

## BULGARIA - THE DIFFICULT "RETURN TO EUROPE"

TAMARA BUSCHEK

Against the background of the EU accession of Bulgaria on 1st January 2007 and the first Bulgarian elections for the European Parliament on 20th May 2007, Tamara Buschek takes a closer look at Bulgaria's uneven political and economic transition – at its difficult "return to Europe".

Graduated from Graz University (Austria) in 2003 with a Masters in Law [magistra juris] after finishing her studies in European and international law. After gaining a grant from the Chamber of Commerce in 2000 to complete an internship at the Austrian Embassy in London, she carried out research for her dissertation in criminal law — "The Prevention of Sexual Child Abuse — Austria/Great Britain" - in 2001 at the London School of Economics. She studied European and administrative law in Paris from 2001 to 2002 as part of an Erasmus year. She is quadrilingual (German, Bulgarian, English and French).

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### Introduction

On 1 January 2007 Bulgaria finally became a member of the European Union, despite doubts about its readiness, and despite general enlargement fatigue in most of the "old" EU members. Bulgaria has not felt its welcome so far to be warm. This is due not only to the fact that Bulgaria still has a lot of problems to solve but also to the unfavourable, stereotyped image the rest of Europe has of Bulgaria, which has been reinforced by the media. For example, British newspapers started months before the accession to warn against the flood of immigrants it would generate, mainly consisting of HIV-infected teenagers, Bulgarian gangsters and child thieves, often accompanied by pictures of donkeys and wooden carts.

Despite of the accession on 1 January 2007, there is still a long way ahead for full integration. For instance, most of the Member States have protected themselves by implementing restrictions on the movement of labour. In addition, Bulgaria will be subject to strict monitoring to ensure its progress in the fight against corruption and organised crime and the proper use of EU funds. It already has to face export bans on certain foods, and many of its aircraft have been grounded due to concerns over EU safety standards. Bulgaria's accession treaty foresees the possibility for the Commission of triggering safeguard measures – such as the non-

recognition of Bulgarian court verdicts or a suspension of EU funds – for up to three years after accession if reform progress turns out to be insufficient. Bulgaria faced in the last stages of accession a much tighter and more demanding conditionality policy than other countries ahead of the 2004 enlargement.

This however does not seem to alter the optimism of most politicians – such as Meglena Kuneva, Bulgaria's former EU affairs minister and new Commissioner for Consumer Protection. But are the Bulgarian people as full of hope and optimism as she is? While Bulgaria's Prime Minister Sergei Stanischev speaks of the "genuine and final fall of the Berlin wall for Bulgaria" and of the "day of justice", most Bulgarians still fear the consequences of EU membership and are as sceptical towards their new "family" as their new "family" is towards them.

A closer look at Bulgaria's past and especially its uneven political and economic transition after the fall of communism certainly explains these feelings and shows that joining the EU is the country's only chance to improve its situation, to prove that it will also contribute to the success of Europe and that it is not merely a place of child thieves, gangsters and donkeys.

The first European Parliament elections on 20 May give an opportunity to make a first assessment of the political situation since the fall of the Iron Curtain.

## I - Background Information

## 1.1 Hopes and fears

For key facts and economic profile see Annex 1 and 2.

In the last 17 years, since the fall of the Berlin wall Bulgaria¹ has undergone a complete political transformation. It now enjoys steady economic growth, greater macroeconomic stability and clearer geopolitical perspectives. But many problems remain: low salaries, slow reforms in education and health care, complex administration, red tape, corruption, an ineffective judicial system, a large and non-integrated

<sup>&</sup>lt;sup>1</sup> Bulgaria is a parliamentary republic and conforms to the Constitution of the republic passed by the Grand National Assembly in July 1991. The National Assembly, or Narodno Subranie, is a one-chamber parliament which consists of 240 Members of Parliament who are directly elected every four years through a system of proportional representation in 31 electoral regions. Party or coalition lists, rather than individual candidate names, appear on the ballots. A party or coalition must achieve a minimum of 4% of the vote in order to enter parliament. The National Assembly is a permanent acting body and is represented by its speaker (Georgi Pirinski). The President of the Republic Bulgaria, Georgi Paravanov, the head of state and commander in chief of the armed forces, is directly elected for a five-year term with the right to one reelection. The Council of Ministers is the executive state body and directs the domestic and foreign policy of the country. The prime minister is the head of the Council of Ministers. The Bulgarian judicial system became independent of the government in the course of the 1991 constitution. http://www.government.bg

Roma minority and growing nationalism, to name just the main ones.<sup>2</sup>

The feelings of most of the old Member States about Bulgaria's accession are known, but what do Bulgarians think? What are their hopes and their fears?

The general attitude of the Bulgarian public towards the EU is distinctly positive and has remained so over a considerable period of time<sup>3</sup>. According to Boyko Todorov from the Centre for the Study of Democracy in Sofia, this is due to a number of reasons: a feeling of isolation, the need to travel to find better work, seeing the EU as an ally in domestic reforms, etc. Many of these reasons however are no longer valid after the accession. "Euro-enthusiasm peaked around the time of accession and can be expected to decline as various businesses start closing down, not being able to compete in the internal market", says Todorov.

He also notes that **"hopes** are linked to the advancement of the rule of law in the country – distrust of corrupt political elites makes civil society hopeful that membership will enhance government accountability. Other hopes are mostly associated with the availability of EU funding for various infrastructure projects as well as agricultural support, opportunities for free travelling and education".

According to Plamen Pantev⁵ the main **fear** Bulgarian people have is related to a low level of individual incomes. The Bulgarian population is particularly afraid of a foreseeable increase in prices and a flood of bankruptcies. These fears are more than justified as the prices have already increased since 1 January 2007. A further rise would be unbearable for a certain part of the population, especially for retired persons. An average monthly pension amounts to 80 lewa (about 40€). Even in Bulgaria it is impossible with this amount to satisfy even basic needs. If one considers that only for electricity you have to pay more than 100 lewa in average per month, it is clear that the situation of the elderly

population is very worrying. Most of them are dependant on their children or on self-supply and it is not rare for elderly people to beg on the street or to work in public toilets, after a life dedicated to working and serving the state. Today, it is not clear what steps the Bulgarian government will take to improve the situation of its elderly population. For the moment it is only giving promises and the population's protests remain unheard.

Despite the existing scepticism on both sides, benefits from the accession in the long term are unquestionable both for Bulgaria and the EU. The problem is that the population has little patience or optimism – it wants to see immediate improvements. These will need time and many other conditions will be decisive. During this period, EU-scepticism could thrive.

#### 1.2 Ethnic Minorities

Ethnic composition of the Bulgarian population (last population census from 1 March  $2001^6$ ):

- 83.9% Bulgarians
- 9.4% ethnic Turks
- 4.8% the Roma ethnic group
- 0.9% others including the remaining ethnicities
- 1.0% have not stated their selfidentification

<sup>&</sup>lt;sup>2</sup> Teodor Voinikov, Bulgaria in the EU: What are the challenges? The New Federalist, 29 December 2006.

<sup>3</sup> See Annex 3

<sup>&</sup>lt;sup>4</sup> Interview conducted with Boyko Todorov by the author on 8 February 2007.

<sup>&</sup>lt;sup>5</sup> Plamen Pantev is Founder and Director of the Institute for Security and International Studies (ISIS) in Sofia, and an Associate Professor at Sofia University "St. Kliment Ohridsky" Law School. Interview conducted with Plamen Pantev by the author on 5 February 2007.

<sup>&</sup>lt;sup>6</sup> The Government of the Republic of Bulgaria and the European Commission, Joint Memorandum on Social Inclusion of the Republic Bulgaria, February 2005, p11.

Bulgaria's transition to democracy brought a new approach to the Muslim minority. The ethnic Turks were allowed to reinstate the Islamic names which they had lost in the 1980's when the Zhivkov regime forced individuals, in the course of the "national revival" campaign, to adopt Bulgarian names. This had resulted in a massive exodus of about 310 000 ethnic Turks to Turkey. The right of ethnic Turks to learn Turkish in school was curtailed, while the practice of Islamic customs and traditions was outlawed – as were Turkish–language publications and broadcasts. Zhivkov's outright attempt to bulgarise the Turkish and Muslim minorities raised international concern about the apparent abuse of human rights in Bulgaria. After the fall of Zhivkov and following mass protests by ethnic Turks, their rights were legally re-established. Mosques were reopened and those who had been jailed on ethnic or political grounds were released after 1989. Since then the situation of the Turkish minority has considerably improved.

Another important ethnic minority to mention in this context is the Roma community.

The Roma are still the most rejected community. They are discriminated against in all spheres of social life and are almost not represented on decision-making bodies. The Roma have become a convenient scapegoat for all social problems and sometimes even the media uses anti-Roma stereotypes as "lazy, irresponsible, bad parents, thieves and criminals". The Kostov Government (1996-2001) introduced for the first time a "Framework Programme for Equal Integration of Roma into Bulgarian Society". In compliance with the European integration process the Republic of Bulgaria adopted the political framework of the EU for improving the situation of the Roma population but today there are still a lot of problems unsolved. The integration of the Roma represents a real challenge for Bulgaria and for Europe.

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#### 1.3 Economic Facts

The level of **Gross Domestic Product (GDP)** per inhabitant remains low compared with other Member States but is growing rapidly. Bulgaria's economic growth rate reached 5.7 to 5.9% for the first three months of 2007. The total economic growth is expected to reach 6.5% in 2007 and to improve in 2008/2009 if the country manages to utilise EU funds rationally.

Bulgaria had 7.3% **inflation** year-on-year in 2006; the targeted consumer prices inflation rate was 5.8%. The prices grew slowly through 2006 but exploded in December 2006 with a 1.2% month-on-month growth. The index for **consumer's costs** for April 2007 compared to March 2007 is 100.5, and the inflation is 0.5%. The inflation from the beginning of the year is 2.3% (from April 2007 to December 2006) and the inflation for April 2007 compared to April 2006 is 4.2%. The inflation for the whole period January-April 2007 compared to the same period last year is 5.0%.

**Unemployment** in Bulgaria dropped from 9.67% in January 2007 to 9.48% in February and reached its record minimum in April by falling to 8.37%.

For Bulgaria, the accession to the EU means faster integration of the domestic economy into the global economy, increased competitiveness and a boost in economic development.

The access to **EU Structural Funds** will enable Bulgaria to launch different infrastructural projects. From a macroeconomic point of view, this would result in reduction of unemployment, reduced inflation and decreased fiscal imbalances.

Following the application of the Association Agreement, Bulgaria has already enjoyed many of the benefits stemming from **trade integration** to the single market. The accession removes the last tariff and non-tariff

<sup>&</sup>lt;sup>7</sup>Rossen *Vassilev*, Bulgaria's ethnic problems, East European Quarterly, 2002 http://goliath.ecnext.com/coms2/summary\_0199-1543876\_ITM

<sup>&</sup>lt;sup>8</sup> The Bulgarian Economy in 2006, Report by the Centre for Economic Development, <a href="http://www.ced.bg">http://www.ced.bg</a>
<sup>9</sup>Unemployment in Bulgaria for April 2007 exceptionally low-report, The Sofia Echo, <a href="http://www.sofiaecho.com">http://www.sofiaecho.com</a>, 18<sup>th</sup> May 2007.

barriers to trade.

Many Bulgarian companies are not ready to comply with EU standards and requirements (e.g. on consumer protection, food safety, veterinary-sanitary control, labour and health safety, environment protection, etc.). The companies that already comply with EU standards and regulations are becoming more competitive than those which do not comply because they have better access to the EU market now and to other markets. Compliance is going to make the operating environment for EU companies already working in or dealing with Bulgaria less risky and more familiar and this greater predictability and stability to the business environment will help enterprises from other EU Member States with their investment plans in Bulgaria.

The market "sanctions" for non-complying enterprises provide strong market pressure towards compliance. The companies which are not able to bear compliance costs will often be forced to exit the market. This is going to result in a temporary stall in the growth of employment and income but it is going to provide opportunity for more efficient reallocation of resources, instead of supporting artificially non-viable domestic industries.

Failure of the Bulgarian public administration and businesses to use EU funds successfully could have very negative economic and social consequences for the Bulgarian economic development<sup>10</sup>.

As the political transition period is closely linked to the economic transition and because both are mutually dependant, they need to be examined jointly.<sup>11</sup>.

## 2.1 The transition from 1989 till 2001

The Bulgarian transition to democracy after 1989 has been very slow, maybe partly because it began not as a result of internal revolution but rather as an enterprise of some of Todor Zhivkov's<sup>12</sup> colleagues within the Communist nomenklatura, calculating their own interests in order to save their power at a time when the communist regimes were collapsing

<sup>&</sup>lt;sup>10</sup> GEPI expert group (Group of European prognosis and Studies) of the Open Society Institute in Sofia, Impact Analysis of the possible scenarios of Bulgaria's membership in the EU, envisaged in the Accession Treaty, March 2006/ *Dragomir Stoyanov, Bulgarian European Community Studies Association*, Bulgarian Addendum to EU-25Watch, p 4 and 5.

II - Political Situation - a difficult path towards stability

<sup>&</sup>lt;sup>11</sup> Main sources of this chapter: *Maria Spirova, Political* Parties in Bulgaria in Party Politics Vol. 11. No.5, 2005, pp. 601-622/*Vesselin Dimitrov*, Bulgaria the uneven transition, 2001/*Emil Giatzidis*, An introduction to post-Communist Bulgaria, 2002.

<sup>&</sup>lt;sup>12</sup> Todor Zhivkov was First Secretary of the ruling Bulgarian Communist Party's Central Committee (1954-89) and president of Bulgaria (1971-89). Todor Zhivkov was arrested in 1990 and convicted of embezzlement and sentenced to seven years of prison in 1992. Due to his poor health he was allowed to serve his sentence under house arrest. The Bulgarian Supreme Court acquitted him in 1996, and in 1998 he was reinstated as a member of the Communist Party's successor organization, the Bulgarian Socialist Party.

around them. The whole process of political change took a form of negotiated reform. As a result the progress of transformation to a democratic and market economy state proceeded more slowly than in other central European countries (such as Poland or Hungary), but with no violent changes in power as in Romania or Yugoslavia. Unlike in other Central European countries, Bulgaria's former regime had not been contested by any strong anticommunist movements.

The results of the first four post-Communist parliamentary elections created a bipolar pattern of political life which resulted in an almost permanent executive deadlock.<sup>13</sup> During the 1990s, the political landscape was dominated by the **Bulgarian Socialist Party (BSP)** on the left, and the **Union of Democratic Forces (UDF)** on the right. Between those two poles a myriad of smaller parties struggled for survival<sup>14</sup>. The most notable was the **The Movement for Rights and Freedoms (MRF)**, which represents the interests of the Turkish minority in Bulgaria. Bulgaria is one of the few eastern European countries where the remodelled Communist party came back to power through democratic elections and stayed so through most of the 1990s.

The **BSP**, the successor party to the Bulgarian Communist Party, is today a full member of the Socialist International (SI) and of the Party of European Socialists (PES). The BSP favoured a social-democratic approach for most of the transition period, and by the late 1990's it advocated a pro-EU and pro-NATO foreign policy.

The problem was and still is today that most of the old nomenklatura managed to emerge as members of the new elite, especially the economic elite. When the Communist regime collapsed they were in the best strategic positions and therefore were in control of the most important assets (money, personal connections). This is why the majority

of today's nouveaux riches come not from the ranks of the old economic elite but from the Komsomol<sup>15</sup> and the secret police.

The **UDF** was the key element of the anti-communist opposition, bringing together sixteen parties and organisations and covering the entire political spectrum from the far left (left-wing Social Democrats) to the far right (revived pre-war authoritarian right-wing parties). At the fall of the old regime they assumed that the Communists would disappear within a few months, that the UDF would then break up and that its component parties would cover the entire political spectrum of the future. Instead, the Communists won the 1990 elections (the first free elections after almost 60 years), which dramatically weakened the UDF since the only thing the coalition partners agreed on was anti-Communism. The UDF finally transformed itself into an unambiguously centre-right political party in 1997. It is today a full member of the European People's Party<sup>16</sup>.

The other party that was and is still playing a great role in Bulgarian's political life is the **The Movement for Rights and Freedoms (MRF).** The MRF was founded in December 1989 by the philosopher Ahmed Dogan, a former political prisoner of the communist regime, as an almost exclusively ethnic grouping primarily concerned with representing and protecting the interests of the Turkish minority. Although preoccupied with the defence of ethnic and religious freedom for ethnic Turks and Muslims, the MRF always applied a cautious approach, opposing nationalism and avoiding fundamentalism. In order not to be seen as an ethnic party, the MRF now labels itself "liberal" and is a member of the Liberal International (LI)<sup>17</sup>.

<sup>13</sup> See Annex 4

 $<sup>^{14}</sup>$  More than 200 parties have been registered in this period but most of them remained organisationally weak and attracted only a few members.

<sup>&</sup>lt;sup>15</sup> Komsomol is the abbreviation for Communist Youth League of Bulgaria (later the Dimitrov Communist Youth League of Bulgaria). The BCP put massive resources into its party youth organisation which sought to ensure that proper socialist values were passed on to the next generation and to supply new members to the party.

<sup>&</sup>lt;sup>16</sup> After an announcement of the present UDF leader, Peter Stoyanov, that his party was planning to join the Movement for European Reform (MER), the European People's Party's (EPP) presidency has made the recommendation to the group's political bureau to suspend the UDF from the EPP. For the EPP president Wilfried Martins it is "not compatible for a member party of the EPP to join such an initiative and at the same time remain in our party." The EPP has not decided yet whether to suspend Bulgaria's UDF. MER is the alliance of Britain's Conservatives and the Czech Civic Democrats, who is planning to become a separate group in the European Parliament. <a href="https://www.novinite.com/sofiaweekly">www.novinite.com/sofiaweekly</a>, 9th March 2007

<sup>&</sup>lt;sup>17</sup> The LI is the world federation of liberal and progressive democratic political parties.

# 2.1.1 The legislative elections of 1990 and the first presidential elections of 1992

Following the 1990 elections Bulgaria had a "socialist" President (Peter Mladenov), a "socialist" government (under Andrei Lukanov) and a slight "socialist" majority in the National Assembly. The results of the elections produced a political deadlock. The BSP was incapable of assuming responsibility for governing the country, while the UDF was not willing to co-operate with the BSP. The result was a period of protests and demonstrations ending in a general strike. In addition, the BSP had difficulties obtaining the two-thirds majority needed for many legislative decisions and was finally brought down. After the disclosure of an amateur video recording showing President Mladenov saying the words It is better for the tanks to come when a hostile crowd showed up in front of the parliament building on 14 December 1989, and after lying and contesting the authenticity and the counterevidence of a commission of experts, President Mladenov was forced to resign. Zhelvu Zhelev, a communist-era dissident, was elected President by the Assembly and later, he won the first presidential elections in 1992.

#### 2.1.2 The elections of 1991

After the collapse of the socialist parliament there followed a new round of negotiations between the BSP and the UDF. This resulted in the creation of a temporary government headed by a non-party Prime Minister, Dimitur Popov, with deputies from each of the three main parties. After initial measures to introduce a market economy, Popov's main task was to oversee the drafting and introduction of the new constitution, which was eventually introduced on 13 July 1991.

New **elections** were held in October **1991**. The UDF emerged as the party with the most seats (110) in the legislature, compared with the BSP's 106 seats. With the support of the MRF, the third parliamentary party, the UDF was able to form a government under Filip Dimitrov, as Dimitrov did not have an absolute majority in the Naradno Subranie. The MRF was the only other party to go beyond the 4% threshold necessary for representation, securing 24 seats.

For the UDF it was difficult to make the transition from uncompromising opposition to responsible government. Some attempts were made to introduce domestic reforms, but they were ineffective. The UDF focused more on its ideological crusade against the remnants of communism and increasingly on internal power struggles. The result was disastrous neglect of the economy. As a consequence the UDF lost the support of the MRF, which finally brought down the government.

New elections were avoided and the successor coalition was one between the BSP and the MRF, with Lyuben Berov, an economic historian, as Prime Minister. This "government of experts" made some unsuccessful attempts to reduce the social impact of the reform measures but was not able to control the budget deficit and inflation and so prolonged the difficult economic transition. However, it did survive for a year and a half, mainly due to the fact that the two major parties could not overcome their internal problems. Berov finally resigned in September 1994, President Zhelev dissolved Parliament and 18 December 1994 was set as the date for early legislative elections (nearly one year ahead of schedule). Until December a caretaker administration under Reneta Indzhova, Bulgaria's first female Prime Minister, held office.

The UDF was blamed for the reform failure and criticised for not being able to come up with a coherent programme or vision. The interminable power struggles meant that even ideologically-motivated leaders found it hard to remain in the UDF, and in late 1994 the largest remaining party, the Democrats, left to form an alliance with the Bulgarian Agrarian National Union – Nikola Petkov (BANU-NP). The new party took the name of name of Popular Union.

#### 2.1.3 The elections of 1994 and the presidential elections of 1996

Against this background it was not very surprising that the BSP benefited from the UDF's problems and the disappointment caused from the transition. It achieved an absolute majority at the **parliamentary elections in December 1994**. The BSP attracted especially the votes of the older and rural part of the population, and won 43.42% of the vote and 125 seats in parliament. The UDF scored 24.23% of the vote (69 seats) – its worst-ever performance. The MRF lost some seats but received its habitual place in parliament. There were two new entries: the Popular Union (18 seats) and the Bulgarian Business Bloc (13 seats) led by the populist George Ganchev. The BSP leader, Zhan Videnov, was appointed Prime Minister.

There was a slight and short-term economic improvement at the beginning of the Videnov government's term but once again the BSP could not fulfil the great expectations the population had and one disaster followed another. The government failed to begin the repayment of Bulgaria's foreign debt, and did not pay enough attention to the corrupt banking system. Structural weaknesses in the economy remained, the currency underwent a considerable fall and most of the banks went bankrupt. In addition, there were frequent accusations that the BSP, including Videnov, was doing deals with powerful crime rings and that the former Communist elite was exploiting privatisation in order to gain business assets. Indeed, most of the new companies were headed by the old Communist elite and not by a new generation of entrepreneurs. This phenomenon certainly also existed in other former Communist countries, but not to the same extent as in Bulgaria. The connection between the economy and organised crime soon resulted in the most serious crisis experienced since the collapse of the totalitarian regime which resulted in a sharp decrease in economic output, high inflation, widespread unemployment, and a substantial decline in real household income. At the end of 1996 the purchasing power was lower than at the end of 1919 and there were shortages of all essential items.

This situation led to large-scale public protests and had a catastrophic impact on the BSP in the **presidential elections of November 1996** when the UDF candidate, Peter Stoyanov, obtained 59.7% of the votes in the

second round. The BSP drastically fell behind their result of the last parliamentary elections. Videnov resigned in late December 1996. His nominated successor, Nikolai Dobrev, had never held office as the public saw too many similarities with the discredited Videnov. At the beginning of 1997, after years of public apathy, the country entered a period of unprecedented upheaval which saw the largest protests (some of them violent) in its history. The crowds demanded new elections and rapid economic reforms. The BSP agreed "in the name of civic peace" to new elections which were held in April 1997, two years before they were required by law. The UDF coalition (comprised of the UDF, the Popular Union, and the Bulgarian Social Democratic Party) won these elections with a considerable majority (137 seats; 52.26% of votes), while the BSP obtained only 58 seats (22.07% of votes). In 1997 for the first time since 1989 a non-Communist party won an absolute majority in the Narodno Subranie. The UDF formed a government under its new leader Ivan Kostov.

The UDF coalition introduced a very ambitious four-year programme called "Bulgaria 2001". It was obvious that a real economic restructuring could no longer be avoided. One of the first measures was the establishment of a currency board in July 1997, linking the exchange rate of the lev to the Deutsche Mark (from 1999 to the euro). Thereafter the economy began to stabilise and inflation dropped. In general, the government managed to fulfil several of its key objectives. In one of its main aims, to move Bulgaria closer to NATO and the EU, it was unquestionably successful - but in another, the fight against crime and corruption, its achievements were far more modest. Although the government did crack down on organised crime, there was a dramatic rise in crime in general. In 2000 and early 2001 numerous assassinations and bombings took place in several big towns and in the first half of 2001 there were an average of 380 offences per day. In addition to the rising crime rate, the problems of corruption in public administration - in particular with regard to political appointments remained strongly present, a fact which was extremely damaging for the government.

Political parties were singled out as some of the most corrupt institutions. Indeed this was perceived as the country's single most serious problem by a considerable part of the population, and resulted in a considerable decrease in confidence in political institutions in general.<sup>18</sup>

This lack of confidence in political institutions is relevant also to the judiciary and the state administration. These bodies were exploited by different organised interests, mafia structures and organised crime, which sometimes led to their replacement by shadow power structures. Unofficial payments for health care, education and civil registrations became a "normal" part of Bulgarian everyday life.

These problems, together with the residual economic and unemployment crisis, resulted in a loss of support for the Kostov Government in the elections held in June 2001.

## 2.2 The return of "The King" in 2001

The **elections of June 2001** put an end to the "bipolarity" of the party system in post-communist Bulgaria and marked a real change in the political transition. The UDF lost the parliamentary elections to the **National Movement Simeon II (NMSII)**, a formation built around the

that had not even existed until just eleven weeks before. In the elections of 17 June 2001 the NMSII won 120 seats (42.74% of votes)<sup>20</sup>, one seat short of an absolute majority. The UDF suffered a bitter defeat – the party's share of the vote decreased from 52.26% at the previous election to 18.18%; the BSP achieved 17.5%<sup>21</sup>.

personality of the former Bulgarian Tsar Simeon Sax-Coburg-Gotha<sup>19</sup>

In August 1996 Simeon II returned to Bulgaria for the first time after almost 50 years of exile. Thousands of Bulgarians welcomed him enthusiastically, chanting "We want our Tsar." The sentimental memory of the Bulgarian people had not forgotten him. In a period when most Bulgarians had lost faith in factional politics, and lost hope that there was a domestic figure that could end the crisis and constant betravals of different political factions, "Tsar" Simeon seemed to represent a new start. He was seen by many as the public figure who epitomized fairness and morality. At this time the former monarch did not express any political ambitions, was very careful to keep out of the controversies of the time. He left the country again soon after visiting his former estates, which Bulgaria had returned to him after a decision of the Constitutional Court in 1998. He announced that he was willing to donate "his" forests in Rila Mountain to the National Parks authority, and allow some estates to be used for social projects, but later he reneged on this promise, which provoked anger and suspicion in many citizens.

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<sup>&</sup>lt;sup>19</sup>In 1943 the six-year-old Simeon II succeeded his father Boris III to become head of state as the Tsar of Bulgaria. Boris III, reigning under a Regency Council headed by his brother, Prince Kyril, had died under mysterious circumstances. At that time Bulgaria was de facto occupied by Red Army troops and the communists were eager to abolish the monarchy, which they saw as the main obstacle to achieving total power. Following a referendum, the monarchy was abolished in 1946 with 95% approval, and Bulgaria was declared a "People's Republic". The legality of this act remains in doubt. The regents, including Simeon's uncle Kyril and most of the country's intelligentsia, were executed. In 1946 Simeon II was exiled from Bulgaria by the communists at the age of nine, and the royal family eventually settled in Spain in 1951 where Simeon II married a Spanish aristocrat, Dona Margarita Gomez-Acebo y Cejuela. They have five children (four sons and a daughter). Simeon II worked in Spain as a businessman for several companies. He is now using the name Simeon Borisov Sakskoburggotski.

<sup>&</sup>lt;sup>20</sup> The NMSII would have won an absolute majority had it not been for the presence of a formation calling itself Coalition for Simeon II, which garnered 3.4% of the votes. Many Bulgarians, particularly those voting abroad, mistakenly gave their vote to the Coalition for Simeon II, believing they were voting for the former Tsar's movement. Simeon complained that the Coalition had been deliberately established by the UDF in order to create this confusion.

Rossen Vassilev, Will Bulgaria Become Monarchy Again?, Southeast European Politics, Nov. 2003, Vol. IV, No. 2-3, pp. 157-174.

<sup>21</sup> See Annex 5

<sup>&</sup>lt;sup>18</sup> Transparency International – Bulgaria, Political Party and Election Campaign Financing in Southeastern Europe: Avoiding Corruption and Strengthening Financial Control, p 3.

Simeon II was not allowed to present himself at the presidential elections due to the constitution, which required a presidential candidate to be born in Bulgaria and to have been resident for five years before an election.

On 6 April 2001, little more than two months before the elections, he nevertheless re-entered his homeland's politics, becoming the first former monarch to do so in post-communist Eastern Europe. He launched a "National Movement"22 in the name of "new ethics in politics, new economic decisions, with new [for Bulgaria] ideas, and new leaders". Despite his promises to introduce "a new morality" in politics and to change the life of all Bulgarians "within 800 days"<sup>23</sup>, the explanations he gave concerning his programme and economic measures remained vague. Instead he asked the Bulgarian people to trust him - which they did unquestioningly. He managed to mobilize the protest vote of disappointed and impoverished parts of the population. The support for the NMSII decreased only slightly when Simeon II presented the list of the NMSII candidates, which included lawyers, yuppies, TV anchors, a fashion model, an actor, a magician, various sports figures - along with several shady personalities connected to the country's powerful economic interests. Even if doubts were emerging, the Bulgarian population, whose living standards had declined constantly over the previous ten years, saw little other perspective than to give its vote to Simeon II – a personality different from the rest of the political elite.

After a landslide victory in the elections, Simeon II was sworn in as Prime Minister of Bulgaria on 24 July 2001, forming a coalition with the Movement for Rights and Freedoms. 90% of the members of the new government had no previous political experience. The Prime Minister

<sup>22</sup> The Sofia City Court denied the political movement the right to register officially as a political party because of nine serious violations of the Law for Political Parties. The Supreme Court of Appeal upheld this ruling on April 28, 2001. As a consequence the National Movement formed an alliance with two smaller. registered parties in order to participate in the legislative elections. This new National Movement Simeon II (NMSII) was led by Vesela Draganova. On April 6, 2002 the NMSII was finally registered as a party, and Sakskoburggotski was elected as its Chairman. The NMSII identified itself as a liberal party and became a member of the European Liberal Democrat party (ELDR) and of the Liberal International (LI).

Julia Guechakov, Bulgaria: Court denies Registration To Former King's Movement, http://www.binfo.com/tools/miva/newsview.mv?url=news/2001-04/text/apr24a.rfe

appointed two mayors elected with the votes of the BSP - Dimitar Kalvec. mayor of Russe, and Kostadin Paskalev, mayor of Blagoevgrad. These two became responsible for important sectors - state administration. regional development, and public works - and Paskalev even became Vice Prime Minister, a position that was denied to the MRF. There were no formal negotiations held with the BSP, so that the BSP was simultaneously in the government and in opposition. Only the UDF did not get any position in the new cabinet. The inclusion of the BSP was seen by the UDF (and also by a significant part of the population) as a betraval of the voters.

The priorities of Simeon Saxe-Coburg-Gotha's government programme were membership of the EU and NATO, the fight against corruption and organised crime, and rapid and stable growth. He pledged for the fixed foreign exchange rate and the continued functioning of the Exchange Board until Bulgaria joined the EU. The encouragement of foreign investment, and domestic business, the reduction of taxes for investors and the introduction of strict control of the customs services were also aims of his programme.

Concerning EU and NATO membership, some progress was made under the new government. At the December 2002 EU summit in Copenhagen, it was announced that both Bulgaria and Romania could expect EU accession in 2007, although neither were judged ready to be part of the 2004 EU enlargement<sup>24</sup>. The NATO objective proved easier to achieve. In November 2002, at the NATO summit in Prague, Bulgaria was one of seven former socialist countries invited to join the Alliance.

Despite this progress in Bulgaria's relationship with the West, support for the new government decreased quickly and dramatically25. The presidential elections of 18 November 2001, just 100 days after the election of the Simeon government, revealed the drop in support for the former monarch. The BSP-leader Georgi Parvanov defeated incumbent Petar Stoyanov, the candidate favoured by Prime Minister Simeon II and his National Movement, gaining 53% of the vote. During his first 100 days of government, Simeon II had thrown almost all his promises

<sup>23</sup> You can find the whole text of his speech of 6 April 2001 at http://www.cereview.org/01/15/rozevagreen15.html

<sup>&</sup>lt;sup>25</sup> Public approval of his party fell from 65% in July 2001 to a low of 9% in March 2003.

overboard. Improvements in social conditions, an immediate increase in pensions, and the promise to increase wages in the public sector – all remained on paper. Instead the population continued to face mass redundancies and increases in electricity, heating and telephone bills which were tripling the cost of living. Many Bulgarian families were obliged to cap their heating because of their inability to pay. As a consequence, financial penalties for non-payers were increased. Lydia Schuleva, spokesperson for the Ministry of Labour and Social Affairs, made an urgent appeal to international aid organisations and EU member countries for humanitarian aid to help the population to survive the winter. This move was sharply criticised by governmental officials, worried about Bulgaria's image in a period when it was seeking EU accession.

The King's government failed to ease the deep economic and social crisis, and was unsuccessful in rooting out widespread corruption and in transforming the legal system, as Sakskoburggotski promised. In interviews, his refusal to comment on the events of the day came across as arrogant and did not help him to regain citizens' trust and goodwill. The population reacted with strikes and there was a further dramatic loss of confidence in the government which was expressed in the legislative elections of June 2005.

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# 2.3 The current governmental coalition, 2005-2007 and the presidential elections of 2006

Despite this discontent, the Tsar's government managed to serve out its full term until Bulgaria's **sixth parliamentary elections** since the collapse of the Communism, which took place on **25 June 2005**. The voter turnout was the lowest of the last 15 years (55.7%). In the beginning of the campaign the NMSII-government intended to boost turnout in the elections by spending four million lewa (about two million euro) on a lottery in which voters could win prizes ranging from mobile phones to a new car. This idea was seen as undemocratic by other parties and as an insult to their constitutional right to vote by the population.

The main contenders in these elections were the incumbent NMSII and the MRF, the BSP and its coalition (Coalition for Bulgaria), and the UDF and its coalition (United Democratic Forces). Beside these established forces, the Bulgarian People's Union, a centrist alliance, and three new parties – the Democrats for a Strong Bulgaria, Ataka, and New Time – presented themselves at the elections of 25th June 2005.

#### The **Coalition of Bulgaria** is led by the BSP and incorporates:

- The Party of Bulaarian Social Democrats
- The Political Movement Social Democrats
- The Bulgarian Agrarian People's Union "Alexander Stamboliiski"
- The Civil Union "Roma"
- The Movement for Social Humanism
- The Green Party of Bulgaria
- The Communist Party of Bulgaria

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<sup>&</sup>lt;sup>26</sup> Main sources of this chapter: Nadia Rozeva Green, Where is Your Majesty, Your Majesty?, Central Europe Review, Vol.3, No 15, 30 April 2001/Dr. Stephan E. Nikolov, A King For the Republic, New Balkan Politics – Journal of Politics, Issue 5/Georgi Filipov (AIM), The Government of Lawyers and Yuppies, 26 July, 2001/Brigitte Fehlau and Peter Schwarz, Ex-King Simeon II named new prime minister of Bulgaria, World Socialist Web Site <a href="http://www.wsws.org/articles/2001/jul2001/bulg-j24.shtml;//ulie Kim,">http://www.wsws.org/articles/2001/jul2001/bulg-j24.shtml;//ulie Kim,</a> Bulgaria: Country Background Report, CRS report for Congress, July 13, 2001/Verena Nees, Bulgaria: presidential elections reveal drop in support for former tsar Simeon II, World Socialist Web Site, <a href="http://www.wsws.org/articles/2001/nov2001/bulg-21.shtml">http://www.wsws.org/articles/2001/nov2001/bulg-21.shtml</a>,/TZAR SIMEON II, website of the NDSV <a href="http://www.ndsv.bg/?magic=0.1.17.124.0.2.0.">http://www.ndsv.bg/?magic=0.1.17.124.0.2.0.</a>, Rossen Vassilev, Will Bulgaria Become Monarchy Again?, Southeast European Politics, Nov.2003, Vol. IV, No.2-3, pp.157-174.

The **United Democratic Forces** is led by the UDF and includes:

- The National Democratic Party
- The Bulgarian Agrarian People's Union
- The George's Day Movement
- The Movement for an Equal Public Model
- **BZNS** National Union

The **Bulgarian People's Union** is a coalition of:

- The Bulgarian Agrarian People's Union-People's Union
- The Internal Macedonian Revolutionary Organization
- The Union of Free Democrats

All the three parties had previously been part of the UDF or its coalition.

The elections produced no clear winner and so created another yet unstable political situation for Bulgaria's democracy.

The BSP-led Coalition for Bulgaria captured the largest share of the votes cast, 33.98% (82 seats) - not enough to form the majority in the government, but a result that entitled the BSP to play a leading role in the formation of the government. The NMSII, with only 21.83% (53 seats), lost more than half its seats in parliament, the MRF gained 14.07% (34 seats)<sup>27</sup>, becoming the third political force, and the UDF won a disastrously low 8.44% (20seats). Democrats for a Strong Bulgaria, the splinter party belonging to former UDF-leader and Prime Minister Ivan Kostov, achieved a satisfactory 7.07% (17 seats). The biggest surprise, however, was the unexpectedly strong showing of the new extremenationalist, rightist coalition Ataka, which attracted 8.93% of the vote (21seats). The remaining 50 seats were distributed among three right-ofcentre parties, descendants of the UDF.

The **Coalition Union "Attack"** consists of:

- The National Movement for the Salvation of the Fatherland
- The Bulgarian National Patriotic Party
- The Union of Patriotic Forces and Militaries of the Defence Reserve

The continuing decline in living standards had led to a level of discontent and even desperation that provided a fertile environment for the emergence of right-wing demagogues as in other European countries. Ataka, a coalition created only a few weeks before the elections, made it into parliament with the support of poorer and less educated voters. Its members, often figures from the communist past, are typically military officers, members of secret agencies and civil servants. The coalition calls for "a Bulgaria for the Bulgarians" and proposes harsh policies on ethnic minorities. According to its leaders: "The best Turk is a dead Turk", "The best gypsy is a gypsy who becomes raw material for soap", "Jews are a dangerous race which has the plague and they deserve to be destroyed at birth"). For their racist and anti-Semitic messages they have launched their own newspaper "Ataka" and a TV channel, Skat. Ataka's leader, Volen Siderov, a former TV-host, is well-known for his radical views and his aggressive nature. He does not hesitate to underline his convictions with violent attacks on the Turkish and the Roma minority. Siderov's ideology caused a wave of indignation in Bulgaria's democratic circles and resulted in his prosecution for discriminatory declarations. The civil coalition "Citizens Against Hatred" incorporating 86 organisations was launched to file a lawsuit against Siderov for incitement to hatred under the Protection from Discrimination Act.<sup>28</sup> The litigation is still in process.

<sup>27</sup> See Annex 7

<sup>&</sup>lt;sup>28</sup> For more information, see the website of the Bulgarian Helsinki Committee www.bghelsinki.org

After these elections there were almost two months of **crisis** before a new **three-party centre-left coalition government** under the BSP leader Sergei Stanischev as Prime Minister was established; an agreement between the Coalition of Bulgaria, the NMSII and the MRF was signed on 16 August. The BSP received eight ministries, the NMSII five and the MRF three. The mutual mistrust between the parties made forming a government difficult. In the end, President Georgi Parvanov mandated the chairman of the MRF to set up the new government. The imperative of EU membership was the most powerful consolidating factor as fears came up that further delay might undermine the country's chances of membership in 2007.

In the presidential elections of 22 October 2006 incumbent President Georgi Parvanov decided to run for another term. Another six candidates presented themselves – his main opponents were Ataka leader Volen Siderov and Nedelcho Berenov from the UDF. Simeon Saxe-Coburg did not stand. Despite obtaining a clear majority of the votes (64%), incumbent President Paravanov had to face a run-off with his populist rival Siderov, who took 21.5% of the votes, as voter turnout (43%) was less than the required 50% in the first round. Nedelcho Berenov received only 9.7%. The second round took place on 29 October and, as expected, Parvanov won an outright victory, securing 75.9% of the votes against Siderov's 24.1%. The turnout of 41.2%, slightly lower than in the first round, can once again be explained by Bulgarians' dissatisfaction with the current government and general distrust of the political elite<sup>29</sup>.

## III - The first European Parliament elections, 20 May 2007

On 20 May, 18 Bulgarian representatives out of 11 parties, three coalitions and two independent candidates were elected for the first time to the European Parliament, where Bulgaria until then had been represented by observers

The breakdown of **MEPs** (observers) was as follows:

Coalition for Bulgaria: 6MEPs

NMSII: 4MEPsMRF: 3MEPs

• United Democratic Forces: 2MEPs

Democrats for a Strong Bulgaria: 1MEP

• Bulgarian people's Union: 1MEP

National Union Attack: 1MEP

**The voter turnout** dropped to 28.69%, a new record low since the first free democratic elections highlighting again public frustration over corruption and poverty. In the capital Sofia the turnout fell as low as

<sup>&</sup>lt;sup>29</sup> Main sources of this chapter: *Lyubka Savkova*, Election Briefing No.21 Europe and the parliamentary Election in Bulgaria, 25 June 2005 for EPERN/*Venelin I. Ganev*, Ballots, Bribes, and State Building in Bulgaria, Journal of Democracy Volume 17, Number 1 January 2006/*Maria Spinova*, The parliamentary elections in Bulgaria, June 2005, Notes on Recent Elections, Electoral Studies 25 (2006) 611-634/*Prof. Richard J. Cramton*, Bulgaria, History, Europe Regional Surveys of the World Series/*Krassimir Y. Nikolov*, Bulgaria's Pre-Accession Agenda and the European Union's Post-Enlargement Agenda in 2005/Bulgaria update, http://www.europeanforum.net/country/bulgaria /Diplomatic Observer, Hitler of Bulgaria is Siderov, http://www.diplomaticobserver.com/ *Can Karpat*, Presidential Elections in Bulgaria: Full details, http://www.axisglobe.com/official/official website of Ataka http://www.ataka.bg

20%. In this respect Bulgaria does not differ much from the other new Member States where the average turnout at the EP elections 2004 was also about 30%.

The **campaign** was once again characterised by corruption scandals<sup>31</sup>, populism and the same tired promises. The European dimension of the elections, and the European Union in general, - about which the average Bulgarian does not know a lot – were rarely talked about. For many Bulgarians these elections represented just another set of promises<sup>32</sup>.

However, in the course of the election campaign, two issues were raised that generated interest and controversy:

#### An attack on Turkish voting rights in Bulgaria

This issue was raised by opposition parties wanting to establish voting restrictions for Bulgarian citizens who live permanently outside the EU – a measure aimed at the 100.000 votes of Bulgarian Turks living in Turkey. The bill's proponents argued that deputies elected with their votes will be in fact representatives of Turkey and not of Bulgaria. They wanted to put a stop to this "electoral tourism". For every election the MRF mobilises the ethnic Turks in Turkey who are driven in buses to Bulgaria in exchange for small "gifts". The opposition accuses the ruling coalition of only seeking the votes of the ethnic Turks and of using the protection of human rights as a pretext. The issue was the subject of a heated debate in parliament, where the MRF walked out, saying that the law was discriminatory and anti-constitutional.

After a second reading of the Law on European Parliament Elections, the Bulgarian parliament nonetheless supported (with the help of opposition votes) the so-called principle of residency, which says that only Bulgarian citizens who have been permanent residents of Bulgaria or another EU state for three months prior to the election date are entitled to vote for members of the European Parliament<sup>33</sup>.

#### The EP candidacy of the five nurses in Libya

In order to rescue five Bulgarian nurses sentenced to death in Libya for deliberately infecting 426 children with the HIV-virus, a committee of Bulgarian public figures proposed nominating the five nurses for the European Parliament. Supporters of this move contend that Libya would not execute members of the European Parliament, though others say that this would only boost the "price" Libya is demanding for their liberation (\$2.7 billion). The eight-year imprisonment of the five nurses (together with a Palestinian doctor) is universally seen as a scandalous injustice.

Although they are on the list of the small political party *Order, Lawfulness and Justice*, the Bulgarian Central Election Committee recently objected to the nomination, holding that the principle of residency does not allow the nurses to be nominees or vote in the elections<sup>34</sup>.

 $<sup>^{30}</sup>$  Since the EP elections in 1979 voter turnout has declined steadily and the turnout in the elections 2004 has followed this trend. The participation figure for the EU as a whole came up to 45.5%, with a participation of 47.1% in the EU-15 and of 26.4% in the New Member States. Bulgaria's turnout is still significantly higher than the 16.7% turnout in Slovakia and the 20.4% in Poland in 2004.

European Parliament Elections 2004: results, http://www.euractiv.com, 30 June 2004.

<sup>&</sup>lt;sup>31</sup> Prime Minister Stanischev suspended two deputy ministers and Economy and Energy Minister Rumen Ovcharov after a large-scale corruption investigation.

<sup>&</sup>lt;sup>32</sup> Les élections du Parlement européen intéressent plus les hommes politiques que les électeurs bulgares, <a href="http://www.euractiv.com/">http://www.euractiv.com/</a> First MEP elections in Bulgaria and European parliament campaign to encourage EP election vote, BNR Radio Bulgaria Politics, http://www.bnr.bg

<sup>33</sup> Krassen Nikolov, Turkish Voting Rights Come Under Attack in Bulgaria, Southeast Europe Online, <a href="https://www.southeasteurope.org/">www.southeasteurope.org/</a> Vote of text from Law on EP elections shakes government coalition, BNR Radio Bulgaria politics, <a href="https://www.bnr.bg">http://www.bnr.bg</a>

<sup>&</sup>lt;sup>34</sup> No EP candidacy for five nurses in Libya, New Europe, April 22-28, 2007/Bulgarian Civil Group to Nominate Five Nurses Sentenced to Death in Libyan HIV Infection Case to EP Elections, <a href="http://www.medicalnewstoday.com">http://www.medicalnewstoday.com</a>

The **results**<sup>35</sup> of the EP elections are the following:

- **GERB** (*Citizens for European Development of Bulgaria*) <sup>36</sup> gained the largest share of the vote (21.68%, 5 seats).
- Second place, at 21.41% (5 seats), goes to the coalition "Platform of European Socialists" (PES)<sup>37</sup>.
- The **MRF** ranks third (20.26%, 4 seats) and
- ultranationalist **Ataka** fourth (14.20%, 3 seats).
- The NMSII managed to gather 6.27% of the vote, securing at least one seat.
- The UDF and the Democrats for a Stronger Bulgaria (DSB) failed to make the 5.66% threshold necessary to win even a single seat<sup>38</sup>.

The MEPs will serve until June 2009, when EU-wide European Parliament elections are scheduled. As Quentin Peel from the Financial Times observes "Most of the respectable pro-European middle-of-the-road parties that led Bulgaria's accession process failed to gain any seats at all"<sup>39</sup>.

As a result of the electoral fiasco Ivan Kostov, leader of Democrats for Strong Bulgaria and Petar Stoyanov, leader of the UDF announced their resignations. A closer look at the results shows that the UDF and the DSB could have sent representatives to the EP if they had united for the elections.

elections in fall 2009, generated a number of questions in the political parties. For the BSP it is a defeat to get behind the newcomer GERB, whose leader Borissov is one of the most outspoken critics of the ruling coalition. The results can be seen as a warning shot to the Socialist-led government that it is time to get serious about fighting crime, corruption and poverty<sup>40</sup>.

The results, which were seen as a first litmus test for the next legislative

<sup>36</sup> GERB is a new centre-right party formally headed by Tsvetan Tsvetanov, a former deputy mayor of Sofia, but actually led by the popular Sofia mayor Boyko Borissov.

<sup>35</sup> See Annex 8

<sup>&</sup>lt;sup>37</sup> The BSP decided to appear on the ballot in a coalition with the Movement for Social Humanism forming the Platform of European Socialists.

<sup>&</sup>lt;sup>38</sup> Bulgarian Socialists Support in Free Fall Ahead of MEP Vote, Novinite.com News Alert, 9<sup>th</sup> May 2007/Electoral Activity among young people in Bulgaria low, Information Campaign Inefficient, <a href="http://www.sofiaecho.com">http://www.sofiaecho.com</a>, 2<sup>nd</sup> May 2007

<sup>&</sup>lt;sup>39</sup> Quentin Peel, Corruption haunts EU's new democracies, Financial Times, 22 May, 2007.

<sup>&</sup>lt;sup>40</sup> Elections 2007-Géopolitiques de la Bulgarie, Rightist shifts, FOCUS News Agency, http://bieas.canalblog.com, 22 May 2007.

### Conclusion

The most important strategic goal of Bulgaria since the fall of communism has been the "return to Europe".

EU membership requires important reforms, creates a favourable political environment, and strengthens democracy and the rule of law. But Bulgaria is still a nation in transition, with many challenges and an arduous process of adjustment ahead. It will need to adopt numerous directives, regulations, norms and standards, adjust its tax and social security systems, restructure its agriculture and transfer decision-making powers to Brussels and Strasbourg.

The issues of justice, corruption, money laundering and trafficking of people were addressed during the accession period but there is still much to be done. Bulgaria's EU membership cannot be seen as the miracle remedy to all its woes, but only in membership of the EU is there a chance that this work will be continued. However, the country's road to EU prosperity and stability will be hard and the complex political and institutional framework of the EU will present new challenges.

Bulgarians want to move from widespread poverty to general prosperity, and want to shore up the democracy they have created from Communist dictatorship. But the difficulties during the transition period have resulted in a very low level of public confidence in political parties as institutions and in their leaders as public servants. It will take time until Bulgarians will gain trust in the European institutions.

As a full and equal member of the European Union, Bulgaria will be capable of living up to European ideals. That is why the EU must maintain its pressure on Bulgaria's political elite, as its population deserves better living standards and the eradication of corruption. Democratically-minded Bulgarians welcome that their ruling elites are being forced by the EU to build a democratic and transparent society.

The old period of transition has ended, but the phase of consolidation of Bulgarian democracy is still in process. 2007 is the start of a new transition period. It is to be hoped that the results from now on will be more encouraging than in the past. In the time being, Bulgaria has succeeded in "returning to Europe". But it is still on its margins and still considered as a second-class member.

## **ANNEX**

## ANNEX 1: Key Facts<sup>41</sup>

Official name	Republic of Bulgaria
Population	7.97 million inhabitants (2005)
Area	110,993.6 km²
Density	107.8 inhabitants per km²
Distribution	67.8% urban population; 32.2 % rural population
Neighbours	Greece (494 km), The former Yugoslav Republic of Macedonia (148 km), Romania (608 km), Serbia (318 km), Turkey (240 km)
Population profile	Bulgarian (86%), Turkish (9,4%), Roma (4,6%)
Language(s)	Bulgarian (official language), Turkish and other minority languages
Religion	Orthodox Christian (83%), Muslim (13%), Catholic, Protestant and other (4%)
Life expectancy	Average: 71.4 years, 68.5 years (male), 75.3 years (female)

ANNEX 2: Economic Profile<sup>42</sup>

GDP per capita	€ 7500 per capita (in purchasing power standards), or 32.1% of the EU-25 average in 2005
Economic growth	4.5% in 2003; 5.7% in 2004,; 5.5% in 2005
Inflation rate	5% in 2005
Unemployment rate	10.1% in 2005
Currency	1 lev = 100 stotinki 1 Euro = 1.95583 leva (BGN)
Government budget balance	2005 budget surplus of 2.4% of GDP
Current account balance (2005)	-2.4 billion euro or 11.3% of GDP
Foreign debt	70.5 % of GDP in 2005
Trade with EU (2005)	Exports to the EU: 62.2% of total exports
Import from the EU	57.9 % of total imports

<sup>41</sup> http://ec.europa.eu/enlargement/archives/bulgaria/political\_profile\_en.htm

 $<sup>^{42}\,</sup>http://ec.europa.eu/enlargement/archives/bulgaria/economic\_profile\_en.htm$ 

## ANNEX 3: Public attitude to Bulgaria's accession to the EU

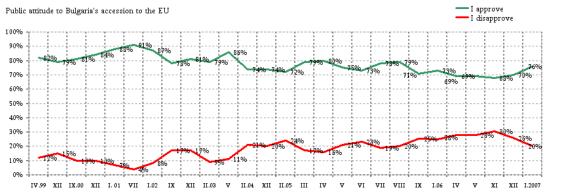
Survey of Alpha Research

**Survey characteristics** 

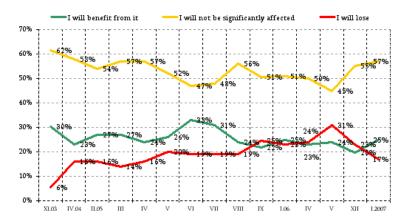
filedwork: January 2007

for: National representative; 18+

sample: 1000 people



How do you think Bulgaria's accession to the EU will affect you personally?



ANNEX 4: Main parties in the National Assembly<sup>43</sup>, 1990-97<sup>44</sup>

	1990		1991		1994		1997	
Party	Seats	% of						
		votes		votes		votes		votes
BSP	211	47.15	106	33.14	125	43.42	58	22.07
UDF	144	36.20	110	34.36	69	24.23	137	52.26
MRF	23	6.03	24	7.55	15	5.44	19	7.60

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 $<sup>^{43}</sup>$  The 1990 Narodno Sobranie (National Assembly) consisted of 400 seats, the others of 240.

<sup>&</sup>lt;sup>44</sup> Table in *Emil Giatzidis*, An introduction to post-Communist Bulgaria, 2002, p 53.

People's	_	_	_	_	18	6.51	_	_
Union <sup>45</sup>								
Bulgarian	_	_	_	_	13	4.70	12	4.93
Business								
Bloc								
Euro-left <sup>46</sup>	_	_	_	_	_	_	14	5.50

ANNEX 5: Results of the 17 June 2001 elections<sup>47</sup>

Party or Coalition	Seats	% of votes
Simeon II National Movement - NMSII	120	42.74%
United Democratic Forces (led by the UDF)	51	18.18%
Coalition for Bulgaria (led by the BSP)	48	17.15%
Movement for Rights and Freedoms - MRF	21	7.45%

## ANNEX 6: EU-Bulgaria relations: Key Events<sup>48</sup>

**May 1990:** Bulgaria and the European Economic Community signed the Agreement on Trade and Cooperation. The PHARE Programme was opened to Bulgaria.

**March 1993:** The Europe Agreement for Bulgaria and the Interim Agreement on Trade and Related Matters were signed. The Interim Agreement entered into force on 31 December 1993 replacing the Trade and Cooperation Agreement. The Europe Agreement entered into force on 1 February 1995.

**May 1995:** The first meeting of the Bulgaria - EU Association Council was held in Brussels.

**December 1995:** The Bulgarian Government and the Bulgarian Parliament adopted a decision to apply for EU membership. The application was presented to the European Council in Madrid.

**November 1999:** The memorandum on decommissioning Kozloduy NPP units was signed with EC.

**December 1999:** The European Council in Helsinki decided to start negotiations with Bulgaria, Latvia, Lithuania, Slovakia, Romania and Malta.

**February 2000:** The accession negotiations were opened.

- **15 June 2004:** The accession negotiations on all 31 chapters were provisionally closed.
- **17 December 2004:** the European Council confirmed the conclusion of accession negotiations with Bulgaria and accordingly looked forward to welcoming it as a member from January 2007.
- **13 April 2005:** The European Parliament gave its assent to the Accession Treaty. The report for Bulgaria was passed with 534 votes in favour and 88 against (69 abstentions).

<sup>&</sup>lt;sup>45</sup> UDF dissidents and Agrarians.

<sup>46</sup> BSP dissidents.

<sup>&</sup>lt;sup>47</sup> Julie Kim, CRS Report for Congress July 2001, Bulgaria: Country Background Report, p 3.

<sup>&</sup>lt;sup>48</sup> Website of the European Commission, http://ec.europa.eu/enlargement/archives/bulgaria/ key\_events\_en.htm

**25 April 2005:** The Accession Treaty was signed in Luxembourg.

11 May 2005: Bulgaria ratified the Accession Treaty.

**26 September 2006:** European Commission recommended 1 January 2007 as accession date.

ANNEX 7: Results of the 25 June 2005<sup>49</sup>

Party or Coalition	Seats	% of votes
Coalition for Bulgaria	82	33.98%
Simeon II National Movement - NMSII	53	21.83%
Movement for Rights and Freedoms - MRF	34	14.07%
Ataka	21	8.93%
United Democratic Forces - UDF	20	8.44%
Democrats for a Strong Bulgaria	17	7.07%
Bulgarian National Union	13	5.70%

ANNEX 8: Results of the first EP elections, 20 May 2007<sup>50</sup>

Party/ Coalition/ Independent candidate	Votes	Distribution	Seats
GERB (Citizens for European Development of Bulgaria)	420001	21.68%	5
Platform European Socialist	414786	21.41%	5
Movement for Rights and Freedoms	392650	20.26%	4
Ataka	275237	14.20%	3
National Movement Simeon II	121398	6.27%	1
Union of Democratic Forces	91871	4.74%	0
Democrats for a Strong Bulgaria	84350	4.35%	0
Coalition of the Bulgarian Social Democrats	37645	1.94%	0
Agrarian People's Union	29752	1.54%	0
Bulgarian Communist Party	18988	0.98%	0
Union of Free Democrats	14392	0.74%	0

Press Service of the European Parliament, Complete statistics at http://www.izbori2007.eu/results/index.html

 $<sup>^{49}</sup>$  OSCE/ODIHR Final Report, Parliamentary Elections, 25 June 2005, Republic of Bulgaria. For full results see: www.2005izbori.org

Green Party of Bulgaria	9976	0.51%	0
Citizen's Union for New Bulgaria	9398	0.49%	0
Order, Law and Justice	9147	0.47%	0
Mariya Stoyanova Serkedzhieva (independent)	5323	0.27%	0
Nikola Petkov Ivanov (independent)	2782	0.14%	0

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