



## **Weekly Briefing**

**Romania political briefing:  
Dealing with pandemics while preparing for the Parliamentary  
elections in December  
Oana Cristina Popovici**


### **China-CEE Institute**

Kiadó: Kína-KKE Intézet Nonprofit Kft.

Szerkesztésért felelős személy: Chen Xin

Kiadásért felelős személy: Huang Ping

 1052 Budapest Petőfi Sándor utca 11.

 +36 1 5858 690

 [office@china-cee.eu](mailto:office@china-cee.eu)

 [china-cee.eu](http://china-cee.eu)

## **Dealing with pandemics while preparing for the Parliamentary elections in December**

*There is almost one month until the elections for the Romanian Parliament, and political parties have already started to present the measures they intend to focus on during the new parliamentary term. As expected, the political fights sharpen, but are somewhat eclipsed by the sanitary situation generated by the pandemics, which is getting worse, as in the rest of the European Union.*

The aim of the elections in December is to choose 329 members for the Chamber of Deputies and 136 members for the Senate, which form the two chambers of the Romanian Parliament. There are almost 15 parties and political alliances on the lists, besides independent candidates, but there are some electoral thresholds parties must exceed for gaining a seat in the Parliament. The fight for the votes is harsh, as the Liberals, who were severely defeated in 2016, aim to be revenged after four years in which the Social Democrats formed the majority in the Parliament.

The discussions for the elections take place on a background where the Covid-19 infections are sharply rising from one day to the other. A new record of infections was hit in the last day, with almost 6,500 positive tests, out of 36,000. There were maximum 300 positive tests per day during the lockdown period in March-May. However, partially given the elections in December, partially trying to affect as little as possible the economy, the Government does not currently intend to take other restrictive measures in the context of the COVID-19 pandemic, but to enforce the legislation related to the alert state. Prime Minister Ludovic Orban stated that the Government's goal should be to stem at all costs the increase in COVID cases without affecting economic activity, but at the same time to firmly implement decisions to combat the new coronavirus pandemic. In a similar vein, President Klaus Iohannis said that, so far, Romania has managed the COVID-19 pandemic well, and for the time being the situation does not imply quarantine or lockdown. At present, there are several thresholds based on the number of infections per thousand inhabitants, and the restrictions tighten as the situation worsens.

On this background, political parties have started to present the measures they intend for Romania in the following parliamentary term. Most of them are focused on supporting the

labour force and the economy, but the political promises tend to be shadowed by the actual sanitary situation.

The National Liberal Party (NLP) have as a strategy to pursue the measures in the Economic Recovery Plan “Rebuilding Romania”. It is the largest financial support package for the economy, with a value that will reach 7% of GDP by the end of the year, and is among the most consistent programs of this type in the European Union (EU), according to the party representatives. All the economic measures included in the plan are in force at present, such as the payment of technical unemployment for almost 1.6 million employees, the flexible work schedule, loans with state guarantees for companies, state aid and European working capital grants for industries affected by the pandemics.

The Union Save Romania (USR) is expected to be NLP’s partner in the governing coalition after the elections. USR goes hand in hand with PLUS, another small party with a similar political orientation. Together, the alliance USR-PLUS has already launched the government program based on 40 commitments with concrete measures that promise “a revolution of good governance”. They count on Romanian’s appetite for a radical change in the governing method, stating that progress is too slow under the administration of the old parties. The major proposals target the legislative completion of the “no criminals in public office” initiative, the elimination of special pensions or the 90% taxation of those who cannot be eliminated, zero tax on the minimum wage, introduction of the Minimum Inclusion Income, reduction of the number of mayoralties by voluntary merger, the use of funds obtained from the exploitation of Black Sea gas for investments, the development of the private health insurance system under which every Romanian will be able to opt for an alternative insurance. The “no criminals in public office” initiative is the citizens’ proposal in amending the Constitution, backed up by USR, which states that persons definitively sentenced for crimes committed with intent cannot be elected in the bodies of the local public administration, in the Chamber of Deputies and in the position of President of Romania, until the intervention of a situation that removes the consequences of the conviction. The support granted by USR to this initiative was one of the main reason which increased the party’s notoriety, especially among the young people.

The governing program of the Social Democrat Party (SDP), which is the major party in opposition, is built on supporting the labour force. The program has six pillars, including job security, stimulating birth rates and reducing extreme poverty. They motivate that, besides passive measures such as the technical unemployment, active measures for the labour market are needed, targeting young people who cannot find a job or are fired, or people over the age of

55. For reducing poverty, SDP is determined to continue the policies to increase the purchasing power and increase wages.

The political fights between the parties have already started, the main role being that of undermining the other parties image. SDP accuses the governing party of preparing to raise the value-added tax (VAT) after the election to cover budget holes, because the measure could be applied quickly and would have an immediate effect, as VAT is the easiest to collect. SDP envisages a VAT increase from the actual 19% up to 21-23% and also indicate that some important banks are already working on the VAT increase scenario. A potential agreement with the International Monetary Fund (IMF) is also rumoured, therefore SDP is requesting transparency in the construction of the budget for the following year. They also invoke the fact that the budget project for the following year, which would reveal such a measure, has not been presented yet. According to the law, no later than October 15, the state budget law must be submitted to Parliament for debate and adoption and the Government has not taken any measure in this direction yet. However, it should be noted that it is not a unique case. Traditionally, almost every year, regardless of the government, the presentation and adoption of the state budget and the social insurance budget does not meet the deadlines provided by law. While the accusations contain the truth or are only political games before the elections is hard to be established, as the actual Minister of Finance declared that the draft budget for 2021 must be presented by the Government which will be drawn up after the parliamentary elections.

Another dispute with potential consequences on the winner of the elections was upon the date for the parliamentary elections. While the Government submitted the 6<sup>th</sup> of December for the elections, SDP attacked the proposal at the Constitutional Court and won the right for the Parliament to establish the date. SDP intention was to postpone the elections for March 2021, motivating that the health situation would improve by then. Other analysts, however, considered that the delay only provides SDP more time for improving their image in front of the electorate. Yet, the intention of deferral has been missed, and SDP strategy for the elections was quickly restored. The party relies on the renewal of the image by adding some of the most important personalities of the moment on their lists of candidates. Among them, the most prominent figures in the fight against the pandemics, two doctors, has already announced their affiliation to SDP

The opinions about the winners are divided. Some analysts consider that NLP and USR will win this election and form the new Government, others opine that the political battle will be influenced by several factors, including the turnout, which will probably be lower than at the local elections, the difficult pandemic situation and the weather on election day. The pools

indicate that NLP has the highest chances to win, followed by SDP and USR. Some analysts consider that SDP reform is only superficial and with minimal chances of success due to the short time until elections. Moreover, the ignition of some disputes between NLP and USR, after the local elections, could serve SDP in this fight. USR-PLUS enters the parliamentary elections with the desire to give the prime minister in the future Government. According to the Alliance protocol, Dacian Ciolos, which is at present a Member of the European Parliament, is the one designated for the position of prime minister. This is contrary to NLP expectations. President Klaus Iohannis said that Ludovic Orban remains his first prime ministerial election, while the conflicts between the two parties are only rubbings, normal in an electoral campaign. Both NLP and USR representatives had several misunderstandings in the country after the local elections, while negotiating for forming alliances or sharing attributions.