

A wave of protests sweeps across Romania – a threat of internal destabilisation?

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Starting on 13 January, Romania has seen its largest antigovernment demonstrations since the late 1990s. According to the Romanian Gendarmerie, approximately 13,000 people took to the streets across the country at the height of the protests. With the exception of Bucharest, where the demonstrations turned into one-day violent riots, these have been peaceful protests. The government's plans to partly privatise the healthcare system were the direct reason why Romanians took to the streets. The government withdrew the controversial bill due to the demonstrations but the protests are still continuing and gaining momentum. The demonstrators are demanding Traian Băsescu step down as president, the resignation of the centre-right government led by Emil Boc and the discontinuation of the policy of budget cuts.

Commentary

- The developments during the demonstrations have revealed not only the public's strong disillusionment with the government's policy but also a higher protest potential than had been commonly estimated. These estimates were based on the fact that attempts at organising a series of protests by opposition parties and trade union central offices thus far had been usually unsuccessful. The present series of demonstrations is a new social phenomenon in Romania; they are organised with the use of the newest technologies (Internet portals) and without opposition parties and trade unions being involved.
- The deterioration of living standards over the past three years is among the main causes of public dissatisfaction. In connection with the economic crisis and the savings programme agreed with the International Monetary Fund in 2009 (which granted a loan of 20 billion euros) the centre-right government cut wages in the public sector by 25%, raised the VAT rate from 19% to 24% and liquidated a number of social and pension privileges. The government was planning to save more in 2012 through healthcare system reform and the privatisation of a number of state-controlled companies, among other measures. The policy adopted so far has brought about an improvement of public finances (the budget deficit in 2012 is expected to reach 4.4% of GDP) but at the same time is adversely affecting the economic growth and the living standards of the Romanian public. Romania was the last to recover from recession in the region, and its economic growth forecasted for 2012 is moderate (1.5% of GDP).

- The Socialist Party (PSD), the National Liberal Party (PNL) and the Conservative Party (PC), which are in opposition and which form a common antigovernment bloc, have been making efforts to capitalise on the public protests and extend their patronage over them. However, the opposition is quite unlikely to succeed in bringing about the dismissal of the government and the holding of early elections. The present coalition of the centre-right Democratic Liberal Party (PDL) and the Democratic Union of Hungarians in Romania (UDMR) has a small but stable majority in parliament. The present public support levels for both of these groupings are very low: 8% for the PDL and 3% for the UDMR, so they will not agree to hold early elections.
- The main probable consequence of the wave of demonstrations will be the government's withdrawal from some actions aimed at savings. The coalition parties are unlikely to regain public support this way. The elections in November will probably be won by the opposition party bloc (its current support level is 50%). It cannot be ruled out that new groupings will emerge which will want to politically utilise the present protest movement.