania have held endless debates on the truthfulness of facts, and are having fierce fights in endorsing laws, but they cede both physically and intellectually when it comes to enacting procedures indispensable to the functioning of public



administration. This activity seems minor when compared to the historical import of the television broadcast debate, of the interviews in the written media, or of pathetic gestures.

The procedural deficiencies impact the new routine of effectively managing the real economic-social processes. This process probably disturbs the inclination toward utopia, demagoguery and formalism of the first waves of public officials. The procedures are in fact the touchstone of the programmatic options.

The institutional procedures involve resources, ways, means, austerity and coherence. The institutional procedures assure the finalization, in public action, of the macro-economic agreements or of the social agreements.

That is why they imply normative single systems and not diverging ones, they imply institutional mechanisms made up not only of charismatic leaders, but also of efficient and responsible executives, they imply institutional coherence in relation to the accepted practices both in public and private fields, at central and local levels, at home and abroad.

It seems a little bit too much to ask of a political system seduced by the daily show of sterile confrontation, by the ability to allocate budgets according to emotional fancy.

Procedural mechanisms are still shockingly poor in Romania. Now they have openly become a major source of waste, failure and mutual distrust between authorities and the public.

Conversely, the public sphere is marked by the continuous flow of derogation from institutional norms and practices. The variety, creativity and social energy that fuel “institutionalized trickery” in Romania represent the most dynamic, complex field, and most probably the one with the most prospects. Quite a few Western experts have assumed the risk of coming to Bucharest and have been amazed by the cleverness with which state and private organizations have avoided the laws intended to facilitate economic social activities.

The temptation to interpret this trend a component of the national pride is one of the most tragi-comical traps that the Romanians, released from the totalitarian communism, accept and establish with an endless energy.

The severe deficit on the part of the state bodies to fight these practices, does not originate, however, in the faults of the national psychology, but rather in the system of privileges and opportunities that largely motivate public actors, including interest groups and above all politicians.

It is increasingly obvious that a genuine modernization of Romania, and Romania’s real acceptance in the free world, will not take place before the significant extension of modern procedures.

What is currently being ignored is the truth, taken into consideration by the West, that procedures lead to benefits superior to the current theft, mean abuse and vain political ambitions.

#### 2.6.4. Politics - Between Political Addresses and Pragmatic Approaches

The difficulties, mistakes and failures that have marked the preliminary acts of the decision-making processes during the past ten years (Public Information, Norms, and Procedures) have not only sectoral significance, for they also reveal the limitations of the existing political environment. The consequences of these deficiencies are to be found among the most influential structures in the field of public policy.

The formulation of public options is the main window onto the decision-making processes at the macro level.

In the conditions of transition from totalitarian communism to the open society and reintegration into the free world, the selection of strategic options is not merely a customary constitutional exercise like in societies with an established democracy and a consolidated market economy. Official policy is not merely the articulation of the majority's plans for governance, under normal circumstances a simple public service.

As it has been said previously, the goals of governance during the period of transition are much more complex and are inherently contradictory: the management of the crises of the remaining structures, the initiation and the consolidation of the new market structures and democracy, the maintenance and stimulation of functional balances, the emerging mechanisms of free and participatory initiative.

The historical peculiarity of the decision-making processes in the conditions of transition requires that they be established amidst dynamic complexity.

Even for the most effective governance formulas imaginable, this historical option would pose considerable barriers and traps. The constant multiplication of critical thresholds perpetuates economic and social tension. This can stimulate public life, but it maintains an institutional tension and above all a very severe level of social costs.

The governments of the transition face an uninterrupted succession of confrontations and intense constraints which not even famous bodies of the Western governments would face easily. That is why critical analysis risks resorting to simple ethical principles and intellectual utopia, leading to ideological nihilism and pessimism.

Resuming of the devices of positive thinking at the level of analysis is now essential for the revival of reform in cases where it has scored systematic failures, and where it has reached thresholds of impressive performance.

The pragmatic and lucid reevaluation of the transition mainly points out three levels for the operation of decision-making mechanisms, where the impact of the policies will be greatest. Consequently, owing to the power of arguments backed by an extremely rich series of contradictory facts, the critical thresholds of public options in the conditions of the transition appear. Of course, they are not original in relation to the set patterns, but they present acute symptoms because of the historical conditions.

How and on what grounds is the opportunity of engaging some reform policies offered? How viable are the packages of solutions? What is the true operational capacity of the official policies?

This matrix of the decision-making processes requests a high degree of coherence in design, competence in administration and, of course, material support -- mainly financial and technological support, but also public support for the initiation, maintenance and finalization of changes.

After all the problem is not to reinvent the bicycle now, but to use it up a steep and curving path.

The current policies of the Romanian government during the transition offer a series of contradictory and surprising cases. After ten years of delay, we can however say that there is nothing left to invent that might interfere with reform. The Romanian policy officials have proven to have a negative creativity and a remarkable vitality.

The Romanian leader is clever and industrious. The problem for Romania is that when the Romanian leaders were clever they were not industrious, and when they were industrious they were terribly naive.

The quantity of irrational arguments delivered to the decision-making bodies during the first years of the transition have been aggressive, widespread and directly damaging. The only hope is that this pattern has not yet become routine.

There is an impressive national collection of blunders -- due to errors of appreciation, unhappy choices of the moment, preferences for tedious ways and blind alleys, uninspired planning for the succession of actions, self-contradictory support before the public or foreign partners -- which poses major difficulty to those who seek to record them in the media or in data bases.

What are the main causes of this Romanian instinct for drafting supporting risky policies in the first decade of the transition?

To save time in our analysis, we shall mark several components of the faulty mechanisms for drafting and implementing policies which has dominated the public life.

In setting the grounds for the opportunities of policies and orientations of effective programs, one could notice an attitude, already considered to be an institutional practice, of ignoring the specific references of some reform policies.

The principles of the market economy were avoided, alongside the rigors of the private initiative and of competition.

The expectations and needs of the performing companies have been systematically upset, irrespective of the government's political stripe.

At the same time, they have sacrificed the public's expectations of new behavioral consumption patterns, professional commitment and mobility on the labor market.

The negative signs of the true economy, mainly those referring to the devastating effects of keeping the "black holes" inherited from the socialist economy, have been ignored until the eleventh hour. In Romania, owing to the megalomaniacal policies of the former Ceausescu dictatorship, they have reached the climax of economic pathological manifestation.

Ambiguous nationalism remained constant in relation to the foreign investors, among whom were chosen only those who met the pray policies, based on corruption, mean and circumstantial benefits, through a selection process based on preferences and obscure compatibilities. The system of solutions referring to the access to resources is an important component of the internal logic of formulating policies, when these resources are indispensable to the execution of the policies in a troubled economic space, limited by constraints and with a reduced capacity for regeneration. "The Exceptional Romanian Cases" also score in this very sensitive field a performance that is difficult to equal. The high level, variety of forms and legal creativity of wasted spending of the national income, during a severely and increasingly depressed economy increasingly isolated in international exchanges, would make the managers of a prosperous economy green with envy! Of course, considering they are genuinely concerned with the matter...

To compensate for it, the Romanian bureaucracy, inspired by ambitious visionaries, has in its wisdom designed and backed both in Parliament and before the Romanian public policies that offer completely spectacular promises but lack all interest in the existence of accessible resources. Constantly, both the Parliament dominated by an obedient majority and the public end up believing it.

Resuming parliamentarian cycles through free elections has constantly assured these beliefs and it is not that clear yet where this national tragic comedy is going to end.

Prospective financial collapse has moderated this economic kitsch in 1999, and has sensibly reduced the "playing room" of the current national utopia. Is a "Bulgarian crisis" indeed necessary, to purge the decision-making mechanisms of the system of institutional waste ?

Of course, it would be a new paradox if policies drafted without regard for the referential that is essential to the reform, inspired instead by devastating resource allocations, would in fact benefit operations backed by the market economy and modernization criteria!

However, the management of policies has much more modest ambitions. The discipline of government represents an uninteresting peculiarity for the politicians of the transition and has no reason to become an obsession of the departmental bureaucrats.

Results show a remarkable performance limited to some policies' sectoral implementation, owing to the hazardous combination of certain political trends and some ephemeral opportunities.

The trends of unfair competition among policies, depending on the ministry leaders' political color, of the games of interests, of facts, of corruption or of the whimsical goodwill of some circumstantial foreign partners were predominant.

A lack of coherence in backing the policies of reform represents the rule of transition in Romania.

The compromise of minimal resistance to the solutions effectively implemented, the shifting of resources toward other unplanned goals or simply their tacit abandonment, represent the set model of functionality. A complicity that verges on national consensus makes the system accept repeated failures as standard.

For Romanian leaders, the horror of finalizing policies exceeds even the fear of death.

#### 2.6.5. Oscillation and Stagnation in the Orientation of Strategic Processes

Designing, assuming and managing policies is not a highly traditional activity in itself, not even in primitive societies. Where it takes place, this very complex action aims at backing or at least influencing some structural processes with strategic value.

In the conditions of transition toward a market economy and democratization the political actors in competition pursue this end militantly, for this is the very "core of the reform".

The unavoidable balance of the first ten years of painful reform in Romania presents us with a chaotic landscape, difficult to synthesize but perhaps able to teach us lessons.

If the reform failed to be more than a slogan and an illusory source of constitutional legitimacy for this part of the post-communist Europe, then a contradictory experience in the public sphere offers us interesting facts that seem incompatible with the effective availability and capacity of political actors, namely those involved in the electoral competition for the year 2000.

The reform should involve the management or at least the influence of the processes entailing economic, social and political changes, through an institutionalized strategic project, supported at the national level through consensus and unified efforts for change at political, administrative and communitarian levels.

An embarrassingly exigent definition for Romania's case, but anyway a modest instrument of analysis for the relevance of processes and trends that could be noticed during the first decade of the transition.

If we come back to reality, we must consider some structural differences that had substantial consequences on the process of transition.

First of all, we must recognize an unavoidable differentiation, owing to the peculiarity of the sub-systems, between the relatively dynamic evolution of the political environment, the diversification until fragmentation and polarization of the structures, and the much slower and non-productive evolution of the new economic structures based on the role and practices of the market economy.

These differences and multiple tensions have manifested themselves even in the happiest cases, many in small-size countries that are located nearer to the West.

In Romania, the effects of these differences have increased the complexity of the transition in a natural way, and they have favored the political actors' excessive influence in the intimate dynamics of processes.

Romania was not close enough to the area of influence of the victorious West during the past century's war between historical blocks, nor was it dynamic enough to make room through its own efforts.

If we limit ourselves to interest and effective internal capacity, we must take into consideration the main institutional deficiencies that have hindered the depth and rhythm of reform, and have above all distorted its strategic orientation:

The new political environment's reduced capacity to formulate and support national consensus has remained a constant deficiency of the first decade. Conversely, without any exception, whenever one of the major topics of the reform has imposed itself in the forefront of public debate, this was turned into a source of disagreement, delayed the start of institutional action, amplified confusion and thus encouraged the conservative trends and the population's distrust.

The virus of public discontent has marked, and often not in the immediate beginning, the relations between those in office and the opposition. The diverging opinions and the discordance in assuming responsibilities have quite often undermined internal party relations and alliances that have taken office in turn.

This historical peculiarity of the post-communist systems, being democratic and efficient only in minor topics, had an overwhelming presence in Romania after Ceausescu's regime.

The new institutional system has often proved to be mainly inefficient when it used democracy, and proved to be non-democratic when it succeeded, in the eleventh hour, to honor the exigencies of efficient management. It is not by chance that the majority of major decisions relating to the orientation of strategic processes were made under the pressure, with the assistance of and substantial interference from foreign actors, at the decision-making level. The tradition of "the export of revolution" that made history during the epoch of Soviet communism finds now a strange echo in a tradition toward the free world. It seems easier to unite the Romanians, starting from the leaders to the ordinary people, around initiatives from abroad than to build a substantial internal consensus.

The capacity to build an internal consensus represents the essential criterion of the national elite. The new Romanian political class' temptation for partisan supremacy, maniacal contestation and cheap fame has constantly dominated the efforts at compromise, solidarity, pragmatism and positive thinking.

The division into political groups has constantly been a fault of the Marxist-Leninist communism, carefully hidden through the apparatus' retaliation structures. The "internal blind

fight” reflex can still be noticed in the behavior of politicians, placing the real task of mobilizing resources and finding answers for the challenges of the transitions at a secondary level. Unfortunately, even the anti-Communist transition fails to offer too many examples of national consensus, and from this standpoint the representatives of the “historical parties” have excelled in the games of internal intrigue. Wisdom failed to follow the old age and the recent tradition failed to become a chance for public common sense, authority and pragmatism.

The predominance of change through crisis, to the detriment of institution-building, has been the defining characteristic of the Romanian transition process.

However, when they still took place, the essential changes in legislation, at the institutional level or in the economic structures, did so in the last minute, under the pressure of circumstances, after exhausting internal confrontation, with half measures, or they included ambiguous things that have minimized efficacy.

The balance of changes through convulsive processes has made the cost of changes increase artificially and has reduced or delayed their benefits.

The transition “pushed from the back”, owing to the fear of economic collapse or under the increasingly impatient pressure of foreign partners, is the memory Romania takes to the protocol photo taken on the occasion of the ten-year anniversary from the fall of the communism.

Under these circumstances, it is difficult to deny the growing chorus from the West claiming that Romanians sought to rid themselves of communists but not socialism.

The consequence of this political and popular ambiguity is the maintenance of a high potential for instability, inefficiency and uncertainty.

Of course, experience shows the difficulty of rebuilding in an area constantly subjected to seismic movements.

The consistency and coherence of strategic processes are also deeply marked by the increased discordance among official policies.

It is a common fact that if something has been finally decided at the official level (Presidential body, Romanian Parliament, Government, or some distant city hall), most certainly that thing will be implemented in a different, delayed and often a completely opposed manner to the one in which it was planned.

There is an individual and collective energy of unrealized scope, a terribly inventive, fascinating and spontaneous combination of the circumstances that make the very important public acts become simple sheets of paper. Deviation from set goals, avoidance of efficiency and consistency in administrative confusion are the most popular national sports.

To show these discrepancies at the level of processes makes the Romanian transition become a different story. Even the most experienced foreign experts in country risk analysis

have nervous breakdowns after a short period of time keeping the Romanian file updated and making short- and medium-term forecasts.

It is most certainly for the future generations to find out how big are the costs of this vocation for the unpredictable.

The system and process costs obviously set the price for modernization in post-communist Europe. This has meanwhile become a very dangerous conclusion, which the foreign investors and the Western governments have no reason to ignore.

However, what expresses best the Romanian political class' bankrupt mentality is their claim, despite their modest capacity to master, support, and orient the strategic processes, to be "included on the list" alongside neighboring, performing countries on grounds of personal friendship, Latin origin, or on behalf of a geographical strategic location marked by an assumed Messianism.

There is not such a thing as charity in history, and fierce regional and global competition makes attempts to petition foreign goodwill ridiculous.



### **3. 2000 - 2004 Perspectives**

#### **3.1. The Most Menacing Possibilities**

The main conclusion of this retrospective critical analysis on the dysfunctional relations between the performance of the internal political environment and the efficiency of the policies of reform does not concern the past. The general dissatisfaction with the contradictory and predominantly negative performance of the Romanian institutional system, and with its social costs, does not have to remain a merely moralizing debate.

The main topic that this analysis points out is that the next decade may hold deep and extreme detriment for Romanian society, which existing means and resources will have increasing difficulty to address.

That is why the identification of risks -- even just a hypothetical outline of the main vulnerabilities -- of negative evolutions that might emerge from the current situation, combined with the inherent challenges of the next decade, could offer the means to diminish the costs of repeating and accumulating this country's serious dysfunction.

Besides the temptation for prophecy, which has become a hobby at the end of the millennium, the evaluation negative potential from the historic perspective is an essential area not only for research, but also for public debate. Moreover, skilled expertise is asked to clarify the possible developments as a tool for political planning at the macro level. Of course, here we deal with a complex enterprise. The main difficulties arise from the multiple variables that have to be combined from trends of mere "historical routine" and possible new developments. The influences of a regional space deeply transformed into an increasingly dynamic environment will most certainly have an important role.

That is why, for the economy of the present study, topics for thought are to be presented more, alongside working hypotheses. The explicit goal is to consolidate interest for using the understanding of the near future in designing and drafting strategic orientations and options.

Several groups of factors and trends are taken into consideration in identifying these topics for thought related to the most menacing developments:

The effects of the previous faults have reached a critical mass due to the counter-productivity of the institutional system and the dynamics of previous policies.

These faults mainly refer to the costs of the systematic failures suffered during the first ten years of transition. At the structural level they have generated durable changes, costs extended in time, and have entailed distortions that persist and combine themselves in an uncomfortable reality. The new internal differences, the degradation of human and economic potential, the aggravation of dysfunctional situations in the productive or administrative mechanisms have their consequences in the near future.

Of course, things would be much simpler if the economic-social reality “would forget” with the same ease with which politicians and institutional actors forget. Nevertheless, the reality of memory is implacable.

Reproduction and even diversification of dysfunction in the internal political field, in the mechanisms for drafting and finalizing policies.

There are no favoring conditions or new elements in the evolution of the political factors that might lead to the conclusion that in the following interval of time (2000-2004) the dynamics of politics will emancipate itself from the patterns that were dominant in the first decade of transition. Even if recent mistakes are not compounded with further types of errors and dysfunction, the momentum of present negative developments remains assured in the future too.

A highly unpredictable element results from the combination of the new challenges of the period -- which have somehow come from the future -- the complexity of the new situation, and the new circumstances and actors that follow from regional and global developments. These challenges could offer, after the first ten years of grace, a change in the relation between opportunities and constraints posed by international and domestic dynamics.

The combination of these major sources of the country’s risks, with a medium-term action, highlights significant working hypotheses that are relevant for a systematic analysis and for concern at political and institutional levels.

3.1.1. The decline of the authority of the national unified state represents one of the most dangerous developments that accompany the transition of the post-communist countries. At first sight, it corresponds to some positive trends connected to administrative decentralization and the gradual elimination of the state property system in the economy. Without having assured these qualitative changes of the institutional system, the dysfunctional developments and the failure enact changes favor a continuous dissolution of the state. It is the effect of stagnation, modernization, the wear and tear endured by a political life that is both prolix and ineffective.

The public’s decreased trust in the state bodies represents evidence of this trend.

The expansion of corruption and the influence of obscure mechanisms on the decision-making processes seem to be a difficult trend to keep under control in the near future.

Under these circumstances, what are the limit’s of the state’s ability to mobilize the public, to find solutions to some strategically important matters and to overcome some confused moments?

3.1.2. The accentuation of discordance between the political forces in competition and between the fundamental state bodies.

The politicians’, leaders’ and the organizations’ preference for conflict to the detriment of productive alliances and stable majority coalitions is obvious. A very serious question remains about the internal political forces’ capacity to achieve and support a national consensus.

The past years' experience has proved the formal character of the political alliances and the modest efficiency of the cooperation within the governing coalitions. These have ensured a minimum stability. Nevertheless, an increasingly obvious critical threshold can be noticed between the compromises for stability and the costs emerging from the extended postponement of the reforms. The 2000 elections are already marked by the specter of deadlock in remaking a majority coalition, indispensable for governance.

3.1.3. The bankruptcy of public management could become a much more direct threat to the population. The state bodies' increasingly reduced capacity to assure public services, to selectively compensate for the social costs of the transition, should be interpreted as a symptom of structural decline.

It becomes increasingly obvious that this is not only about budgets, but also about a more important difference between the structure of the old and inert public mechanisms and the capacity to answer to an increasingly frustrated and confused society. The unbalance between the active population and the protected one, between social income and expenses, cannot remain without consequences.

3.1.4. The accentuation of social fragmentation and polarization. The post-communist transition is characterized by inter-dependence between the agony of the real economy and the fall of communist egalitarianism, state-property paternalism and social protection.

In its ideal formulation, the economic reform accepts the social costs of transition as a group of temporary differences and unbalances that can be compensated for and oriented toward a structure where the new middle class will be able to assure the balance between a minority that concentrates the economic power according to the market rules and relatively restricted categories, discouraged mainly by the incapacity to face competition and change.

This status requires several antecedents that are far from being achieved in the Romanian transition:

The restructuring of industry is going to be achieved in an orderly, consistent manner, at the same as a wide process of professional training for new, profitable, expanding sectors. The restructuring process took place slowly, in a fragmented way, and the population made redundant was either abandoned in the unemployment processes or it was directed toward even less productive sectors.

The redistribution of the benefits of transition is going to take place through the revival of productive activities, investments, technological renewal and stimulation of creativity. The redistribution was done through promotion of new privileges or was strongly distorted by economic-financial crime, corruption, black market of the labor force.

Personal and collective relations will be rebuilt according to new behavioral values and patterns. Mercantile trends, aggressive heroism, community conflicts, proliferation of obscure organizational structures, suspicion and violence dominated the reconstitution of the social relations.

The social perspective will be dominated in content, ways and means by the Western model of society, accessible either at the individual level, or through the Euro-Atlantic integration. Nostalgia for the near past (communist) or for the farther past (inter-war) tend to dominate the population's expectancies.

Even if we resume ourselves only to these components of the social restructuring process, one can predict the coming of a period of time when the inertia of the economic processes extends into not only the difficulties in the everyday life, but also communitarian disaggregation, distorting inter-personal internal psychological relations.

3.1.5. The amplification of political and social confusion in fact reflects the increasingly obvious trends in social relations and subjective processes. Aside from the nostalgic trends or the increasing reticence toward the West, brought about mainly by the evolution of the economy, a series of individual and collective trends exert greatest influence over communitarian and political behavior.

Proliferation of manipulation through media, owing to the preference for sensational, scandalous news, and the commercial finalization of messages, by speculating fears, evasion, and the public's low level of information and understanding.

Degradation of manners and of lifestyles, at the same time that familial and communitarian structures decline.

Decrease of public interest for political and electoral involvement.

The main risks emerging from the accentuation of this trend are the diminution of public support for reform and modernization, the decreasing legitimacy of democratic institutions, and the debilitated capacity to mobilize the nation and communities during times of crisis.

3.1.6. Diversification and sharpening of social relations. Social instability has been a constant factor of the Romanian transition. If, during the first years, the social reactions mainly originated from the difficulties of economic and institutional adjustment, in the years to come they will originate more from the failure of reform. The proliferation of poverty, social polarization, increased differences between various areas, the lack of economic perspectives and so forth may fuel another wave of social reactions and protests. The obvious decline of the trade union movement, the politicization of some of its segments, and the persistence of some inter-ethnic tensions will favor the sharpening of the new reactions. The social anarchy will be magnified by forms of extremist organizational structures, and it might take to violence.

Even if we take them separately, these trends often seem to be reactions on behalf of a minority or even deviations from generally accepted standards, and their manifestation represents obvious signals of failure. They may be reactions to the institutions' current inability to manage the new diversity, or they may evidence the inability to incorporate explicitly hostile trends into the nation and the rule of law.

The appearance of some nuclei of community violence, especially in disadvantaged areas, is increasingly obvious; they will be more evident if Romania continues exposing itself to the influences of an unstable and unpredictable region.

The erosion of structural cohesion in post-communist society may have deep impact on the failure or delay of modernization.

3.1.7. The proliferation of centrifugal trends in relation to the central government, and with the other cohesion factors at the national level, represents a contradictory and challenging development.

The mission of reform and democratization consists in, among others, the historical defeat of the single-party political system, the state-property management of the economy, the domination of a sole and retaliated source of public communication, and a system of beliefs and behavioral patterns that are both restrictive and oppressive. The delay of reform has consequences greater than underdeveloped pluralism, competition, initiative and debate.

A whole series of harmful trends, emerging from the pseudo-development that has taken place during the past ten years, replace the old system with a substitute of decentralization: with anarchy, nihilistic contestation, social evasion, obscure structures based on despising attitudes toward the law, organized crime, political extremism and amateurism, religious experiments, and so forth.

These centrifugal trends express, in a contradictory way, both frustrations inherent to the transition process and eccentric evolutions of the social dynamic. To a certain extent one can notice the effect of international imitation, along with the release of energies and expectations suppressed under the neo-Stalinist dictatorship.

If the general movement is towards stagnation, and Romanian society's overall competitiveness will remain in a deficit, these centrifugal trends will unavoidably become major sources of risk, with a direct effect on internal stability and the state's integrity.

3.1.8. Declining foreign influence over the transition represents a major risk to the mechanisms for the management of transition, and also in assuring the balances for the protection of the national security, sovereignty and independence. The established difficulties in achieving economic activity and of social balance represent a first component of this risk. On the other hand, leaving Romania in the "gray area" of the former communist block countries, in a permanent expectation of some favorable decisions at continental and global level, already reflects a very dangerous dependence, especially if we take into consideration serious or extended periods of instability. The gradual decline of the competitiveness of the internal economic-social activities, in relation to regional or global performance, remains in fact the main medium-term cause of the unbalances between internal and foreign factors.

Aside from temporary patriotic reactions, it has become obvious that task of assuring sovereignty are becoming increasingly complex, and is best assured through modernization oriented towards the global future.

3.1.9. Romania's marginalization and isolation represents an established trend for those who are familiar with the dynamics of development and performance on the European and global markets. This began in the "golden age" of the Ceausescu's dictatorship. The institutional continuation of this trend during transition significantly complicates matters. This fact suggests that the risk sources are much more complex, and that the new configuration of the internal political environment are unable to meet the foreign requests, to keep pace with the regional and global dynamics, to produce arguments able to revive strategic interest in incorporating Romania in the new power structures. After ten years of transition, the post-communist societies have already been divided into accepted countries, those with an uncertain future, and those with no future at all.

3.1.10. Increased pressure from hostile foreign elements. This development might be mainly the result of Romania's increased vulnerability in the circumstances of general economic decline, social-political instability and modest level of foreign alliances.

Romania's poor progress in regional competition does not entail only negative consequences for the population's everyday life, but it unavoidably places it on the list of vulnerable countries, easy to access and profitable for a very wide range of hostile actors that operate at global level. Paranoia is the worst response. On the other hand, the complexity of the reaction to this risk requires a systematic approach at the state level that can exceed Romania's current capabilities.

### 3.2. Minimal Recommendations for the Therapy of Politics

The focus on the ambivalence of the political factors in the governance of the first ten years of transition, the identification of the distorting influences on the decision-making mechanisms, and mainly on changes, points out some future options:

- Fatalistic acceptance of the factual situation and the continuation of the current practices and evolutions with a view to an unclear future or to increasingly serious crises;
- Management of the accumulated negative consequences through the mitigation of costs, accepting that the transition will be resolved through "spontaneous reform", the underworld economy, and the underworld labor market. One could even argue that, from traditional perspectives, such an evolution would in fact be more appropriate to the "Romanian people's psychology", "their Balkan nature", and to the regional geo-political configuration;
- Revival of reform as a strategic process by shifting the focus public activity from the predominance of politics and political competition toward the management of public affairs according the market economy and the representation of communitarian interests.

It is not difficult to notice that, judging from the past ten years' activity, the first two options have the highest chances of support and implementation. As a matter of fact there is a dominant political culture, fully designed and widely spread among the political class and the majority of the population. All the new democracy has to do is express it, through free elections, "changing the change", and so forth.

The third variant risks being reduced to pontification or overly-technical approaches, which might produce unrealistic or unpopular solutions. However, to the extent to which we can consider the past ten years' experience as a resource, improving the situation from a critical and pragmatic perspective suggests several discontinuity thresholds that describe the role of the internal political environment in the management.

3.2.1. Simplification of the institutional system both in relation to the number of political parties and fractions, and the proliferation of the state bureaucracy, mainly at central level.

Such a change would reduce the exaggerated costs of the public administration, but would mainly assure a better concentration of quality human resources in a more well-defined decision-making nucleus.

3.2.2. Consolidation of organizational competence. The decantation of experience, in particular the access to domestic and foreign networks of expertise and consultancy, can become accessible resources to the decision-making bodies. These would replace the current preference for rhetorical debate, in apparently democratic structures hampered by incompetence and ambition.

3.2.3. Changing the relations between charismatic domination and the institutional mechanisms. This would make it possible to overcome the authority crisis of the "first wave" leaders and it would favor the extension of the influence of the project management groups. The subjectivism, the new authoritarian trends, and above all the uninterrupted series of "symbolic conflicts" between leaders would leave room for the competition centered on results.

3.2.4. Moving the focus of political action to the field. The acknowledgment and assertion of Romania's new economic-social diversity after ten years of transition begs the consolidation of some local and community networks both in political association and in managing public affairs. Assistance granted to local initiatives can become a primary factor in the consolidation of governance, or of the political actors' competitiveness.

3.2.5. Rejuvenation of political leaders alongside changing selection criteria, and promotion within internal hierarchies starting from the performance level, competitiveness, and audience. This would entail an increase in the degree of representation exercised by political organizations, starting with the acknowledgment of the population's genuine expectations, of new needs, life styles, ways of address, and systems to find solutions in the public sphere.

3.2.6. Clarification of the relations between government and interest groups and political lobbies. The judicial settlement of these relations would limit the corruption phenomena, thus releasing the decision-making mechanisms from the excessive pressure of some

circumstantial, obscure interests. This will require endorsement of clear and transparent procedures and consolidation of public control over the financing of the political organizations. The repeated failures in the fight against corruption over the past years show the limitations of judicial means and public debate.

3.2.7. Observance of and integration in the new institutional environment. The finalization, in broad terms, of the institutional reconstruction of Romanian democracy emphasizes the rapid movement from endorsement, to organization, to dissemination, to strict commitment to the new roles and responsibilities as an everyday practice. Less spectacular than the proclamation of the new Constitution is to observe it as an expression of normality. However, it is exactly its effective enforcement in the confrontation with concrete and complex situations that gives value and relevance to the institutional background. From the separation of powers to the relations between local and central power, or between political forces in office and those from the opposition, between authorities and public opinion, or between majority and ethnic minorities, the enforcement of the Constitution becomes in fact a field for modernization. Thus, what is good for the country, becomes also good for the political actors.

3.2.8. Modernization of public administration as an institutional mechanism for drafting and finalizing policies. The experience gained in the first ten years has pointed out some relevant aspects:

- The politicization of the administration, both at the central and the local levels, is not productive, discourages making one's competence and performance conspicuous, dramatically decreases the interest in serving the public, and encourages corruption;
- In the absence of a flexible and economic procedural system, even the most advanced stipulations end in formalism and even favor abuses, systematic infringements of the law and even disorder;
- Public control is irreplaceable and its consolidation will favor not only the citizens as beneficiaries, but also those representatives of the administration that are interested in the performance of their duties.

3.2.9. Amplification of the political dialogue and improving the cooperation mechanisms. The dynamics of the domestic political environment has based itself, during the past ten years, on mutual incriminations and accusations, on diversions, aggressiveness and mutual annihilation. In Romanian politics, it was not enough to succeed, others must lose. However, this defeated public interest as well.

A substantiated competition for the people's benefit could replace the fight for survival. The mutual culpability has centered the political life on the relations between politicians. A concrete representation of the communities' interest would favor negotiation and compromise, based on the complementary factors between identities, doctrines, and political platforms. At the same time, they would assure a higher degree of flexibility and stability for the political alliances. The movement of political discourse from general principles and goals to the means, resources and alternative solutions for Romania's problems could play a major role.



3.2.10. The clarification of the major topics for a consistent National Agenda, free from parasitic or marginal topics and structured according to strategic priorities. The acknowledgment of the structural challenges for the near future could become the premise for negotiating the national consensus in the key fields of modernization. This would assure the cohesion and consistency of the public effort in drafting and maintaining medium- and long-term policies. Taking into consideration Romania's current situation, the achievement of the national consensus on medium-term priorities represents an essential criterion of relevance for the existing political class.