



Cooperation and trade between the Right- and Left-bank Moldova before conflict: the retrospective overview

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- **1. Moldova: Economic Development
and Areas of specialisation**



Share of industry in the economy

(1990, as % to GDP)

USSR Average	40
Armenia	52
Estonia	50
Russian Federation	48
Belorussia	47
Latvia	46
Kazakhstan	45 (1992)
Ukraine	45
Tajikistan	38
Moldavia	37
Kyrgyzstan	36
Georgia	34
Azerbaijan	33
Uzbekistan	33
Lithuania	31
Turkmenistan	30
Global economy	33

USSR and Moldavia: The Structure of Industrial Production

(1990, %)

	USSR	Moldavia
Total Industry	100	100
Fuel and Energy Complex	10	3
Metallurgy	9	1
Engineering Industry	30	21
Chemical, Woodworking and Pulp-and-Paper Industry	11	7
Constructions Materials	4	4
Light industry	14	23
Food Processing	15	34
Other branches	7	7

USSR and Moldavia: Manufacturing of selected industrial goods

1990, per capita

	USSR (average)	Moldavia
Tractors (per 1000 population), pieces	1,7	2,3
Cement, Kg	475	524
Canned food, standard unit, cans	71	416
Beet sugar, Kg	30,0	65,1
Shoes, pairs	2,9	5,3
Cotton fabric, m ²	27,1	38,9
Silks, m ²	7,2	11,6

Moldavia: Manufacturing of Selected Consumer goods

1990, per capita, as % to USSR average

Consumer goods	120
<i>of which:</i>	
Food Products	111
Alcoholic Beverages	175
Non-Food Products	114
<i>of which:</i>	
Light Industry	168

Share of agriculture in the economy

(1990, as % to GDP)

USSR Average	27
Armenia	17
Estonia	17
Russian Federation	17
Belorussia	24
Latvia	22
Kazakhstan	27 (1992)
Ukraine	26
Tajikistan	33
Moldavia	36
Kyrgyzstan	34
Georgia	32
Azerbaijan	29
Uzbekistan	33
Lithuania	27
Turkmenistan	32

USSR and Moldavia: Manufacturing of selected agricultural goods

1990, per capita

	USSR (average)	Moldova
Sugar beet (industrial), Kg	282	541
Sunflower seeds, Kg	23	58
Vegetables, Kg	92	270
Fruits and berries, Kg	31	206
Grapes, Kg	20	215
Meat (deadweight), Kg	69	84

Main findings:

- Moldavia was a particular economic entity within the Soviet economy containing 19 big economic regions and the Moldavian SSR
- The economy of Moldavia characterised as developed industrially-agrarian one:
 - *Industry (37% of GDP in Moldavia, compared with 40% - in USSR average)*
 - *Agriculture (36% of GDP in - Moldavia, compared with 27% - in USSR average)*
- High level of development of specialization sectors (both industry and agriculture) – quite often development indicators exceeded USSR average

2. Territorial specialisation and cooperation

Specialisation and production cooperation:

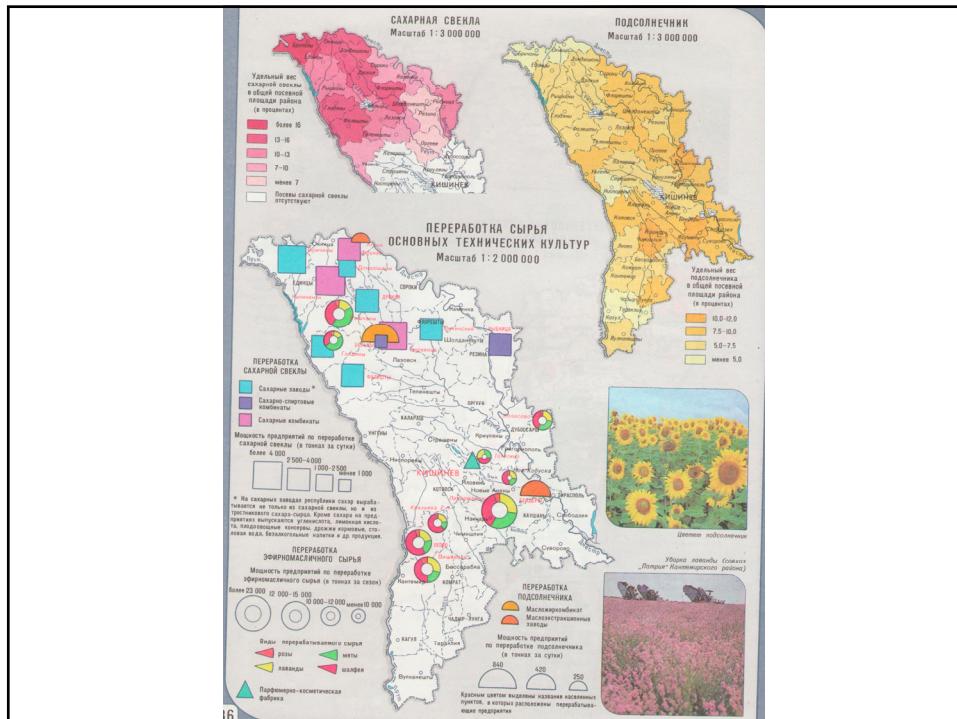
- promote economic efficiency and a technological level of production in a country
- establish long-term industrial and trade relations based on mutual supply of goods (finished goods, intermediate goods, raw materials and fuel).

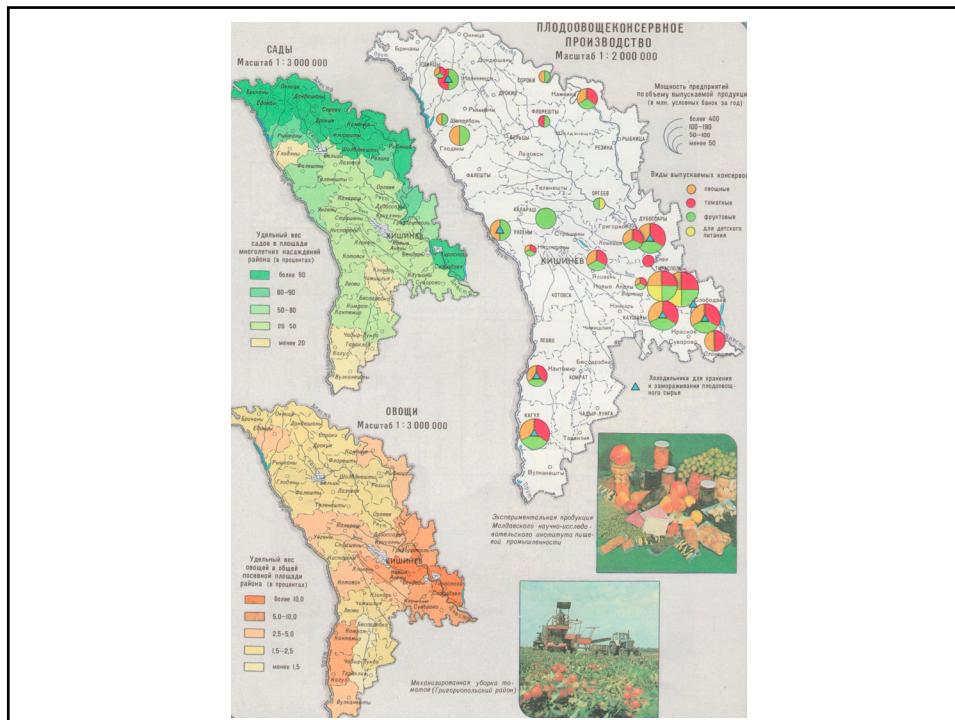
The higher specialisation level of an area/region the closer its trade and economic relations with other areas/regions

Right- and Left-Bank Moldova: Territorial Specialisation

(1991, %)

	Right bank	Left bank
Population	83	17
GDP	75	25
Industrial production	62	38
<i>including electricity yield</i>	10	90
Agriculture	85	15





Moldavian SSR: Energy Production and Consumption

(1991, billion KW-hour)

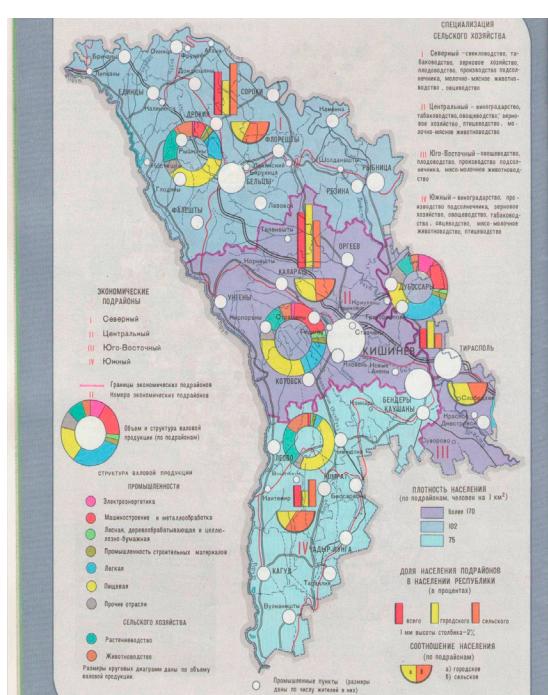
Electricity production, total	15,7
<i>including:</i>	
Right-Bank Moldavia	1,9
Left-Bank Moldavia	13,8
Electricity consumption, total	
Export to Bulgaria and Romania (from the Left-Bank using technical facilities of the Right-Bank)	
	11,6
	3,0

Moldavian SSR: Economic Zoning

Main Objective: effective economic development of the regions and the republic as a whole

In 70-80-s four economic zones were considered for the following:

- Specialization in agriculture
- Placement/construction of industrial and agricultural enterprises; development of settlements, transports and social infrastructure
- Advanced planning of economic development and effective utilization of capital, natural and labour resources



SSR Moldavia: Economic Zoning		
	Right-Bank Moldavia	Left-Bank Moldavia
North: Growing of sugar-beet, tobacco, fruits, corn and sun-flower. Food processing, light industry, engineering, metal working and metallurgy, construction industry	Briceni, Ocnița, Edineț, Dondușeni, Rîșcani, Drochia, Soroca, Glodeni, Fălești, Lazo, Florești, Soldanesti, Rezina, Right-Bank Camenca, Soroca town, Balti City	Left-Bank Camenca, Rybnitsa and Rybnitsa Town
Central: Viticulture, horticulture, growing of tobacco and corn Food processing, tobacco, light, electrical, chemical industry, engineering and wood processing	Ungeni, Telenesti, Călărași, Orhei, Nisporeni, Strășeni, Criuleni, Chotovschi, Anenii Noi, Ialoveni, Chișinău City, Orhei Town, Ungheni Town	-
Southeast: Viticulture, horticulture and growing of vegetables Canned-foods, wine-making, including cognacs, bottles and jars, power industry, engineering and light industry	Suvorov, Right-Bank Slobodzea	Left-Bank Dubasari, Dubasari Town, Left-Bank Slobodzea, Grigoriopol, Tiraspol City, Bender Town
South: Viticulture, growing of corn and sun-flower, sheep breeding Food processing and light industry	Leova, Cimișlia, Chainari, Căușeni, Cantemir, Comrat, Basarabeasca, Cahul, Taraclia, Ceadîr-Lunga, Vulcanesti, Cahul Town	-

Main findings:

Specialization and cooperation between Right- and Left-Bank Moldavia have resulted in:

- **establishing long-term commodity exchange and cooperation relations**
- **integrated development of technical infrastructure (transport, energy)**
- **effective utilisation of economic potential (natural, labour)**

3. Weakening of economic relations between Moldova and Transnistria - one of the factors interfering stable and effective economic development

Trade turnover between Moldova and Transnistria

	1995	2000	2005	2010
Trade turnover, USD million	367,8	86,1	134,6	246,9
as % to Moldova' external trade turnover	23,2	6,9	4,0	4,5
as % to Transnistria' external trade turnover	33,1	10,5	9,4	13,1

Moldova and Transnistria vis-à-vis CIS Area

(GDP per capita, %)

	1990 Moldavia	2009	
		Moldova	Transnistria
CIS countries (average)	69	44	53
Belorussia	50	30	36
Kazakhstan	51	22	26
Russian Federation	24	18	21