

10/01/2024 07:00:00 [BN] Bloomberg News

Ex-LA Prosecutor Tries to Tackle Systemic Corruption in Moldova

- One of Europe's poorest nations faces referendum on joining EU
- Dragalin says 'corruption at a systemic level is very real'

By Lina Grau

(Bloomberg) -- Moldova's top anti-corruption official says she has a staffing problem. Her office is well short of the full roster of prosecutors she needs to tackle graft in a nation that's struggled for decades with endemic corruption.

Veronica Dragalin, a former US federal prosecutor who heads the Anti-Corruption Prosecution Office, says almost a dozen staff resigned rather than confront the vetting process demanded by the European Union as part of Moldova's bid to join the 27-nation bloc. That's left her with 36 of the 59 prosecutors allotted to her by legislation.

The fact that so many were wary of clearing that ethics hurdle speaks volumes about the challenges Dragalin faces in fighting corruption within Moldova's judiciary, let alone outside it. The 39-year-old chief prosecutor will have to do some of the heaviest lifting to help gain entry for the nation of 2.5 million that's grappling with rampant poverty and the legacy of the Kremlin's influence.

"We continue to have cases where we document prosecutors and judges taking bribes," she said in a recent interview at her office in the capital of Chisinau. "Corruption at a systemic level is very real."



Veronica Dragalin

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Tackling that culture of graft is critical for the country's future just weeks before a referendum that could seal Moldova's path toward joining the EU. Alongside presidential elections on Oct. 20, the population will also be asked to vote on a change to the constitution.

Pro-western incumbent [Maia Sandu](#) has repeatedly accused Russia of trying to meddle in the campaign and to undermine her country's goal of becoming a member of the bloc by the end of this decade.

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Dragalin's journey to her current role is arguably as unusual as is the scale of the task before her. She left her native Moldova as a child shortly after it broke free from the Soviet Union in the early 1990s. After stints in Italy and Germany, her family left for the US, where she went on to receive a Bachelors' degree from Duke University and a law degree from the University of Virginia.

Dragalin then headed west to become a federal prosecutor in Los Angeles, where she dealt with hate crimes and corruption cases. But six years later she took the decision to return to her native land, where her expertise was in urgent demand.

Narrowed Remit

Things have begun to improve. Wedged between Romania and Ukraine, Moldova has climbed 29 places and is now ranked 76th out of 180 countries in [Transparency International's](#) corruption perceptions index.

But staff shortages aside, Dragalin faces other challenges. Recent legislative changes have narrowed the remit for cases her office can prosecute, by setting a threshold of at least €25,000 (\$27,866) for bribes or €250,000 or more when it comes to damages linked to graft. Both represent a high bar for one of Europe's poorest countries.

"We now have a lot less complaints that come in that trigger these thresholds – and if we're talking about the volume numerically, we're seeing a downward trend," said Dragalin. "That was probably somewhat to be expected, because the idea would be, 'OK, you have fewer cases, but they're more impactful cases.' That remains to be seen."

Last year she brought corruption cases against 18 high-ranking officials. That scale is unlikely to continue, she said.

Moldova is still reeling from a 2014 scandal that resulted in the theft of some \$1 billion from banks. Fugitive Moldovan oligarch Ilan Shor was convicted of masterminding it – and his pro-Russian party banned by the country's constitutional court.

Dragalin said she was confident that "something on the scale of the Russian laundromat, with \$22 billion being laundered through our banking system, is not happening."

She is also waiting for final court rulings on several individuals allegedly involved in the theft to try to boost the recovery of the funds. So far, she has been able to freeze about €80 million in assets abroad, mostly in European countries, including France, Romania and Switzerland.

Still, Dragalin hopes that the focus on larger cases will bring results, even if she's chronically short of good prosecutors. Sandu insists that stricter vetting measures are essential and must continue to clean up Moldova's justice system, one of her electoral promises.

"It's a challenging time to be a prosecutor in Moldova and especially in the anti-corruption prosecutor's office," Dragalin said. "We get criticized a lot and it's difficult to keep people here and to recruit new people. That's making our jobs more challenging."

--With assistance from Irina Vilcu and Andra Timu.

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