

# Acquiring Assets, Debts and Citizens

## Russia and the Micro–Foundations of Transnistria’s Stalemated Conflict

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**Abstract:** This article examines how a mix of grassroots socioeconomic and transnational factors perpetuate Transnistria’s *de facto* separation from right-bank Moldova. The authors seek to push past the scholarly divide in the study of stalemates, which privileges either intergovernmental and nation-state elite power factors or observable, bottom-up elements in explanations of deadlocked conflicts. An interdisciplinary approach is used to demonstrate Russia’s range of soft-power activities in Transnistria: the acquisition of industrial assets, debts and citizens, all of which have bearing on Russian-disposed public sentiment inside the secessionist region. The article ends by suggesting ways in which Russian influence and that of the European Union and Chişinău can pull Transnistria closer toward Moldova for conflict settlement within a territorially integral, sovereign Republic of Moldova.

**Keywords:** citizenship, Moldova, Russia, *de facto* states, Transnistria

In August 2008, the world saw that unresolved conflicts and little-known, unrecognized entities can threaten regional security and potentially shift global power relations. South Ossetia<sup>1</sup> and Abkhazia were two of four so-called “frozen conflicts” resulting from the breakup of the Soviet Union. Another frozen conflict close to Europe’s doorstep is Moldova’s secessionist region of Transnistria.<sup>2</sup> Nestled along Moldova’s

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eastern border with Ukraine, this small sliver of land is home to over 100,000 Russian citizens, Russian military units, heavy armament and Russian big business.<sup>3</sup>

Transnistria fought a short war with Russian military backing amid its push for independence from Moldova during the early 1990s. Sporadic armed skirmishes over this period made for a less intense and low casualty conflict compared with the other Eurasian conflicts—in South Ossetia, Abkhazia, Nagorno-Karabakh and Chechnya.<sup>4</sup> The loss of roughly 1,000 lives in Transnistria occurred mainly in the most violent stage of the conflict, during the period of Russian militarized intervention in the summer of 1992. Russia's military presence effectively ended violence and forced a ceasefire (in July of that year) between Moldovan and Transnistrian combatants, but did not resolve the larger dispute over Transnistria's independence and Russia's influence in the region. Despite ongoing negotiations between the Transnistrian *de facto* authorities and the recognized Moldovan government—mediated by the Organization for Security and Cooperation in Europe (OSCE), Russia, and Ukraine, and later joined by the United States and the European Union as “observers” (known as the 5+2 format)—no permanent solution has been reached on the territory's status. The conflict has remained “frozen” between active hostility and formal settlement for the better part of two decades.

This article examines Transnistria's *de facto* separation from right-bank Moldova as perpetuated by a mix of grassroots socioeconomic and transnational dimensions. It is a study of the factors that sustain stalemate. Scholars and practitioners working on Moldova agree that these factors are different from,<sup>5</sup> even if related to, the issues behind the outbreak of conflict in the early 1990s.<sup>6</sup> Paramount to triggering and escalating the initial conflict were shifts in elite configurations, titular minority language rights<sup>7</sup> and geopolitical interests around Moldova brought on by the Soviet Union's transition and collapse.<sup>8</sup> Contemporary scholars offer a host of other reasons for why Moldova's conflict with Transnistria remains intractably “frozen.” Depending on their disciplinary focus, most academic explanations are either geopolitical, elite-centered or focus on internal social conditions in the region.

Political scientists and international relations scholars see this impasse as resulting from inadequate, unbalanced international security and conflict-settlement mechanisms,<sup>9</sup> as well as from Russian geopolitical manipulation, which has in this narrative stymied any Transnistrian-Moldovan political settlement unfavorable to Russian primacy in its so-called “near abroad.”<sup>10</sup> Other contemporary postwar factors recognized by political scientists as perpetuating deadlock are Transnistria's relatively insular, authoritarian leadership; its weak civil society and inadequate open media;<sup>11</sup> the economic unattractiveness of right-bank Moldova; lucrative, illegal cross-border trade; and the related use of Transnistria as a “pocket offshore” haven for illicit Russian and Ukrainian business interests.<sup>12</sup>

Adding to these political-economy aspects, a growing number of historians and anthropologists writing on Transnistria emphasize the region's distinct historical experiences from right-bank Moldova during the Soviet era,<sup>13</sup> linked with dissimilar levels of socioeconomic development over time;<sup>14</sup> distinct “nation-building” processes in the post-Soviet era;<sup>15</sup> and differing rank-and-file perceptions of “stateness,”<sup>16</sup> all of which work together to reproduce difference and deadlock between the quarrelling left and right riverbanks.

In summary, these two bodies of literature tend to explain sustained separatism through either elite-driven, top-down conditions, viewing Transnistria as an artificial, externally (read: Russian) sustained creation, or understand stalemate through historical or

grassroots, almost “self-sustaining” elements without serious world-system, geopolitical considerations. This split mirrors the very disciplinary divide in the study of conflict. International conflict studies emphasize inter-governmental and nation-state elite power factors behind deadlock,<sup>17</sup> while bottom-up research, like the anthropological or social-psychological study of conflict, appears to omit the geopolitical<sup>18</sup> in its attention to observable, war-related trauma, memory, and ethno-national symbolism,<sup>19</sup> and to provide little detail on the global-local interplay.<sup>20</sup>

What we wish to propose is to connect the two scholastic approaches to conflict, seeing the Transnistrian stalemate as located in a “social context”<sup>21</sup> that is both local and global.

Doing so has theoretical relevance for pushing past the scholarly divide in the study of stalemates. Empirically, it allows us—having done extensive field research in Transnistria and Moldova between 2004 and 2009—to explore the question of how transnational activity and policies, from regionally dominant Russia towards unrecognized Transnistria, bear on local-level practices and beliefs, and ultimately on the future of resolving the Transnistrian conflict. Exploring the question also helps us to identify patterns in the “soft” and “hard” ways in which Russia asserts its influence along its borderlands, as well as to paint a picture of the often-overlooked relationship between international and micro-foundations of prolonged separatism.

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### **Transnistria as *De Facto* (In)Dependent and Russian Influence in the Near Abroad**

Transnistria has existed as a *de facto* state in search of international recognition since armed hostilities ended in 1992. The region’s army, police, passports, currency, statistics bureau, constitution, and welfare system give the secessionist entity (also referred to here as the Transnistrian Moldovan Republic, or TMR)<sup>22</sup> qualities of “state-ness.”<sup>23</sup> Economist Anatol Gudîm speaks of the region’s economy as being relatively self-reliant,<sup>24</sup> while political scientist Kimitaka Matsuzato makes an almost polemical case for its autonomy from Moscow.<sup>25</sup> However, evidence suggests that the TMR’s survival as an entity politically and territorially independent from Moldova, as well as the region’s economic productivity and self-sufficiency, are heavily dependent on Russia.

Firstly, Transnistria has a weak monopoly on the provision of citizenship, relying on other countries to provide documents valid for international travel to its inhabitants. There are many holders of Russian and Ukrainian passports in Transnistria, but most striking is the fact that a majority of the region’s residents hold identity documents issued by Moldova, from which it seeks independence.<sup>26</sup> In all, roughly three-quarters of the TMR’s populace are citizens of other countries in the region. It is not uncommon for a person to hold two or three citizenships at once,<sup>27</sup> with the Russian “red passport” generally regarded as the most desirable.<sup>28</sup> The availability of Russian passports in Transnistria has become

formalized in recent years, as Russia has opened consular desks in the region that accept citizenship applications. This is but one way in which Russia reaches out to Transnistrians with “soft power” initiatives.<sup>29</sup>

In terms of the secessionist entity’s security, Transnistrian officials and at least a substantial portion of the population have demanded that Russian troops remain in place to guard against a possible recurrence of armed hostilities<sup>30</sup> while protecting the region’s sizeable number of Russian citizens. Russia’s military presence in Transnistria (the troops are referred to as “occupiers” by many in right-bank Moldova but are known as “peace-keepers” in Transnistria) may have once been concerned with safeguarding co-ethnics in the enclave,<sup>31</sup> along with securing Soviet weapons stockpiles. However, decades later, as renewed combat between Transnistria and Moldova is increasingly unlikely<sup>32</sup> and Putin-Medvedev’s reinvigorated Russia is dead-set on realizing a “zone of privileged interests” in the former Soviet space.<sup>33</sup> Russia’s military presence in the enclave is not about bringing peace and equity to a long-festering conflict; it is rather about shoring up influence at this geopolitical crossroads, which some in Russia’s military establishment seem to still regard as a valuable strategic outpost.

Most scholarship on Russian influence in the near abroad emphasizes use of “hard power” tools to coerce cooperation from its neighbors—military force, for example, as well as the power to suspend deliveries of natural gas. In the Transnistrian conflict, these elements are represented by the Russian military presence in the region and Russia’s use of its energy influence over both Transnistria and right-bank Moldova, discussed below in relation to the Russian-Transnistrian gas-debt settlement discussed later. Beyond the coercive, though, a growing body of literature is drawing attention to new “soft” ways Russia asserts itself in the former Soviet space.<sup>34</sup> The phrase “soft power” was coined by Joseph Nye in 1990 (and expanded on in 2004) to refer to a state’s culture, sociopolitical values, and foreign policy goals acting as resources to attract other countries to it.<sup>35</sup> In Transnistria, this plays out through Russia’s financial investment and socially oriented market-economy values, as well as compatriot, cultural, and religious activity.<sup>36</sup>

We found that Russia has influence in Transnistria economically by means of Kremlin-linked foreign direct investment (FDI) and generous financial assistance. A recent example of aid was Moscow’s February 2009 gift of US\$7 million in “humanitarian assistance” to Transnistria.<sup>37</sup> Most of the money will support Transnistria’s notoriously generous welfare provisions, apparently higher than in right-bank Moldova (see Table 1 on page 337),<sup>38</sup> but sustainable only through assistance from Russia, especially in times of economic hardship.<sup>39</sup> Of greater interest is how gas debts, disproportionately higher in heavily industrial Transnistria than in more rural Moldova, also help Moscow to wield control over local leadership. This, combined with Russia’s passport policy in the region, gives Russia leverage over Transnistria, as it also affects the attitudes of the local populace, which—in spite of the fact that Transnistria does not have a particularly democratic political system—has an impact on the authorities’ policy choices and therefore influences conflict resolution possibilities.

Overall, Russian transnational socioeconomic activity in Transnistria, while publicly presented as benign and fraternal, is more about shoring up Russian influence in the near abroad and over Moldova than about benevolently helping the nascent *de facto* state in Transnistria develop while assisting region’s the population of Russian citizens. This article therefore

proposes that Russian actions in Transnistria, while essential to maintaining the region's viability as separate from right-bank Moldova, may in fact complicate any Transnistrian aspirations toward independent statehood, even as they also entrench a stalemate.

This article also seeks to highlight and present new information on non-military aspects of Russia's involvement in Transnistria by scrutinizing Russia's acquisition of industrial assets, gas debts, and citizens in the region. We start by looking at Russia foreign direct investment in Transnistria ("privatizing secession"),<sup>40</sup> follow with a discussion of energy politics ("the politics and power of debt"), and next attempt to relate economic matters to the social interests of Russia's citizenship policy in the post-Soviet space. We also attempt to connect the areas under discussion to grassroots rank-and-file actions and attitudes, based on semi-structured and informal interviews conducted in Transnistria, Moldova and Russia by one author, a political scientist and practicing lawyer, in addition to ethnographic fieldwork<sup>41</sup> carried out by an anthropologist in the context of multi-ethnic, mixed-age and occupational, rural and urban fieldsites inside Transnistria. We then attempt to draw conclusions about what Russia's disproportionate socioeconomic influence in the enclave means for Transnistria's claims to statehood and for a potential end to decades of stalemate.

### Privatizing Secession

#### Russian Foreign Direct Investment (FDI)

Frozenness has allowed for the development of certain idiosyncratic economic arrangements in Transnistria. Non-recognition has enabled Transnistria's soft borders to be penetrated by organized crime, illegal trade, unbridled migration, and trafficking in drugs and humans.<sup>42</sup> However, less studied by scholars and practitioners is how Transnistria's autonomous, unresolved status provides conditions that facilitate and perpetuate such illicit conduct. The region's *de facto* economic autonomy allowed the authorities in Tiraspol to privatize the region's many factories and enterprises outside of the control of Chişinău authorities. They did so only at the turn of the millennium, later than privatization in right-bank Moldova. This allowed Transnistria to delay industrial restructuring and layoffs, and was therefore conducive to the Igor' Smirnov government sustaining mass support.<sup>43</sup> From around the year 2000 onward, Transnistria, acting beyond Moldova's reach, allowed Russian big business to gain, through foreign direct investment (FDI), control of Moldova's most strategic industrial assets located inside Transnistria,<sup>44</sup> including steel, cement and hydroelectric plants.<sup>45</sup>

To date, Tiraspol's privatization sales to Russian big business are considered illegal and unrecognized by Moldovan authorities.<sup>46</sup> A group of American legal experts who examined the situation in Transnistria in 2006 concluded that, based on international law, "the TMR's privatization program is...exceedingly difficult to justify. Any private party taking part in this program as a purchaser consequently does so at its own risk."<sup>47</sup> Western capital is wary of investing in the region; not only would it be difficult to enforce one's property rights against well-connected locals in Transnistria's lawless environment, but there is also the longer-term risk that privatizations conducted under the current TMR government are challenged at a later date. Russian financiers, nonetheless, carry on with privatization.<sup>48</sup> Many have indirect links to Russian gas giant Gazprom, the world's third-largest corporation,<sup>49</sup> and by default some connection to the Kremlin. The acquired plants are strategic, albeit

not tremendously profitable, with the exception of the Moldovan Steel Plant. For these reasons, the acquisition of Transnistrian plants by Russian business interests may be more about investment in the geopolitical and economic position of the Russian state on the EU borderland<sup>50</sup> than about long-term profit-making ventures for corporations. As an added bonus, some plants may provide money-laundering opportunities for shareholders.<sup>51</sup>

The most productive and profitable of the almost dozen Russian-owned factories in Transnistria is the Moldovan Steel Plant (*Moldavskii Metallurgicheskii Zavod*, or MMZ),<sup>52</sup> located in the northern industrialized city of Rybnitsa. The MMZ is a relatively modern facility and, in 1998, was one of the first Transnistrian industrial assets to be privatized. Before the onset of the global economic crisis in 2008, the factory accounted for over half of Transnistria's industrial output and between 40 and 66 percent of the region's tax revenue. At maximum capacity, the MMZ can produce up to one million tons of steel and one million tons of laminated products per year. The EU and North America have been important export markets for the steel plant's goods, indicative of the plant's economic importance in a hypothetical integrated Moldova.<sup>53</sup> Nevertheless, it is principally Russian investors, not Moldovan ones, who have had control over the plant.<sup>54</sup>

Majority ownership of the joint-stock company that operates the MMZ has changed hands several times—from its initial privatization, when it was acquired by Russian gas intermediary Itera,<sup>55</sup> to its acquisition by Rumney Trust Reg. and EIM Energy Investment and Management Corporation between 2003 and 2004. While both companies are registered in Liechtenstein, they allegedly were previously controlled by Itera. At the time of the MMZ's initial privatization, Itera was the second-largest seller of natural gas in the post-Soviet region. The company was allegedly used by senior Gazprom managers "as a front company for the improper transfer of assets."<sup>56</sup> The Liechtenstein companies are said to own a combined 90.6 percent share of the MMZ.<sup>57</sup> A 2006 report by a group of Romanian investigative journalists which examined the controlling shareholders of these Liechtenstein entities found that a number of them were Cypriot nominees whose names could be linked through business records searches with several prominent Ukrainian business and political elites.<sup>58</sup> Reports from the Transnistrian and Russian media also state that political insiders from Ukraine hold passive stakes in the MMZ, while the factory's controlling shareholder and public face of the ownership group is Russian businessman Alisher Usmanov, through the 30 percent stake owned by his Metalloinvest holding company.

Metalloinvest emerged out of a company originally founded to manage Gazprom's metals assets.<sup>59</sup> The conglomerate is known for regularly engaging in joint ventures with Russian state-sponsored projects. Usmanov has close ties to the Kremlin and to Gazprom, dating back to his days as the general director of an entity called Gazprominvestholding. Usmanov has stated, in the context of his splashy gift of the Rostropovich-Vishnevskaya art collection (for which he paid US\$72 million) to the Russian government, that he is "ready to give Russia, if she needs it," everything that he has, because he is a "proud citizen of Russia."<sup>60</sup> Regarding Usmanov's ties with the Russian government, in August 2008 Usmanov's Metalloinvest was announced as the winner of a tender for rights to a major copper deposit being sold by the Russian state. The announcement was made a week before the tender had been scheduled to close and came the day after Usmanov pledged to contribute 39 million dollars to reconstruction efforts in South Ossetia. All of this suggests some identity of interests between Usmanov and the Russian government. While Metalloinvest

only owns 30 percent of the factory's shares, it is clearly the controlling shareholder, and Usmanov's role in the MMZ is emblematic of the trend toward Kremlin-linked capital acquiring control over Transnistria's key industrial assets.

Another example is the MMZ's next-door neighbor, the Rybnitsa Cement Plant. Usmanov's Metalloinvest acquired the plant in the spring of 2007; Usmanov's ties to the Russian government have later proved useful in securing contracts for the supply of large quantities of cement needed for the construction of new facilities for the 2014 Sochi Olympics. Thanks to the demand created by Sochi and the worldwide construction boom, the Rybnitsa Cement Plant, practically defunct until 2007, was slowly re-modernizing in 2007–2008.<sup>61</sup> Russian FDI allowed it and other factories in Transnistria to escape post-socialist trends towards permanent de-industrialization, common in right-bank Moldova. This has been the case even though Transnistrian heavy industry was not immune to fluctuating stoppages and workforce layoffs during the 2008–2009 worldwide economic crisis. Transnistria, strangely enough, may have been more vulnerable because its economy was perhaps more integrated with global markets—or was at least more export-oriented—than the rest of Moldova.

Another major Transnistrian asset that has come under the control of a Russian quasi-state actor in recent years is the Cuciurgan electric plant, which was purchased by Inter RAO, a subsidiary of Russia's United Energy Systems, after apparently being "laundered" through a preliminary transaction involving several offshore entities. The skimming of money by persons involved in this transaction of tens of millions of dollars and the failure of the Russian purchaser to deliver on its commitments to invest substantial sums in the electric plant led to something of a local scandal, resulting in the Transnistrian Minister of Justice, who was linked to the transaction, no longer being welcome in the region and forced to relocate to Moscow. Press accounts implicated two members of the Russian parliament who have traditionally been vocal in their support for Transnistria's independence.<sup>62</sup> The station's current operations are also alleged to represent a form of embezzlement: "The station operates on gas from Russia, for which it pays approximately half of the market price charged to [right-bank] Moldova. But even this money is not paid to Russia but rather is used by the Transnistrian authorities to cover their budget deficit."<sup>63</sup>

In the fall of 2007, Russia combined an act of economic influence with a potential expansion of its soft-power potential in Transnistria by having a state-run Russian radio broadcaster purchase a large broadcasting antenna located in the breakaway entity that had been used during the Soviet era for jamming Western radio signals. Today, though, it could be used for outgoing radio and TV broadcasts within the region.<sup>64</sup> Examples like this all point to Russia's shoring-up of its position in the Transnistrian-Moldovan region.

### **Economic Paternalism and "The Russian Way"**

In exchange for providing Russia with a socioeconomic presence to match its troops in the region and its power on Transnistria's Eurasian borderland, Russian industrial privatization appears to indirectly buttress local secessionist efforts at nation-building. Russian FDI does so financially, through company taxes and revenue to Transnistria's republican budget. Russian FDI even allows the secessionist regime-state to have an emblematic presence within its factory gates, through the promotion of nationalist imagery like hanging portraits of President Smirnov (in the Rybnitsa Cement Plant during the spring of 2004) and flying Transnistrian flags (at the MMZ).<sup>65</sup> In addi-

tion, Russian conglomerates allow Transnistrian factories to be locally managed and not completely “foreign” run, including in a locally legitimate Socialist-style work-organization fashion.<sup>66</sup> This is noteworthy in that it is the opposite of what happens in West-European-owned enterprises five kilometers across the river in right-bank Moldova, as outlined in another one of our studies.<sup>67</sup> The question then becomes: How does Russian acquisition of industrial assets in Transnistria impact local inhabitants’ attitudes towards Russia and the future of the stalemated conflict?

Russian ownership and development of Transnistrian industry keeps it at the heart of the region’s material survival and social imagination. Relatively successful plants like the MMZ are the TMR’s “*kommercheskaya taina*,” or “commercial secret.” As described in one of our earlier writings:

[The MMZ’s] high profits are represented by media and the *rybnichany* I know as ‘moral’, ‘communal’ and ‘sacrificial,’ as the plant dutifully pays taxes and monies to the TMR state budget (21 million dollars in 2005), proudly ensuring the state’s ‘[...] timely payment of pensions to pensioners [...] and] other social protections,’ according to the MMZ economic director.<sup>68</sup>

Behind such statements, the MMZ’s revenue buttresses what is believed to be the TMR’s founding ideology of a paternalistic, purportedly non-neoliberal “state,” making a fictive, non-state entity more attractive to my informants (even if Russia-dependent) than recognized right-bank Moldova. In the TMR, this economic paternalism is characterized by a state-regulated, socially oriented market economy,<sup>69</sup> in tandem with state-administrative distribution of social entitlements at a generous level thought to secure general mass support.<sup>70</sup> In Transnistria, this is at a level somewhat higher than in right-bank Moldova, as evidenced in Table 1.

As one local sees this paternalism, “It is the Russian way. [...] for the state to take care of its people. [...] to invest in the economy.”<sup>73</sup> This followed a comment about right-bank Moldova’s lack of investment in its economy and people. For her—a mixed-ethnic young adult living most of her life on the right-bank—left-bank Transnistria’s socially oriented economic ideology is associated with “the Russian way.” The fact that even non-Slavs find affinity with this concept suggests just how much “the Russian way” is perceived to be embedded in Transnistria. Russian investment in the economy through FDI and social assistance no doubt fuels this impression in people’s minds, as it makes possible the TMR’s paternalism. Transnistria’s tie to a “Russian way,” however, may prove challenging for conflict settlement in the context of a “Europeanizing” Moldova.

## **The Politics and Power of Debt**

### **Gas Games**

At the same time as Russian economic and political actors acquired some of Transnistria’s most desirable assets, they also gained additional leverage over Transnistrian elites by emphasizing the issue of payment for natural gas. Moldovan officials and foreign media claim that the Kremlin subsidizes Transnistria and its factories with cheap gas. However, allegations of subsidized gas are dubious, as Gazprom only has one contract for Moldova; there is no special contract for supplying gas to Moldova’s eastern region. This means that Transnistria is supposed to purchase gas from Gazprom at the same

**TABLE 1. State pensions and benefits in Republic of Moldova and Transnistria (2009)\***

Type of pension/benefit	Republic of Moldova	Transnistria
Monthly work pension (qualified work)	\$75–82 (900–1000 MDL)	\$74/89 (670/820 RTR)
Monthly work pension (unqualified work)	\$41–46 (500–570 MDL)	\$38/53 (350/500 RTR) <sup>1</sup>
Monthly unemployment benefit	\$32 (400 MDL)	\$37 (voluntary departure) \$60 (laid off)
Maternity (one-off giving birth)	\$123 (1,500 MDL)	\$325 (2,931 RTR)
Monthly child benefit	\$12 (150 MDL) for up to three years	\$37 (340 RTR)
Monthly incapacity/disability benefit	\$20 (243 MDL) if born with disability and up to age 18 \$47 (575 MDL) if disabled at and during work, based on medium income	\$37 (336 RTR) if born with disability and up to age 18 if disabled at and during work: unknown
Widow/widower compensation	\$32 (400 MDL)	\$38 (340 RTR)

\*Exchange rates applied: 1 USD = 12.16 MDL (Moldovan Lei); 1 USD = 9 RTR (Transnistrian Rubles)<sup>2</sup>

<sup>1</sup>These figures may actually be higher (see second number), as Transnistria's Minister of Finance announced in January 2010 that pensioners in Transnistria have been receiving their monthly payments about 150 Rubles (\$15) smaller than before, at the time data was collected (see "Tiraspol Hopes for Russian Help in 2010, Too," Infotag, 16 January 2010).

<sup>2</sup>Data was gathered by a trusted research assistant in the region in December 2009. The information was verified by cross-checking several websites, including the following in Transnistria: "Tiraspol hopes for Russian Help in 2010, Too," Infotag, January 16, 2010, and "A Series of Measures to Promote the Employment of People Offered," Parliamentary News of the Transnistrian Supreme Soviet, December 29, 2009, as well as "Russia's Financial Assistance for Transnistria," Infotag, February 20, 2009. In Moldova, the following information on social benefits was found up until 2007: Republic of Moldova Government Decision Number 325 from March 21, 2007 (published March 23, 2007) on social security benefits and the indexation of state benefits (cu privire la indexarea prestațiilor de asigurări sociale și a unor prestații sociale de stat), and "Average Amount of Allowance for Children" (e.g. on "unique allowance at the birth of the first child" and "unique allowance at the birth of every next child"), National Bureau of Statistics of the Republic of Moldova.

nominal rate as Moldova. Recently, this has been around US\$210 per 1,000 cubic meters. Another challenge to the myth of intentionally subsidized gas is the fact that even if Russian gas-supply to Moldova traditionally runs through Transnistria, another new gas pipeline—built in record time in early-to-mid-2007—now bypasses the region.<sup>74</sup> It is also important to note that there are no direct pipelines to Transnistrian plants; all gas transmission goes through intermediaries, belying rumors of factories' gas siphoning. Therefore, what in fact probably happens in Transnistria is officials' and factory managers' partial or non-payment of gas bills. The MMZ is a good example. It is reported to pay just US\$50 to \$90 (versus the market rate of US\$210) per 1,000 cubic meters for its gas. The plant makes gas payments to local Transnistrian authorities, as do residential consumers of gas, whose standard practice of not paying Gazprom has contributed to the region's colossal gas debt compared to the scale of its economy. This gas debt, along with factories' defaulting on payment, give Russia an important influence in the region—more than could be achieved by simple gas subsidies.

Transnistria's gas debt to Gazprom was estimated to be somewhere between US\$1.3 billion and \$2 billion in 2006–2007.<sup>75</sup> This is roughly triple the region's GDP. However,

according to local rumors, Transnistria is unconcerned about its debt. The officials' tactic is to run up big debts to Gazprom, shrug, say "we can't pay them, but take our entire infrastructure (e.g. MMZ shares, factories, and so on) as payment," then make the transfer of assets on that basis. Other rumors have alleged that Usmanov of Metalloinvest either acquired a part of Transnistria's debt to Gazprom or functions as an informal debt collector for the Russian gas giant.<sup>76</sup> In exchange, he purportedly receives more shares in the MMZ—beyond his current 30 percent.<sup>77</sup>

In any case, the MMZ and related gas debts provide the Russian government—via Usmanov and other big business interests—ongoing sources of substantial influence in Transnistria, not to mention in the whole of Moldova in the event of reunification. The gas debt can be used in the short term as a source of leverage with Transnistrian authorities, influencing everything from their internal politics to conflict resolution. For example, after the 2008 conflict in Georgia, anonymous Kremlin sources were quoted in the Russian *Kommersant* newspaper (owned by Usmanov) as saying that Russian President Dmitry Medvedev reminded maverick secessionist "President" Igor' Smirnov of Transnistria's mounting gas debt during a conversation out of which Smirnov "agreed" to return to the negotiating table with Chişinău.<sup>78</sup> It seems that one outcome of Transnistria not paying its gas bills or pretending that it is subsidized<sup>79</sup> is that the Smirnov regime has ceded substantial portions of Transnistria's *de facto* sovereignty to Moscow—in other words, the place cannot exist without Russia. A senior Transnistrian scholar corroborated this Russia-secessionist power balance in an interview with one of us, explaining:

Smirnov understands the difficult economic situation in the TMR (and with it the growth of dissatisfaction among the population about the worsening living conditions) can be somewhat alleviated only with Russia's help. Hence both [Smirnov and his Moldovan counterpart] will start negotiating if Russia demands it. This means that Russia controls the situation here pretty confidently.<sup>80</sup>

Meanwhile, Russian behind-the-scenes manipulation of Transnistria's gas supply and related debt continues to be used to reproduce the idea of Russian benevolence in the minds of the populace.

### **"Russia Helps Us!"**

So long as Transnistria does not have to pay up for its energy usage, average people in the region live with the false impression "gas is cheaper here" (i.e., subsidized, unlike in right-bank Moldova), in the words of one Transnistrian plant supervisor. The idea connects with "[...] Russia helps us!"<sup>81</sup> as explained on another occasion by a half dozen middle-aged, Russian-speaking, educated, male and female Transnistrian villagers of ethnic Ukrainian, Russian, Moldovan and mixed-ethnic background, nodding in agreement. All were sitting around a kitchen table drinking and gossiping about life in the village and region:

'People want Russia, but Russia doesn't want *Pridnestrovia* [Transnistria],' one person bemoaned. Still, when I [the anthropologist-author] probed about the possibility of reintegrating with Moldova or even joining neighboring Ukraine, the clear consensus was 'no! [...] because Russia helps us!'<sup>82</sup>

These villagers dismissed both settlement options on the grounds that neither country helps Transnistria like Russia, which is frequently referred to as a "big brother" (*starshii*

*brat*) by the local media. They connect gradually more visible Russian “humanitarian assistance” (due to recent droughts, flooding and financial-budgetary crisis) with the idea that Transnistria should join Russia, even as they are aware of its impracticality. It is a point that implicitly questions Transnistria’s bottom-up sustainability, as throughout the conversation they had nothing good to say about the way Transnistria is run:

‘The state doesn’t do that much [...]’

‘Rebecca, there is no democracy in this land.’ She and others around the table started arguing over how the state takes from them through things like excessive taxes and corruption. They hinted at too much money going towards the army and war veterans.<sup>83</sup>

Juxtaposed to this “taking” by Transnistrian authorities are villagers’ encounters with “charitable” Russian policies, like, for example, Russia’s payment of supplemental amounts to all pensioners in Transnistria, even those who do not hold Russian passports. This subsidy is identified on pension statements received by the elderly as coming from the Russian Federation, and is colloquially referred to as the “Putinka” in honor of Russia’s prime minister. We see these policies as encouraging people’s “big brother” tie to Russia.

In view of these Russian transnational programs, amid fluctuating socioeconomic stability in the region, more research needs to be done to test present-day public opinions toward Russia and an independently conceptualized Transnistria, which may currently be retreating at the grassroots level from what had seemed to be a trend toward embracing an independent “Transnistrian” identity. This would be *contra* Stefan Troebst’s 2003 prediction of a strengthening Transnistrian state and distinctive “nation,” and hence may substantiate Rebecca Chamberlain-Creangă’s 2006 argument that the creation of a steadfastly separatist-loyal polity of “Transnistrian people” was unlikely amid a social-structurally divided populace and unstable political-economic conditions.<sup>84</sup> Instead, future Transnistrian separatism will likely come to be more associated with loyalty to the Russian state and to a Russian linguistic-cultural identity and lifeworld.<sup>85</sup> Importantly, interlocutors’ statements imply that life is still considered “better” within Russia’s sphere of influence than in a reunited Moldova, even if it means continuing to live in an ever-weakening, unrecognized polity. These pro-Russian inclinations of rank-and-file residents of the region could pose a challenge to resolving the stalemated Moldovan–Transnistrian conflict,<sup>86</sup> as the Moldovan side increasingly embraces the EU<sup>87</sup> and is ambivalent about its relationship with Russia while the Transnistrian side unreservedly leans towards Russia. It is difficult to resolve a conflict and to reintegrate a country regionally divided in its orientation towards Russia/CIS and the EU.

## Competition for Citizens

### Russian Citizenship Policy

The rift is not helped by the Transnistrian people’s practice of obtaining Russian Federation citizenship and passports, apparently not discouraged by Russia. Russia’s generous citizenship policy increasingly targets disputed regions like Transnistria, Abkhazia, and South Ossetia—a policy that gives Moscow significant leverage in the post-Soviet space.<sup>88</sup> Nevertheless, it is important to note a key difference between the availability of Russian

passports in Transnistria and in the breakaway regions of Georgia. While in South Ossetia and especially Abkhazia, it was both practically impossible and socially unacceptable to obtain a Georgian passport and obtaining Russian passports was the only option for residents wishing to travel overseas, in Transnistria, conversely, many residents in effect have the chance to choose from the passports of several recognized states. In Transnistria, the figures, while inexact, suggest that residents are pragmatic and see multiple citizenships as a way of hedging their bets in the unstable post-Soviet era.

The Transnistrian region had a population of 550,000 in 2004, according to a census which was widely believed to have inflated the number of residents.<sup>89</sup> Assuming that the population is now somewhere between 400,000 and 500,000, the 100,000<sup>90</sup> to 140,000<sup>91</sup> Russian citizens in the region make up anywhere from one-fifth to one-third of this. Importantly, the vast majority of the political elites in Transnistria hold Russian passports—even those who are not ethnic Russians and were born locally, not on the present-day territory of the Russian Federation. Meanwhile, there are between 200,000 and 300,000 Moldovan passport holders, depending on sources.<sup>92</sup> By comparison, Ukraine now has as many as 90,000 individuals residing in Transnistria who hold Ukrainian passports, and who it claims as its citizens.<sup>93</sup> As competition between the states with perceived interests and co-ethnics in the region has heated up, Ukraine has simplified the process of applying for a Ukrainian passport for Transnistrian residents claiming Ukrainian ethnicity. According to one source, this policy has at least doubled Ukraine's number of citizens in the breakaway region.<sup>94</sup> Similarly, Moldova has offered passports to residents of its eastern region for dramatically reduced fees since 2006, which has added to its citizens there.

Regardless of the precise numbers, Russian President Medvedev has stated that he regards the presence of Russian citizens in foreign countries as essentially creating a right to intervene in the affairs of other countries in the name of "its citizens," as in the case of the South Ossetian conflict.<sup>95</sup> Russia's policy of making its passports available to residents of territories inside the internationally recognized borders of other sovereign countries, while questionable as a matter of international law,<sup>96</sup> is not unprecedented. Cross-border citizenship grants are not uncommon in Eastern Europe and the post-Soviet space, though they are generally uncontroversial and involve limited numbers of people. An exception to this, which draws a great deal of attention in Moldova, is Romania's controversial citizenship policy with respect to its right-bank residents.<sup>97</sup> From the perspective of everyday people in Transnistria, this manifestation of Russia's soft-power aspirations is very much welcomed, and is taken advantage of in practice. A short ethnographic example illustrates this.

### **Becoming Russian in Transnistria**

In summer 2006, "little Dima," as he is affectionately called by family and friends—a 19-year-old, mixed-ethnic Rybnitsa university student, and affable interlocutor to the anthropologist-author of this article—was one of 300 persons queuing for Russian passports at the Passport-Registration Office in downtown Rybnitsa on *Ulitsa Kuibysheva*. Dima reported that he came across an announcement about applying for Russian citizenship and excitedly told me how he waited from 11:00 at night until the morning in a long, determined queue. "I was 300th in line [...] to register for Russian citizenship."<sup>98</sup> Dima explained that Putin had issued a decree that Transnistrian citizens could obtain (the word actually used is *sdelat'* or "make") Russian citizenship for US\$30-50. He told me the

eligibility rule is that one must not have already made Moldovan citizenship, which he had not. This is a correct statement of Russian citizenship law, which generally does not allow dual citizenship. Dima said that he would need to go to Tiraspol in early 2007 to pick up his passport. He was ecstatic, telling his interlocutor, “Now I can maybe travel to London [to visit you...] a Russian passport is powerful.”<sup>99</sup> This contrasts to a “weak” Moldovan passport, in Dima’s opinion.<sup>100</sup>

Little Dima now lives in Russia. I received an email from him, less than half a year after returning from my fieldwork, informing me that he and his family had moved permanently to a medium-sized town in western Russia. Dima continues his university education there. He moved with his mother, younger brother, and mother’s boyfriend. All were born in Transnistria. None are ethnic Russian. Dima and his brother are mixed ethnic Ukrainian and Moldovan. His (divorced) mother is a local, Transnistrian-village-born Ukrainian, while his absent father is an ethnic Moldovan, residing on the right-bank when not working abroad. Dima’s family’s move to Russia was thanks not to familial links, but to a liberal Russian citizenship and passport regime for residents of Transnistria.<sup>101</sup>

While Dima’s story has a happy ending, it raises questions about the durability of Transnistrian *de facto* independence, especially when viewed alongside the other externally originating factors which erode the region’s embryonic “state”-hood. Young Dima had expressed a high degree of patriotic feeling toward Transnistria. Born, raised and educated in Transnistria, he resolutely did not like anything Moldovan. He stubbornly refused to study the Moldovan language as a university elective, even though he is half Moldovan. Dima was honest: “I don’t like the Moldovan language ...” he said, in spite of his birth father being ethnic Moldovan and residing in right-bank Moldova. Unlike other young, curious left-bank Moldovans and Russians his age, who (irrespective of language ability) viewed visits to the relatively developed right bank with interest, Dima did not seek to join them for day trips to Chişinău.

Dima is one of the many young people born and raised in the region whose only living memory is of a Transnistria separate from the rest of Moldova. Local scholars have found this generation to be the most hard-and-fast “Transnistrian.”<sup>102</sup> Transnistria is all they know. Policymakers and practitioners consider pro-Transnistrian youth a potential challenge to conflict settlement and reintegration.<sup>103</sup> However, although there is certainly a new generation of post-Soviet Transnistrian youth inculcated in the ideology of Transnistrian independence—their TMR nationalism fostered in Transnistrian public schools and universities<sup>104</sup> and during mandatory military service—many young people like Dima eventually emigrate or travel abroad regularly for work seeking greener pastures.<sup>105</sup> Despite their national sentiment, Transnistrian loyalists like Dima happen to be some of the first to move out of the country. Their Russian language skills, education, and youthful, upwardly mobile disposition no doubt propel their (em)migration eastward, as does their desire to belong to a powerful country to which Transnistria was once conjoined.<sup>106</sup> The tendency of the most patriotic residents of the region to migrate abroad raises questions about the sustainability of Transnistria’s *de facto* autonomy,<sup>107</sup> particularly when viewed alongside the region’s increasing dependence on and linkages to Russia—all of which impact conflict settlement possibilities.

### Factory Citizens

The desirability of Russian passports and culture is strong among Transnistria’s regionally born “aristocracy of labor.”<sup>108</sup> These russophone “heroes of labor” blockaded bridges and rail-

ways in Rybnitsa during the war in 1992 against what was perceived as Moldovan nationalist aggression.<sup>109</sup> While industrial workers champion the Transnistrian state's continuation, they also frequently obtain and covet the citizenship of other countries, particularly Russia. Non-Russians' attraction towards Russian citizenship is cultivated through Russian "soft power" policies and cultural activity drawing persons to it. Russian Federation passport officials pay regular visits to the MMZ compound, expediting citizenship and passport requests from employees and relatives. The requests are thought to be mostly from workers born in or hired from Russia—which constitute more than one-third of the factory's employees—although non-Russian steelworkers supposedly also have similar privileges.

The citizenship application process is further facilitated by local Russian cultural community groups for "compatriots" (as Russia refers to co-ethnics and former Soviet citizens living outside of Russia). Almost a dozen such groups exist throughout Transnistria's major cities and towns.<sup>110</sup> One of these is the 1,500-member-strong Rybnitsa Russian Community "A. V. Suvorov" (*Rybnitskaia russkaia obschina im. A. V. Suvorova*).<sup>111</sup> Included among its stated goals is: "[to] support and create the conditions necessary for people wishing to relocate to Russia or to become citizens." In Rybnitsa, these groups, interestingly, are organized and led by persons occupying major management positions in the MMZ Steel Plant. The President and Vice President of the A. V. Suvorov community group are the MMZ's principal Production Manager (V. Fedorov) and Trade Union Leader (A. Gvozdev). This finding is indicative of the multiple layers of linkages that exist between Russia and the Transnistrian industrial sector. It also shows how acquisition of Russian citizenship happens by way of, or is at least partially linked to, factories, which again suggests the new, post-ceasefire challenges the Transnistrian industrial sector poses to conflict settlement. Russian ownership of Transnistrian industrial assets (and the threat of collecting on their debts) not only gives Moscow leverage over territory in proximity to the EU borderlands, but also provides Russia with spaces (factories) through which its soft power influence can be manufactured through public sentiment, further legitimizing its presence.

### Conclusion

In the wake of the 2008 war in Georgia, finding a viable resolution to the Transnistrian conflict has become an increasing priority for Moldova and the international community—especially the EU<sup>112</sup>—as its newly expanded borderland reaches up to Moldova since Romania's 2007 accession. The EU desires a predictable, prosperous, secure frontier, to which a resolved Transnistrian conflict would contribute. However, there are ever-evolving sources of stalemate complicating resolution, involving shifting power balances and altering public opinion, which the EU and trans-Atlantic partners must take into account.

Over the past decade and a half, even with periodic rows between Moscow elites and Tiraspol officials, the relationship has been generally symbiotic, with Russia providing aid, investment and security guarantees and Transnistria providing a "pocket offshore" beneficial to regional businessmen-*cum*-officials, including Moldovans and Ukrainians.<sup>113</sup> Stalemate, in this way, became advantageous to all parties and regional mediators to the conflict. The benefits of protracted—yet frozen—conflict in this once-labeled "black hole of Europe"<sup>114</sup> outweighed the benefits of resolution for many of the relevant stakeholders. Meanwhile, the rank-and-file residents of Transnistria are bombarded by media intended to keep them fearful of the idea of reuniting with right-bank

Moldova; are generally able to leave the region if they wish to (which paradoxically provides a safety valve to release frustration with the region's authoritarian leaders); are often employed, if they remain in the region, by Russian-owned enterprises; and are provided for in their old age by aid supplemented by Russia. Over time, this has created a "self-reinforcing" stalemate, which scholars have demonstrated hinders "ripeness" for resolution.<sup>115</sup> Russia's increasing hard-power strength and soft-power presence is arguably a game-changer in the balance of power between Russia and the local Transnistrian authorities, and will have implications for the way in which stalemate and its resolution plays out in the future.

The balance is tipping in Russia's favor. Its acquisition of assets, debts and citizens gives it power outweighing Transnistria and the other stakeholders, such as Ukraine, in the "5+2" conflict negotiating format. Russia will have significant leverage in the settlement process even without a substantial military presence in the region—in the event that its troops depart.<sup>116</sup> It is doubtful this reality of Russian clout will change anytime soon, as Russian investors are not likely to sell or give up control of their assets in Transnistria, nor is the substantial portion of the local population holding Russian citizenship likely to renounce their coveted citizenship in favor of another passport or emigrate *en masse* to Russia.<sup>117</sup> As such, Russia will keep having reason to spread roots in the region.

All of this, we believe, connects with the less obvious, indirect ways Russia shores up its power and influence over the region and conflict-settlement process—via the very attitudes and preferences of populations of disputed and secessionist territories, such as the increasing numbers of persons in Transnistria disenfranchised over the future of their breakaway entity, especially following Russia's recognition of South Ossetia and Abkhazia and non-recognition of Transnistria.<sup>118</sup> This is concomitant with left-bank people's disinclination towards economically underdeveloped right-bank Moldova, and an increasing inclination towards "powerful" Russia, tangibly felt through its sustenance of everything from pensions to passports. In this way, Russian activity in the region appears to influence these outlooks among the break-away populace. These grassroots viewpoints and top-down, transnational actions impinge upon one another in a way that appears to move Transnistria closer to Russia and farther away from Moldova.

The empirical implication of all of this is that Russian power in Transnistria—particularly Russia's mounting influence over the *de facto* government and the general population—could be harnessed positively to promote Transnistrian-Moldovan settlement and reintegration. However, Russian entrenchment in the region is not about creating harmony between warring sides and among different actors. Neither is it simply about propping up an illicit "offshore" anymore, as in the chaotic days of post-Soviet transition. Today's Russia wants to be legitimately "Western," on equal footing with world players like the United States, Britain and Germany. As Russia sees it, this means having its own sphere of influence or "countries of special interest," as Russia believes America and Britain have.<sup>119</sup> Russia's presence, then, is rather about maintaining the TMR as a reliably pro-Russian bookend on the other side of Ukraine and as a potential base for projection westward, as Russia expresses concern about Moldova's aspirations towards the European Union.<sup>120</sup> It is for this reason that we view Moscow's activities in Transnistria and rank-and-file dispositions towards it as complicating conflict settlement.

We say this believing that Russia is not likely to support any settlement that threatens its ever-growing influence on the EU's eastern borderland—least not when its influence

is welcomed by average people in Transnistria and beyond. For evidence, we have only to look back to Russia's last preferred plan for settlement, the Kozak Memorandum, promoted and almost approved by Moldova and Transnistria in 2003<sup>121</sup>. The Kozak plan assured Russia's entrenchment in Transnistria and Moldova, at a time when Russia had even more modest aspirations as a world power than it does today. The settlement provided a pro-Russian Transnistria with disproportionate legislative representation and veto power in a reintegrated federal Moldovan state, while maintaining a controversial Russian troop presence on Moldovan soil. Under such an arrangement, Moldova's policymaking would likely have been Kremlin-influenced and the smaller country's permanent military neutrality guaranteed. The controversial plan was rejected by the Moldovan government, following pressure from the Moldovan public and from Western allies. Russia nevertheless still promotes a version of this model today,<sup>122</sup> undoubtedly believing it best guarantees its ongoing presence in the region.

Considering Russia's past proposals and present-day power ambitions, it is our opinion that if Russia cannot achieve a settlement on terms similar to the Kozak Plan, it is unlikely to push for resolution now. We doubt Russia will pressure Transnistria's leaders towards settlement, despite having the ability to do so, through the carrots and sticks of debt settlement and foreign aid discussed above. Instead, Russia is more likely to allow the conflict to remain unresolved, knowing it can bear upon Euro-Atlantic security just as effectively through the status quo of stalemate, with semi-legitimate Russian FDI and troops stationed in secessionist Transnistria, only 100 miles from NATO's borders, as much as through a Moldova reintegrated under Russia's preferred settlement plan. (That aside, we believe Russian recognition of Transnistria is unlikely, as this would give the region too much independence from Moscow's control, and fan the flame of separatism inside Russia's fragile federation, as well as risk Russia's recovering reputation with the West after the 2008 war with Georgia.) Besides, prolonged stalemate gives Russia more time to establish itself unreservedly in the "hearts and minds" of people in Transnistria. When it comes time for future settlement, a well-cultivated, Russian-disposed populace—and not just Russia alone—may be championing a pro-Russia settlement plan. Hedging our bets that Moldovan-Transnistrian conflict resolution is not likely until democratic-institutional maturity and power-sharing practice develops in each region<sup>123</sup>—not probable for another decade, which Russia knows—we see Russian activity in the region as contributing to new, evolving "micro-foundations" of stalemated conflict, which must be addressed on the path toward resolution.

Other authors have long cited the role of Russian influence in Transnistria in reproducing stalemate.<sup>124</sup> However, what we wish to add to the discussion is how this happens by way of a dialectical relationship between grassroots beliefs among residents of disputed territories and Russian soft and hard-power transnational activity. Theoretically, this is significant in that we believe it shows how the sphere of international relations—particularly the way in which the interests of powerful countries like Russia play out regionally—is intertwined with the everyday societal outlooks of those who live in areas of prolonged stalemated conflict. Rarely do we see scholarly attempts to connect anthropology, geopolitics, and business in literature, methods and data. We see this article as a step in that direction.

In closing, we use our interdisciplinarity to suggest how Transnistria can be pulled closer toward Moldova, not just toward Russia. This starts by the EU making Moldovan

citizenship attractive to persons in Transnistria (*vis-à-vis* Russian citizenship) through visa-free travel for Moldovan citizens in Schengen Agreement countries within the next two years, notably before Russian citizens receive the right. Chişinău authorities can also agree to acknowledge the results of Transnistria's privatization program—perhaps with the help of an EU-backed joint control commission to review possible disputed factory shares. The goal of such a decision would be to undercut “offshore” illegality in the region and to make it possible for Euro-American companies to purchase enterprises and Russian investors to profit by selling them at lucrative rates to prosperous Western buyers.<sup>125</sup> This would have the effect of giving Euro-America more influence in the region, balancing out Russian disproportionate control via Western FDI. Lastly, if Russia is a sincere partner in 5+2 conflict resolution, wanting Transnistria to rejoin right-bank Moldova someday, then Russia should consider how its transnational activity toward Transnistria (e.g. aid allowances) could happen by way of Moldova, in a publicly visible manner.

The alternative for the international community—doing nothing now on this seemingly distant EU borderland—is risky for regional security. This could lead to increasing economic decline and out-migration, which could in turn empty Transnistria's territory, leaving behind unstable local elites and a cohort of rural, relatively uneducated, older residents prone to follow populist leaders—and could cause deterioration of the social system and state structures. This scenario would actually be more problematic in the long-run for Moldovan-Transnistrian reintegration, for Transnistria would be an elite-captured enclave, controlled by fiefdoms and rife with ever-increasing crime and smuggling, making the prospects for reintegration all the more dismal. In order to avoid taking risks to regional security, the imperative is to tackle local and transnational sources of stalemate now.

## NOTES

The authors each conducted field research in Transnistria/Moldova for periods of time between 2004 and mid-2009. Since then, economic and political conditions have changed, including industrial ownership structures and levels of debts discussed in the article. As such, we have chosen to limit our discussion to the years of our fieldwork. Our research was made possible by “Embassy Policy Specialist” grants, awarded to both authors in 2007–08 and 2008–09 respectively, from the International Research and Exchanges Board (IREX) with funds provided by the United States Department of State through the Title VIII Program and the IREX Scholar Support Fund. Neither of these organizations is responsible for the views expressed herein. Moreover, we are grateful for comments on earlier drafts of our studies from workshop participants at the IREX and Woodrow Wilson International Center for Scholars' Kennan Institute (Title VIII sponsored) 2008 Regional Policy Symposium on “Frozen Conflicts and Unrecognized States in Southeast Europe and Eurasia” at the Woodrow Wilson Center in Washington, D.C. (April 9–11, 2008). The 2008 Winter International Symposium, “Trans-border Politics in the Black Sea Rims” at Hokkaido University, Sapporo, Japan (March 5–6, 2009) was also instrumental in developing the study.

1. Georgia's once-frozen conflict with South Ossetia had a number of similarities to the Transnistrian conflict, including a porous border, a certain level of ethnic intermingling, and a situation in which individuals on both sides of the conflict, as well as the peacekeepers, made money through illicit trade, providing incentive to see the conflict continue indefinitely. Notable differences between the South Ossetian case and the Transnistrian conflict include a stronger ethnic element to the conflict in South Ossetia than in Transnistria, including the possibility of unifying with the territorially contiguous North Ossetian region of the Russian Federation; in Transnistria, language

has been the more divisive issue, and unification with Russia—as well as Russian military intervention to the extent of Russia's 2008 incursion into Georgia—is an unrealistic possibility because Transnistria does not share a border with Russia.

2. This article uses “Transnistria” to refer to the region also known as Pridnestrov'e and Transdniester, without intending to suggest a political judgment in the selection of a toponym. See Stefan Troebst, “‘We are Transnistrians!': Post-Soviet Identity Management in the Dniester Valley,” *Ab Imperio* 4, no. 1 (2003): 437–466 for a discussion of the issues which arise when translating the word Pridnestrov'e from Russian to English.

3. The Transnistrian region has a population of 550,000 people, according to its most recent 2004 census. The topography of the region includes flat plains, rolling hills and steep river cliffs confined within a space of 4,163 square kilometers (1,626 square miles), about the size of Luxembourg. For more information consult Nikolai Babilunga et al., *Fenomen Pridnestrov'ia* (Tiraspol, 2000) and *The Atlas of the Dniester Moldavian Republic* (2nd edition), (Tiraspol, 2000).

4. See Sergey Markedonov, *Turbulentnaia Evraziia [Turbulent Eurasia]* (Moscow: Academia, 2010): 90–95 on the “Transnistria–Moldova Conflict.” For a detailed report on the violence, see Neil Lamont, “Territorial Dimensions of Ethnic Conflict: The Moldovan Case, 1991–March 1993,” *Journal of Slavic Military Studies* 6, no. 4 (1993): 576–612.

5. Angela Kachuyevski, “Seeking Solutions in Transnistria: Looking Beyond Russia to the Challenges of ‘Undoing’.” Paper presented at the IREX 2008 Regional Symposium: Frozen Conflicts and Unrecognized States in Southeast Europe and Eurasia, hosted in collaboration with the Kennan Institute of the Woodrow Wilson International Center for Scholars, Washington, D.C., April 9–11, 2008. Available at [http://www.irex.org/programs/symp/08/Kachuyevski\\_Angela\\_Executive\\_Summary.pdf](http://www.irex.org/programs/symp/08/Kachuyevski_Angela_Executive_Summary.pdf) (accessed June 30, 2010).

6. For a more in-depth look at the issues behind the conflict, see the report by the Conference on Security and Cooperation in Europe, “Transdniestrian Conflict: Origins and Main Issues” (Vienna: CSCE Conflict Prevention Centre, 1994). Available at <http://www.osce.org/moldova/13173.html> (accessed October 10, 2010). For an earlier discussion of how some of the factors discussed in this article were relevant to the initial conflict, see Charles King, “The Benefits of Ethnic War,” *World Politics* 53, no. 4 (July 2001): 524–552.

7. Charles King, *The Moldovans: Romania, Russia, and the Politics of Culture* (Stanford: Hoover Institution Press, 2000).

8. Stuart Kaufman and Stephen Bowers, “Transnational dimensions of the Transnistrian conflict,” *Nationalities Papers* 26, no. 1 (1998): 129–46.

9. See Nicu Popescu, “Transnistria's Survival” in Monica Heintz (ed.), *Weak State, Uncertain Citizenship: Moldova* (Frankfurt am Main: Peter Lang, 2008): 55–70. The peacekeeping format has been dominated by Russia, the only third party to have troops in the region, despite Russia's promises to withdraw its 1,200–1,500 servicemen from the region as part of the commitments agreed to at the OSCE summit in Istanbul in 1999. There are also 21,000 tons of ex-Soviet hardware and ammunition remaining in Transnistria, which were also supposed to be withdrawn under the Istanbul Commitments. Russia has since backed away from honoring the Istanbul Commitments related to its troops and armaments in Transnistria. In 2004, the European Court of Human Rights noted that “[t]he Russian army is still stationed in Moldovan territory in breach of the undertakings to withdraw them completely given by the Russian Federation at the OSCE summits in Istanbul (1999) and Porto (2001).” *Ilașcu et al. v. Russia and Moldova, Eur. Ct. H.R.* (2004). For more information on the dispute over the Istanbul Commitments, see also NATO, “Questions and Answers on CFE,” policy memo c. 2007, available at [http://www.nato.int/issues/arms\\_control/cfe\\_qa\\_factsheet.pdf](http://www.nato.int/issues/arms_control/cfe_qa_factsheet.pdf) (accessed October 4, 2010).

10. Nicu Popescu, “Transnistria's Survival,” and Jeff Chinn, “The Case of Transdniester (Moldova),” in Lena Jonson and Clive Archer (eds.), *Peacekeeping and the Role of Russia in Eurasia* (Boulder and Oxford: Oxford 1996): 103–120; and Mihai Gribincea, *Trupele ruse în Republica Moldova: Factor stabilizator sau sursă de pericol?* [*Russian Troops in the Republic of Moldova: A Stabilizing Factor or a Source of Danger?*] (Chișinău, 1998).

11. Alla Stoeva, “Manipulation of Consciousness in Transnistrian Mass Media,” *Mass Media in Moldova*, December 2005, 24–26; Dumitru Mânzărari, “Information or Illusion,” *Mass Media in*

Moldova, June 2007, 26–28.

12. Nicu Popescu, “Transnistria’s Survival,” 57.

13. Pål Kolstø and Andrei Malgin, “The Transnistrian Republic: A Case of Politicized Regionalism,” *Nationalities Papers* 26 (1998): 103–12.

14. Transnistria was once a showcase for Soviet industry, while right-bank Moldova specialized in agriculture. This left Moldova with fewer industrial resources than Transnistria in the post-Soviet era. See Charles King, *The Moldovans*. Regarding socioeconomic factors, see also Valeriu Moşneaga and Alexei Tulbure in “Some Aspects of the Trans-Dniestrian Problem,” in Hans-Georg Ehrhart and Oliver Thränert (eds.), *European Conflicts and International Institutions: Cooperating with Ukraine* (Baden-Baden, 1998): 135–144.

15. Stefan Troebst, “‘We are Transnistrians!’” and Vladimir Solonari, “Creating a ‘People’: A Case Study in Post-Soviet History-Writing,” *Kritika: Explorations in Russian and Eurasian History* 4, no. 2 (2003): 411–438.

16. See Rebecca Chamberlain-Creangă, “The Transnistrian People?: Citizenship and Imaginings of ‘the State’ in an Unrecognized Country,” *Ab Imperio* 4, no. 4 (2006): 371–399.

17. Jeffrey Rubin, “The Timing of Ripeness and the Ripeness of Timing,” in Louis Kriesberg and Stuart Thorson (eds.) *Timing the De-escalation of International Conflicts* (Syracuse: Syracuse University Press, 1991): 237–246. See also Ulrich Schneckener and Stefan Wolff (eds.), *Managing and Settling Ethnic Conflicts: Perspectives on Successes and Failures in Europe, Africa and Asia* (New York: Palgrave MacMillan, 2004).

18. On the anthropological study of conflict, see, for example, Georg Elwert, Stephan Feuchtwang and Dieter Neubert, “The Dynamics of Collective Violence” in *ibid* (eds.) *Dynamics of Violence: Processes of Escalation and De-escalation in Violent Group Conflicts* (Berlin: Duncker and Humblot, 1999): 7–31, as well as Paul Richards (ed.), *No Peace, No War: An Anthropology of Contemporary Armed Conflicts* (Athens, OH: Ohio University Press, 2005). On the social-psychological study of conflict, review Dean Pruitt, Sung Hee Kim and Jeffrey Rubin, *Social Conflict: Escalation, Stalemate, and Settlement*, third edition (Boston: McGraw-Hill, 2004).

19. See Paul Richards (ed.), *No Peace, No War*, and Valery Tishkov, *Chechnya: Life in a War-Torn Society* (Berkeley: University of California Press, 2004). More concerned with the intersection of societal and transnational factors in conflict than the latter books is sociologist Georgi Derluguian’s monograph, *Bourdieu’s Secret Admirer in the Caucasus: A World-System Biography* (Chicago: University of Chicago Press, 2005). Derluguian’s thoughtful analysis of how ethnic violence emerged in the Caucasus amid the Soviet Union’s collapse, however, has narrow relevance for this article’s focus on protracted, nonviolent, non-ethnic conflict in the post-Socialist 21st century, and so is not engaged further. Moreover, anthropologists appear to pay little attention to “stalemates” as particular types of conflict in the first place. This is evidenced in one of the few volumes dedicated to a contemporary anthropology of conflict, *No Peace, No War* (Paul Richards, ed.)—a title resonating with Transnistria’s deadlocked, liminal status between violence and settlement—but which provides no examples of stalemated conflict.

20. A good exception is Fithen and Richards’ 2005 study of militia solidarities in Sierra Leone, illustrating the global-local interplay through the example of security companies linked to the international diamond mining industry in the country making possible seemingly traditional, “barbarous” militia mobilization.

21. On the social context of war, see Paul Richards, *No Peace, No War*, 3.

22. We use this term to describe the de facto government and state-like apparatus which currently controls the territory of Transnistria.

23. See Rebecca Chamberlain-Creangă, “The Transnistrian People.”

24. Anatol Gudîm, *Evolution of the Transnistrian Economy: Critical Appraisal* (CISR report). Chi in u, 2001. Available at <http://www.cisr-md.org/reports/cont-transn.html> (accessed October 1, 2010).

25. This also includes the other secessionist regions studied by Kimitaka Matsuzato in “From Belligerent to Multi-ethnic Democracy: Domestic Politics in Unrecognized States after the Ceasefires,” *Eurasian Review* 1, Winter (2008): 98–99.

26. According to Moldovan authorities, out of Transnistria’s population of 555,000, 58.7 percent

of persons in Transnistria older than 16 have at least one type of Moldovan identity document, including a passport. See *Moldova Suverana*, July 25, 2007.

27. Moreover, the TMR's lack of structural capacity is noticeable when masses of peoples from Transnistria obtain legal documents on the right, not left bank. This is most notably true for marriage certificates, which need international recognition when applying for other documents, like European-country visas. All of my several dozen informants from left-bank Rybnitsa, who married within the past decade and a half, after Transnistria's founding, were married by law in right-bank Rezina (at the Oficial Starii Civil) under the banner of a Moldovan, not Transnistrian flag. Another structural challenge to TMR *de facto* independence is that half of the region's able-bodied population is working abroad. Labor migration from Moldova and Transnistria rose to alarming levels starting in 1994. Transnistria alone has around 200,000 persons working abroad – almost half of its official population of 555,000. (Interview with Evgenii Shevchuk, Chairman of the Supreme Soviet Parliament, “Transnistrian Moldovan Republic,” conducted by Rebecca Chamberlain, Tiraspol, March 7, 2008.)

28. “As one informant told me, ‘who wants to exchange the documents from a superpower for a passport from a banana republic.’” See Mike Bobick, “Bespredel and Belonging: Bodies, Politics, and Publics in the Transnistrian Moldovan Republic,” unpublished manuscript, 2010.

29. One scholar refers to this as the “outsourcing of *de facto* statehood,” whereby secessionist authorities allow other countries to assist with or assume control over their state-like functions. Nicu Popescu, “Outsourcing De Facto Statehood,” CEPS Policy Brief, 2006. See also Florian Muhlfrid, “Citizenship at War: Passports and Nationality in the 2008 Russian-Georgian Conflict,” *Anthropology Today* 2: 8–13.

30. For evidence of Transnistrian officials wanting Russian troops in Transnistria to protect the region, read “Smirnov: Pridnestrov'e ne protiv rossiiskih raket” [“Smirnov: Transnistria is not against Russian missiles”], *InterFax*, February 15, 2010, available online at <http://www.interfax.ru/txt.asp?id=123748&sec=1476> (accessed September 16, 2010). Rank-and-file perceptions of Russian troops are based on personal communication with fieldwork interlocutors.

31. Stuart Kaufman and Stephen Bowers, “Transnational dimensions of the Transnistrian conflict.”

32. This was witnessed after the 2008 Georgian war over South Ossetia, when the Russian and Moldovan Presidents swiftly met to assure Transnistria's peace, even if not settlement. Renewed armed hostility was generally perceived to be unlikely in Transnistria.

33. In the context of contemporary Russian foreign policy, this phrase was coined by President Medvedev shortly after the 2008 war in Georgia as he articulated five fundamental principles of Russian foreign policy: “As is the case of other countries, there are regions in which Russia has privileged interests. These regions are home to countries with which we share special historical relations and are bound together as friends and good neighbours. We will pay particular attention to our work in these regions and build friendly ties with these countries, our close neighbours.” In the context of this article, it should also be noted that the fourth principle articulated by Medvedev included commitments to “protect the lives and dignity of our citizens, wherever they may be” and to “protect the interests of our business community abroad.” Interview given by Dmitry Medvedev to Television Channels Channel One, Rossia, NTV, August 31, 2008, available at [http://archive.kremlin.ru/eng/speeches/2008/08/31/1850\\_type82912type82916\\_206003.shtml](http://archive.kremlin.ru/eng/speeches/2008/08/31/1850_type82912type82916_206003.shtml) (accessed October 15, 2010).

34. Nicu Popescu, “Russia's Soft Power Ambitions,” Centre for European Policy Studies (CEPS) Policy Brief 115, October 26, 2006.

35. The goal is to influence the decisionmaking of countries in alignment with the “soft power” state. See Joseph Nye, *Bound to Lead: The Changing Nature of American Power* (New York: Basic Books, 1990) and *ibid.*, *Soft Power: The Means to Success in World Politics* (Cambridge, MA: Perseus, 2004).

36. Kimitaka Matsuzato, “Identity Politics in Unrecognized Abkhazia and Transnistria: Inter-Orthodox Relations and Trans-border Minorities.” Paper presented at the 39th National Convention of the American Association for the Advancement of Slavic Studies, New Orleans, Louisiana, November 15–18, 2007.

37. More precisely, 255,000,000 Russian rubles were transferred to the Transnistrian Parliament's

account around February 18, 2009. The Kremlin's choice to give this money to the Transnistrian Parliament, or Supreme Soviet, and not the Executive branch under the control of President Igor Smirnov is an example of Russia's use of its largesse to reward or punish local actors and perpetuate a situation where all are dependent to a certain extent on ties with Moscow in order to maintain their local standing.

38. For ordinary people's perceptions of welfare in Transnistria and right-bank Moldova, see Rebecca Chamberlain-Creangă, "The Transnistrian People."

39. Over 6 million US dollars will be spent on support for pensioners, while 880 thousand US dollars will go towards maternity hospitals, orphan and boarding schools, and elderly homes ("Pridnestrovie received humanitarian financial aid from the Russian Federation." *Parliamentary News*, February 19, 2009.) As a point of reference, in 2006 Russian humanitarian aid to Transnistria amounted to 77 million US dollars (Infotag, February 20, 2009).

40. The line between factory and politics in Transnistria is a blurred one. Many major private enterprises are owned or operated by a state or municipal politician. What "politics" exists in Transnistria plays out in factories and via business interests. Workers are mobilized for election campaigns and political action. Workplaces are proxy sites of election voting, sometimes by way of early Soviet-style unanimous voting in work collectives. Examining these dynamics is important at a time of nascent political competition and pluralism in Transnistria, considered crucial for Moldova's future reintegration.

41. Ethnographic fieldwork in Transnistria and Moldova was carried out during 2004–2006 and summer 2007 and spring 2009.

42. Dan Ionescu, "Life in the Dniester 'Black Hole,'" *Transition* 20, no. 2 (1996). These issues have continued to bedevil the region, albeit to a lesser extent, even after the introduction of the EU Border Assistance Mission in late 2005.

43. Igor Munteanu et. al, *Moldova pe Calea Democrației și Stabilității [Moldova on the Road to Democracy and Stability]*, (Chișinău: Cartier, 2005): 137. This connects with a point made by economist Anatol Gudîm that stalemate permitted the secessionist regime to carve out its own post-socialist economic path, avoiding sharp economic liberalization and developing a socially oriented market economy with high state regulation of economic processes. Anatol Gudîm. Evolution of the Transnistrian Economy: Critical Appraisal (CISR report). Chișinău, 2001, available at <http://www.cisr-md.org/reports/cont-transn.html> (accessed September 30, 2010).

44. See Angela Kachuyevski, "Seeking Solutions in Transnistria." Also note: "[I]n the last two years the Tiraspol authorities have proceeded actively to sell the enterprises situated in the region. These enterprises are sold especially to citizens of the Russian Federation. Regarding this is the plant 'Pribor' in Bender, the enterprise 'Moldavizolit' in Tiraspol, 'Buket Moldavii' in Dubasari, the cable plant in Bender and the shoe factory 'Tighina' The single objective is to assure Russia has enough geopolitical and economic advantage [...]" (Munteanu, *Moldova pe Calea Democrației*, 137.)

45. Two of the factories are located in the city of Rybnitsa, where author Chamberlain conducted ethnographic field research for almost sixteen months.

46. The position of Chișinău authorities on Transnistrian privatization has changed several times over the years. Toward the end of his second term in office, Moldovan President Voronin made it clear that he would be willing to provide a guarantee that the Transnistrian privatization results will remain unchallenged as part of his government's "package" settlement proposal. More recently, under the Alliance for European Integration coalition government, recognition of the results of the Transnistrian privatization program appears to still be something that Chișinău would be willing to use as a bargaining chip in settlement talks.

47. The Association of the Bar of the City of New York, *Thawing a Frozen Conflict: Legal Aspects of the Separatist Crisis in Moldova* (2006), 66–72. Available at <http://www.nycbar.org/pdf/report/NYCity%20BarTransnistriaReport.pdf> (accessed October 15, 2010).

48. Because of the timing of our fieldwork, we were not able to fully assess the impact of the global economic downturn on Russian and Ukrainian FDI in Transnistria, however it seems possible that one consequence may be a change in investment trends in the region. On the other hand, it appears Transnistria may be sharing in Russia's economic "bounce" in 2010 (in July 2010,

the region published figures stating that its first-half 2010 industrial output had risen 27.1 percent year-on-year), and if Alisher Usmanov's own fortunes are any indication, the purchasing power of Russian capital did not suffer lasting diminution due to the recent crisis—Usmanov's rankings in the annual Forbes list of billionaires have followed the boom-bust-rebound trend of the Russian economy: 278th in 2006, 142nd in 2007; 91st in 2008; 450th in 2009; and 100th in 2010.

49. Gazprom has been described by one leading Russian political commentator as a “second foreign ministry” which may be more powerful than Russia's official Ministry of Foreign Affairs. Remarks by Lilia Shevtsova at the American Institute for Contemporary German Studies, October 1, 2007, author's notes.

50. Munteanu, *Moldova pe Calea Democrației*. Russian economic strength in the breakaway entity bolsters Russia's geopolitical influence on the European Union's (EU) eastern flank, obstructing EU and NATO expansion aspirations into Moldova and Ukraine, Russia's imagined traditional sphere of influence.

51. Transnistria's unrecognized status may also provide an ‘off shore’ tax haven for big business evading taxes. Transnistrian factories become front companies through which corporations' true profits are disguised and taxes avoided.

52. The company's website is <http://www.aommz.com>.

53. Andrei Brezianu, *Historical Dictionary of the Republic of Moldova* (Lanham, MD, 2000): 165–166. MMZ is supposedly the world's leading producer of “black steel” (*chernyi prokat*). Because of MMZ's disproportionate and positive influence, industrial growth is consistently higher in Transnistria than in the rest of Moldova. This is because of the strong demand for Transnistria's steel and metal on global markets in the decade preceding the 2008–09 global economic downturn. External commerce was developing dynamically in Transnistria with 50 percent of exports delivered to non-CIS countries (see IDIS Viitorul financial reports 2005–2006). However, this started to change when the European Union penalized the plant in winter 2009 for “dumping” cheap steel on European markets.

54. Paul Starobin & Catherine Belton, “Gazprom: Russia's Enron?” *BusinessWeek*, February 18, 2002, available online at [http://www.businessweek.com/magazine/content/02\\_07/b3770079.htm](http://www.businessweek.com/magazine/content/02_07/b3770079.htm) (accessed October 11, 2010).

55. The MMZ's power is not just in its high-tech innovation and production. Plant leadership has been known to assume quasi-state functions, such as negotiating at least once with the Organization for Security and Cooperation in Europe (OSCE). This happened in summer 2004 when the OSCE and MMZ effectively bypassed Transnistrian central authorities in finding a resolution to local civil unrest in Rybnitsa – the outcome of which had bearing on the MMZ's production and sales. The case of civil unrest refers to confrontations between minority ‘Romanian’ speakers and TMR police over the latter's forcible closure of ‘Romanian-language’ schools operating in Rybnitsa, Tiraspol, Bendery and other towns throughout Transnistria during summer 2004. As the story with the steel plant goes, the MMZ's exports (via new customs-stamp approval) were under threat from Chișinău authorities, angry at the civil unrest against co-ethnics in Transnistria. In exchange for Chișinău customs/export approval, the MMZ agreed to give one of its old kindergartens to the disenfranchised, Chișinău-subordinated Romanian-language school in Rybnitsa.

56. Paul Starobin and Catherine Belton, “Gazprom: Russia's Enron?” *BusinessWeek*, February 18, 2002.

57. EIM owns 45.6 percent of shares, Rumney Trust Reg. 45 percent, Steel Invest Limited 8.23 percent, while 1.17 percent of shares are owned by individuals. The Austrian–Ukrainian Hares Group also once had shares in the plant. For more detailed information, see the MMZ website: [http://www.aommz.com/pls/webus/webus.main.show?main\\_id=10&m\\_id=67](http://www.aommz.com/pls/webus/webus.main.show?main_id=10&m_id=67) (accessed October 1, 2010).

58. Ștefan Căndea and Sorin Ozon, “The Oasis,” Romanian Centre for Investigative Journalism, July 19, 2006, available at [http://old.crji.org/arhiva/e\\_060719.htm](http://old.crji.org/arhiva/e_060719.htm) (accessed October 1, 2010).

59. Anita Raghavan, “The Hard Man of Russia,” *Forbes*, March 29, 2010, available at <http://www.forbes.com/forbes/2010/0329/billionaires-2010-europe-usmanov-internet-media-hard-man-of-russia.html> (accessed October 1, 2010).

60. “Usmanov Has Promised to Shower Russia with Gifts,” Lenta.ru, October 1, 2007, available

at <http://lenta.ru/news/2007/10/01/everything/> (accessed October 3, 2010).

61. Vadim Dubnov, “Pridnestrovskaia Model’ v Natural’nuu Velichinu” [“A Full-Scale Transnistrian Model”], *Gazeta.ru*, October 13, 2008, available online at <http://www.gzt.ru/topnews/politics/203763.html> (accessed October 4, 2010).

62. Andrei Dorofeev, “Kak ‘Russkie Patrioty’ Grabiat Prorossiiskie Anklavy – Issledovanie Eksperta” [“How ‘Russian Patriots’ Steal from Pro-Russian Enclaves – Expert Report”], *Novyi Region* 2, November 23, 2005, available at <http://www.nr2.ru/crimea/47172.html> (accessed October 4, 2010).

63. Described in Chamberlain-Creangă, “The ‘Transnistrian People’?,” 2008, 113.

64. Vitalii Kulik, “Kto ‘Zakazal’ Ukrainu v Pridnestrovskom Uregulirovanii” [“Who ‘Took out a Hit’ on Ukraine in Transnistrian Settlement Process?”], *Politika+*, June 30, 2010, available at <http://www.politika.org.ua/?p=1812> (accessed October 2, 2010).

65. Lenta PMR, “Pridnestrov’e Ustupit Moshchneishii Maiak Rossii” [“Transnistria to Cede Powerful Beacon to Russia”], October 1, 2007. This speaks of a purchase price of over \$3 million and suggests that the auction was not going to be a competitive one.

66. This refers to shop-floor employees being subordinated not to managers, but to trade-union leaders like in socialist days, as explained in a written interview with Evgenii Berdikov, Rybnitsa Cement Plant Manager, February 2006. Moreover, Soviet-nostalgic signs and slogans (like “Praise Labor!” and “Celebrate 50 years of the USSR”) also dot factory walls and old machinery, reminding workers of a proud “Slavic” socialist past, which the Transnistrian state sees itself in continuity with. Such imagery seemingly regenerates a national(ist) narrative promising socioeconomic stability and rootedness in something larger than the individual.

67. Rebecca Chamberlain. “Between Money and Soul: Slav Minorities’ Moral Economy in a Trans-national Cement Factory.” Paper presented at the American Social Science Research Council’s (SSRC) Inter-Asian Connections Conference, workshop Post-collective Economic Lives and Livelihoods: Studies of Economy, Institution and Everyday Practice in Post-socialist Eurasia and Asia, Dubai School of Government, Dubai, United Arab Emirates (UAE), February 21–23, 2008.

67 This is according to the MMZ’s economic director in an interview in “Kak Rybnitsa Porabotai s Biudzhetom Rasschitalis’,” *Dobryi Den’*, February 9, 2005: 1, quoted in Chamberlain-Creangă, “The ‘Transnistrian People’?,” 2008, 113.

68. Informal conversation with anonymous interlocutor in Rezina, Republic of Moldova, conducted by Rebecca Chamberlain, spring 2010.

69. Contrary to Western media depictions, for clarification, we do not believe the TMR is a communist country, as it does not meet the criteria for being communist or “socialist” laid out in Verdery, 1998. Its Communist-economic appearance is due to the TMR’s continued use of certain Soviet-era symbols and its high level of state regulation of economic processes. See Anatol Gudîm, “Evolution of the Transnistrian Economy.”

70. On socialist paternalism, see Katherine Verdery, *What Was Socialism, and What Comes Next?* (Princeton: Princeton University Press, 1996): 24–26.

71. Interview with anonymous Western diplomat in Chişinău, Moldova, August 2007.

72. These figures may actually be higher (see second number), as Transnistria’s Minister of Finance announced in January 2010 that pensioners in Transnistria have been receiving their monthly payments about 150 Rubles (\$15) smaller than before, at the time data was collected (see “Tiraspol Hopes for Russian Help in 2010, Too,” *Infotag*, 16 January 2010).

73. Data was gathered by a trusted research assistant in the region in December 2009. The information was verified by cross-checking several websites, including the following in Transnistria: “Tiraspol hopes for Russian Help in 2010, Too,” *Infotag*, January 16, 2010, and “A Series of Measures to Promote the Employment of People Offered,” Parliamentary News of the Transnistrian Supreme Soviet, December 29, 2009, as well as “Russia’s Financial Assistance for Transnistria,” *Infotag*, February 20, 2009. In Moldova, the following information on social benefits was found up until 2007: Republic of Moldova Government Decision Number 325 from March 21, 2007 (published March 23, 2007) on social security benefits and the indexation of state benefits (cu privire la indexarea prestațiilor de asigurări sociale și a unor prestații sociale de stat), and “Average Amount of Allowance for Children” (e.g. on “unique allowance at the birth of the first child” and

“unique allowance at the birth of every next child”), National Bureau of Statistics of the Republic of Moldova.

74. In early 2006, official Transnistrian sources acknowledged that their debt to Gazprom was in excess of 1.5 billion US dollars, although in 2007 the same authorities alleged that the debt was only 1.3 billion US dollars. Some Chişinău officials believe it to be as high as 2 billion US dollars.

75. In 2007, the plant manager at MMZ, Anatoly Belitchenko, accidentally made a public statement to a journalist that Usmanov had acquired Transnistria’s debt to Gazprom. Dmitry Matveev and Inna Kramarenko, “Anatolii Belitchenko: Pridnestrovskii Gazovyi Dolg Pereshel k Rossiiskomu Kholdingu ‘Metalloinvest’” [“Anatoly Belitchenko: Transnistrian Gas Debt Transferred to Russian Holding Company Metalloinvest”], *Novyi Region 2*, March 21, 2007, available at <http://www.nr2.ru/pmr/110416.html> (accessed September 30, 2010). Although the statement was made at a public press conference, the journalist who published the remarks was asked not to do so by factory management. His interpretation of that part of the incident was that it reflected the inexperience of Transnistrian factory managers in dealing with the press (interview conducted by Lyndon Allin, September 2008). Other news outlets had juicier headlines for this story. See Svetlana Gamova and Mikhail Sergeev, “Gazprom’ Peredal Pridnestrov’e Alisheru Usmanovu” [“Gazprom Transfers Transnistria to Alisher Usmanov”], *Nezavisimiaia Gazeta*, March 23, 2007, available online at [http://www.ng.ru/economics/2007-03-23/1\\_gazprom.html](http://www.ng.ru/economics/2007-03-23/1_gazprom.html); Ekaterina Tsyrlina and Alexei Sadykov, “1.2mlrd Dollarov dlia Usmanova” [“\$1.2bn for Usmanov”], *RBK Daily*, March 23, 2007, available at <http://www.rbcdaily.ru/2007/03/23/tek/269330> (accessed October 4, 2010).

76. The details of many of the transactions described above are unsubstantiated, and any attempt to depict the present situation can only be based on rumors and allegations, many of which are published in often unreliable newspapers or even less reliable news websites. It is therefore impossible to draw conclusions on the current status of Transnistrian industrial assets with complete certainty.

77. Russia can also use the gas debt to extract additional concessions from the Chişinău authorities in the event of a potential conflict settlement.

78. Local opposition newspaper *Novaya Gazeta* decried the local authorities’ policy of “insisting to the population that gas is delivered on special terms” and hinting that “Russia loves us and will eventually write off this debt,” concluding that the revelations about the gas debt meant that “We have seen the true status of the [Transnistrian] Republic. We have been sold. And the buyer can do with us as he pleases.” “Respublika Prodana’: Pridnestrov’e za Nedeliu” [“The Republic has been Sold: Transnistria Weekly Press Review”], *Regnum*, April 4, 2007, available online at <http://www.regnum.ru/news/807700.html>.

79. Interview with anonymous Transnistrian professor from the “Shevchenko” Transnistria State University, conducted by Rebecca Chamberlain, September 2008.

80. Ethnographic fieldnotes of Rebecca Chamberlain, May 2010.

81. Chamberlain-Creangă, 2009 ACTR-ACCELS report.

82. Rebecca Chamberlain, May 2009 fieldnotes. In this context, it is interesting to recall a couple of puns on the TMR’s Russian name, Приднестровская Молдавская Республика, or ПИМР. The joke in the early 1990s was that ПИМР stood for “Помоги мне, Россия!” (“Help me, Russia!”); later, as Smirnov and his family came to be more entrenched in power, the abbreviation was jokingly held to stand for “Папина и Моя Республика” (“Daddy’s and my republic”).

83. The TMR’s ability to unify the diverse identities within its territory and to construct a hegemonic identity along national-patriotic lines—the *sine qua non* of a modern nation-state—seems only superficially successful, as just a segment of the population finds notable identification with “Transnistria” (see Chamberlain-Creangă, 2006, for an explanation). This statement is made well aware that “identity” (whether national, ethnic, class, etcetera) can be an objective category and/or a subjective self-identification at the individual level. When multiple individuals become fixated around a particular category is when a collective or social group identity can be said to exist. However, individuals and groups are only ever temporarily fixated around a category. The role of the ethnographer is to explain how, when and why individuals and groups become linked to specific categories of identification. This is considered a constructivist, interactional, processual view of identity formation, in the vein of Brubaker et al. 2008 and Calhoun 1993, all of whom stress that

collective self-understanding and shared dispositions, no matter how fleeting or enduring, arise over time in relation to “others” via social-political action or “contestation,” the word I prefer. However, more theoretical and empirical work can be done to untangle the complicated relationship between practice, meaning, identification, and social location in understanding “national” identity formation (and its failure) in places like Transnistria. (For further discussion, see Rebecca Chamberlain-Creangă, *Manufacturing Separatism*, unpublished PhD dissertation manuscript, London School of Economics, as well as Rogers Brubaker, Margit Feischmidt, Jon Fox, and Liana Grancea, *Nationalist Politics and Everyday Ethnicity in a Transylvanian Town* [Princeton: Princeton University Press, 2008] and Craig Calhoun, *Why Nationalism?: Sovereignty, Self-determination and Identity in a World-system of States* [Durham, NC: Duke University Press, 1993].)

84. This is in so far as there is increasing movement towards the EU and Romanian culture on the right-bank, as “Transnistrianness” finds its meaning in opposition to “Romanianness” on the right-bank. See Chamberlain-Creangă 2009 ACTR-ACCELS report.

85. This is especially if these rank-and-file Russian dispositions are not linked up to similarly held beliefs across the river in right-bank Moldova (for more see Chamberlain-Creangă 2006, footnote 96). Connecting these persons and positions could be a positive, confidence-building step in track-two conflict-resolution outreach.

86. I. Kramarenko, “Oglasheny Predvaritel’nye Itogi Pridnestrovskoi Perepisi Naseleniia,” Olvia-Press n.d. 2005, available at <http://www.olvia.idknet.com/ol37-09-05.htm> (accessed October 4, 2010); author’s interviews with local analysts in Chişinău and Tiraspol.

87. EU integration is not in spite of, but in conjunction with maintaining important CIS cooperation (mainly at the economic level). Moldovan Deputy Minister of Reintegration, Dr. Ion Stăvilă, explained to me how he envisions Moldova balancing both the EU and CIS (in so many words): “Moldova prefers integration with the EU and cooperation with the CIS. Moldova cannot go in both directions [in terms of integration]. [...] We do not want the opposite. We do not want integration into CIS and only cooperation with the EU.” It is clear that EU integration is a priority to many Moldovan government officials.

88. Note that the question of whether a country’s issuing a passport to an individual justifies a claim of “citizenship” of that country is not resolved under international law and is beyond the scope of this article; here, we use the term “citizen” interchangeably with “passport holder.”

89. Figure cited by the Moldovan Ministry of Reintegration. Interview with Deputy Minister of Reintegration Ion Stăvilă conducted by Lyndon Allin, June 2009. The OSCE Mission in Chişinău cites a figure of 120,000 Russian citizens in all of Moldova, including Transnistria and the right bank. Interview with OSCE official conducted by Lyndon Allin, May 2009.

90. Figure cited by a source close to the Transnistrian government. Interview, June 2009.

91. The Moldovan government recently claimed 360,000 Moldovan passport holders reside in Transnistria; Transnistrian officials have at times claimed the number is closer to 100,000. Interestingly, although all available estimates suggest that many more residents of Transnistria hold Moldovan passports than passports of any other country, a 2004 survey found that residents of the region had a relatively low level of identification with Moldova as a country. When asked to state which “state formation” they most closely identified with, 55.9 percent of Transnistrians stated that they “fully” identified with the TMR; 47.6 percent fully identified with the Russian Federation; 44.4 percent with Ukraine; and only 35.5 percent with Moldova. Close behind Moldova was the CIS, with 32.8 percent. A number of respondents evidently felt able to “fully” identify with more than one of the choices presented, suggesting a certain degree of flexibility in Transnistrians’ choice of a “fatherland” (a term used to characterize the findings of this survey question by one academic). Sergei V. Oleinikov, *SMI v Protsesse Sistemnoi Transformatsii Informatsionnogo Prostranstva Pridnestrov’ia* [*The Mass Media and the Process of Systemic Transformation of Transnistria’s Information Space*], unpublished dissertation, SPbGU, 2006, 66–67.

92. Interview with OSCE official in Chişinău, May 2009. Moldovan officials estimated the number of Ukrainian passport holders in Transnistria at 70–80,000. Interview in Chişinău, June 2009.

93. Interview in Tiraspol, June 2009.

94. Interview in Tiraspol, June 2009.

95. Note: Ethnic Russians make up only one-third of Transnistria's multi-ethnic population, while the percentage of persons with Russian citizenship is slightly higher. (The exact figure is unknown.)

96. Ethnographic fieldnotes of Rebecca Chamberlain, July 2006.

97. Although the Tagliavini Report on the 2008 Georgian conflict found Russia's conduct in making passports available to residents of South Ossetia and Abkhazia to be inconsistent with international law, it was very careful to limit this finding to the particular facts of the case, in particular the mass scale of the citizenship conferrals (over 75 percent of the population in each case) and questions about whether, given the lack of options with respect to travel documents, residents of these regions accepted Russian citizenship voluntarily. Neither of these factors pertain to Transnistria, so therefore the Tagliavini Report's analysis regarding "passportization" is not necessarily applicable there. See *Report of the Independent International Fact-Finding Mission on the Conflict in Georgia*, September 2009, Vol. II, 155–83. For a detailed examination of the international law implications of Russia's citizenship policy in Abkhazia, see also Lyndon Allin, *Passport Power: Citizenship, Travel Documents and Russian Leverage in Abkhazia* (University of Washington Press, forthcoming).

98. A more detailed discussion of Romanian citizenship policy in Moldova is beyond the scope of this article, not because it is not arguably just as contentious as the Russian practice, but because this article is focused on transnational activity inside Transnistria, and relatively few left-bank inhabitants have acquired Romanian citizenship.

99. It was suggested to me that this Russian passport-issuing initiative might be part of a Moscow-issued protocol on May 31, 2006 to help Transnistria's local economy in the wake of so-called "economic blockade." For information, see <http://www.olivia.idknet.com/01131-05-06.htm>. (accessed October 5, 2010).

100. The author's interlocutor believes it is easier for a Russian than Moldovan passport holder to get a visa to visit a European country. This locally held opinion may in fact be correct, as 2010 debate over allowing EU visa liberalization to Russians before Moldovans revealed that EU countries' Ministries of the Interior preferred Russians because their data suggested Russians, as opposed to Moldovans, more reliably returned to their home country after their visas expired. Still, an even more important reason for preferring Russian over Moldovan citizenship is that the Russian passport provides the chance to resettle in Russia. This is even if there are occasional stories of Transnistrian-issued Russian passport holders being harassed by Moscow police.

101. However, it is unclear whether all holders of Russian citizenship have the right to relocate to Russia, or if residency permits are needed first before moving. Also uncertain is the residency-permit status of Sergei's family which allowed them to move.

102. See Natalia Cojocaru and Stela Suhan, "Organizarea și reorganizarea socială a conflictului din Transnistria" ["The Organization and Social Reorganization of the Conflict in Transnistria"], *Sociologie Românească* 1, no. 3 (2003): 40–53.

103. Claim based on conversations with anonymous expatriate policymakers in Moldova, while one of us was serving as a "US Embassy Policy Specialist" in 2007.

104. Natalia Cojocaru and Stela Suhan, "Organizarea și reorganizarea socială a conflictului din Transnistria" ["The Organization and Social Reorganization of the Conflict in Transnistria"]: 40–53, and Stela Suhan and Natalia Cojocaru, "Memorie colectivă și construcții identitare în Transnistria" [Collective Memory and the Construction of Identity in Transnistria] (Chișinău: Institutul de Politici Publice, 2002)

105. The tendency toward emigration was illustrated by the results of a survey of graduating high school students conducted in 2002, which found that 9.6 percent planned to leave Transnistria in the near future and 48.3 percent would leave after completing their education, while only 20.6 percent stated they had no plans to leave the region. Elena M. Bobkova, *Spetsifika Sotsializatsii Molodiozhi v Usloviakh Pridnestrov'ia* [Unique Aspects of Youth Socialization in Transnistria], unpublished dissertation, MGU 2005, 148.

106. For discussion on belonging and Russian passport making, read Michael Bobick, "Bespreddel and Belonging: Bodies, Politics, and Publics in the Transnistrian Moldovan Republic," unpublished manuscript, 2010.

107. Still, the Transnistrian “state” apparatus is able to appear in control of and able to capitalize on its “foreign” public—even amid Russian “passportization” and massive em/migration—as Transnistria’s Russian-citizen community provides legitimacy in the first place for requesting and receiving foreign aid from Russia.

108. Such older russophones (notably of multi-ethnic backgrounds) had everything to lose in an indigenous-run Moldova, and everything to gain in a russophonic self-styled state. For them, an independent state symbolized the preservation of Russian language rights and continuity with a Soviet-style way of life (Chamberlain-Creangă, “The Transnistrian People,” 387).

109. Chamberlain-Creangă, “The Transnistrian People,” 387.

110. For a list of such compatriot groups in Transnistria, see the website of the Russian Ministry of Foreign Affairs, attesting to the close state connection to these social community groups, available at <http://www.mid.ru/ns-dgpch.nsf/aa259d77f08b8f4543256da40037b908/ff0b06a742a63c5ac32572f9004a2a15> (accessed October 1, 2010).

111. Alexander Suvorov Russian Community of Rybnitsa, founded in December 1, 1999: “The main goals of activity: the support, development and protection of Russian culture, spiritual traditions, historical memory; protection of national, civil, economic, social, religious and other rights and freedoms of members of the community and all those associated with them; the preservation of friendly relations between people of all nationalities living in the Transnistrian Moldovan Republic, the support and creation of necessary conditions for people wishing to relocate to Russia or to become its citizens; the conduct of charitable programs to those in need.” Additional information includes mention of the following: 1500 members and directors: Vladimir Fedorov (Chairman), Aleksandr Gvozdev (Chairman of the Executive Committee) and Vladimir Pilan (Deputy) (see *ibid*). Bearing in mind these names, note that the January 20, 2005 edition of the Rybnitsa weekly independent newspaper *Dobryi Den*’—with its special coverage of the MMZ’s twentieth anniversary—show the top fourteen leaders in the MMZ at the time of its writing to include: General Manager A. Belitchenko, Alexander Saprygin, V. Berkovskii, Museum Director L. Kolomiets, Production Managers N. Lozovskii, Shandrovskii, V. Pershinov, V. Fedorov, Igor Derevianchenko, V. Petrovich, and Trade Union leaders V. Breslaets, A. Gvozdev, N. Zudanova, A. Korchinskii.

112. Recently there has been talk of creating a new EU-Russia security forum, which would tackle Transnistria as one of its first tasks, as proposed at a June 2010 meeting between Russian President Dmitry Medvedev and German Federal Chancellor Angela Merkel. “Russian Official Sees Chance to Solve Transdnier Conflict,” *Radio Free Europe/Radio Liberty*, June 24, 2010, available at <http://www.rferl.org/articleprintview/2081330.html> (accessed June 25, 2010). See also Prezident Rossii, “Memorandum po itogam vstrechi Prezidenta Rossii D. Medvedeva i Federal’nogo kantsera Germanii A. Merkel’ 4–5 iyunia 2010 goda, g. Mezeberg,” available at [http://news.kremlin.ru/ref\\_notes/575](http://news.kremlin.ru/ref_notes/575) (accessed June 7, 2010).

113. The revelation in 2009 that Russia’s 2007 cyber-attacks on Estonian government networks had been coordinated from Transnistria suggests that the region is useful to Russian elites not only for laundering money but also for minimizing Russian accountability for such unsavory tactics. Ivan Buranov et al., “Aktsiia Khakerskogo Nepovinoeniia” [“Hackers’ Civil Disobedience”], *Kommersant*, March 12, 2009 (quoting Nashi kommissar Konstantin Goloskokov as saying that the cyber-attacks involved “seven people in our office in Transnistria”), available online at <http://www.kommersant.ru/doc-rss.aspx?DocsID=1136738>; Nargiz Asadova, “Nam, Russkim za Granitse, Inostrantsy ni k Chemu” [“We Overseas Russians Are Indifferent to Foreigners”], *Ekho Moskvy*, March 5, 2009 (quoting Duma Deputy Sergei Markov as saying that the attacks were organized from “one of the unrecognized republics”), available at [http://www.echo.msk.ru/blog/n\\_asadova/576689-echo/](http://www.echo.msk.ru/blog/n_asadova/576689-echo/) (accessed October 1, 2010).

114. The authors of this article wish to stress that this label is not necessarily a fair one. We use it here only as it was once popular in Western media beyond the Prut River. See Dan Ionescu, “Life in the Dniester ‘Black Hole’,” *Transition* 20, no. 2 (1996).

115. Rubin, “The Timing of Ripeness”: 237–246.

116. This is in the event Russia decided to abide by its 1999 Istanbul Agreement promises and remove its troops.

117. As we have seen, the extreme pragmatism with which Transnistrians and indeed all Mol-

dovans regard citizenship suggests that even if they were to have the desire and the opportunity to obtain a passport seen as more “valuable,” they would likely do everything possible to maintain the validity of their Russian passport as a hedge against the unpredictability of their day-to-day lives.

118. Transnistria’s 2006 referendum on independence showed that the majority of persons desire independence and further integration with Russia, even if they do not know how to implement this. Several years later, at the time of writing this article, it is likely that persons authentically identify with Transnistria on some level (e.g. as a birthplace) and Russia on another (e.g. through citizenship); however, it seems the Transnistria element is gradually ebbing away as Transnistria struggles to sustain itself amid worldwide economic downturn and as Russia plays a more visible role in the region.

119. “Memorandum Kozaka: Rossiiskii Plan Ob’edineniia Moldovy i Pridnestrov’ia,” Regnum.ru, available at <http://www.regnum.ru/news/458547.html> (accessed September 30, 2010).

120. This assertion is based on personal conversation with a number of Russian analysts who defend Russia’s quest for a “sphere of influence” based on examples of British or American aligned territories.

121. For evidence of Moscow’s hesitant attitude towards the Republic of Moldova’s EU aspirations, see the following report, see <http://www.wiltonpark.org.uk/documents/conferences/WP949/pdfs/WP949.pdf?633908177496976250> (accessed July 9, 2010).

122. Russian Foreign Minister Sergei Lavrov, in response to a proposal to introduce European troops into the Transnistrian peacekeeping format, stated that European troops might already be in the region “if the EU had not foiled the signing of the [Kozak] memorandum in 2003.” See “Lavrov Vidit Vozmozhnost’ Pristutstviia Mirotvortsev ES v Pridnestrov’e” [“Lavrov Sees Possibility of EU Peacekeepers in Transnistria”], *RIA Novosti*, June 23, 2010.

123. Before reintegration can happen, we believe both regions need to develop a culture of power-sharing, as they make progressive, timely structural changes in developing the rule of law, respect for human rights, and a genuine, socially-oriented market economy.

124. Popescu, “Transnistria’s Survival.”

125. The issue at hand is contested property rights over certain industrial enterprises, on which current de facto owners and the Moldovan government both have claims. Up until now, Moldovan authorities have refused to recognize the results of the TMR’s privatization program. However, Moldovan officials may be increasingly willing to do so, as evidenced in this possibility being included in Voronin’s 2008 “package” proposal for conflict settlement. We believe Moldova acknowledging the legitimacy of Transnistrian privatization can undercut the economic (“offshore”) incentives for the current owners of productive assets to resist reunification.