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# **BAR O NETER** Bulgaria's Political Parties

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- The results of the elections for European Parliament predetermined the fate of the government. The two parties in power BSP and MRF did not receive sufficient electoral support to be used as reasoning for continuation of the operations of the cabinet. The decision for holding preterm parliamentary elections on October 5th is a way to resolve the political and parliamentary crisis which this country has been facing for almost one year.
- Inducing preterm parliamentary elections was one of the goals GERB has had over the past year. The victory in the European Parliament elections gives the party the opportunity to come to power yet again after the preterm elections. The most important question GERB has to answer regards finding partners for a future government.
- BSP suffered a severe loss, which means the party faces serious political challenges in the future. The decision of Stanishev to become a Member of the European Parliament will probably enhance the centrifugal processes in the party in view of electing a new party leader. Despite the declaration of Stanishev that he will remain party president, this will hardly be possible, due to his engagements in Brussels. The major challenge for BSP in the forthcoming elections will be the motivation of its traditional supporters to vote.



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#### **1. Political Situation**

The past quarter was marked by the European Parliament elections. The expectations of a fierce and discrediting campaign did not prove correct. It went calmly, with no serious debate on the European Agenda; the parties put the emphasis mainly on internal political issues.

The elections were won by GERB and they received 30.4% of the valid votes. So they have now six representatives in the EP. BSP remained second - 18.93% of the voters supported the party, which equals four seats in the European Parliament. MRF came third – with a result close to BSP (17.27%), which secured also four seats in the EP. The new party, Bulgaria Uncensored, with Nikolai Barekov as leader, got 10.66% and two seats. The Reformist Block managed to overcome the threshold with a result of 6.45% and will have one representative in the EP. As expected, the two nationalistic parties "Ataka" and the National Front for Salvation of Bulgaria (NFSB) did not get any seats in Brussels.

The Alternative for Bulgarian Revival (ABV) that broke away from BSP, and is led by former President of Bulgaria Georgi Parvanov, did not overcome the threshold either with a little more than 4%. Turnout was relatively low – 36.15%, yet it was close to the EU average.

GERB leader Boyko Borisov stated after the elections that the government must resign immediately. According to Borisov, the elections demonstrated that GERB are the only alternative which is indicated by the good results for the party. Borisov said that the people in government have brought this country to an economic and financial catastrophe which will require some difficult reforms from the next government. BSP admitted the loss of the elections, which was defined as severe. Party leader Sergei Stanishev noted that ABV running with a separate ballot had discouraged the left wing voters and many of them had preferred not to vote.

MRF expressed satisfaction with the result achieved by the party. Lyutvi Mestan stressed that, being one of the most pro-European parties, MRF has always regarded the European Parliament Elections as extremely important and this was why the party had approached them in a responsible way. Mestan also said that the outcome of the elections did not indicate any pronounced alternative, hence one should not hurry with calls for resignations. Mestan declared that he would give BSP, as carrier of the mandate, the chance to analyze the election results, and only then should one discuss the future of the government.

People from "Ataka" declared that the elections had been marred and votes had been bought like never before. This is why the party filed a complaint with the Constitutional Court for their cassation, which was supported by some BSP MPs.

One of the major topics during the past quarter was related to the South Stream project. The legislative changes that the government initiated in the Energy Act were very earnestly discussed. They induced some doubts that attempts were made to loophole the European law. Moreover, for a long time the government did not provide any public information as to whether there was a contract concluded for building the South Stream. This gave grounds for some tension between the European Commission and Bulgaria. Brussels threatened Sofia with sanctions if work on the South Stream went on and the project breached EU law. The European Commission requested some ex-

planations from Bulgaria about the intended amendments to the Energy Act that aim at excluding the Bulgarian part of the South Stream from the coverage of EU law. Energy Commissioner Guenther Oettinger said that there were three main legal issues regarding Bulgaria within the scope of this project – in the area of environment, internal market and competition. These were all issues covered by the third energy package of the EU. Some of the issues were access of companies which are not among the owners of the pipeline and do not own the transiting fuel, as well as the selection of companies for the construction of the project. Oettinger criticized the tenders for the construction and said that it was not possible to appoint someone as a constructor or a designer; instead, a tender should be organized.

In order to avoid any disputes with Brussels, Bulgarian Prime Minister Plamen Oresharski authorized Commissioner Oettinger to negotiate with Gazprom directly on the project in its Bulgarian part.

The South Stream became a topic in the pre-election campaign in this country. The Reformist Block accused the parties in power that the intended legislative amendments aiming at loop-holing EU Law were made under the dictation of Gazprom. They even showed documents and correspondence between the Bulgarian Energy Holding and Gazprom. PM Oresharski denied the accusations and said that only topics regarding the finalization of the contract were discussed in the Russian company. The topic of the South Stream was the reason for GERB to submit a motion for a fourth vote of no confidence - due to the failure of the government in the energy sector. As expected, it was rejected by the parties in power.

At the beginning of June, Plamen Oresharski was summoned to the National Assembly to provide explanations on the South Stream project after it became clear that the EC had started an infringement procedure against Bulgaria and requested the project to stop. The PM admitted that there was a contract for construction but refused to give further information due to considerations of commercial secrecy. According to unofficial information spread in the media, the company Stroytransgas of Genadii Timchenko – close to Putin and on the EU/USA sanctions list – was appointed main contractor. At the end of the day, Oresharski ordered temporary stoppage of the project until Brussels checks the overall process. He announced this decision of his after a meeting with US Senators led by John McCain, which made him a target of criticism by nationalist formations in this country.

In mid June GERB submitted a motion for a fifth vote of no confidence in the government – with the motive of failure of the financial policy of the cabinet. 114 MPs from BSP and MRF voted against the motion. "Ataka" voted in favor of overthrowing the government this time round. During the debate on the vote of no confidence motion PM Oresharski stated that the fiscal indicators of this country were among the best in all EU member states. He accused the former government of GERB of having failed the most in the policies on which they were submitting the motion of no confidence. According to Oresharski the GERB government had increased the sovereign debt by more than 4 billion BGN. This was also the reason why the current government had to incur a new debt in order to repay the 4 billion and old debts from earlier.

Oresharski denied that there was a delay regarding proceeds in the income part of the budget. According to him, at the end of April, the proceeds were 30.5% of those planned and that was the best result for the past 5 years. According to BSP leader Sergei Stanishev GERB had no moral right to submit a motion of no confidence on the topic of fiscal policy because of the accrued debt of 4 billion BGN. MRF's Yordan Tsonev also supported the claims of Oresharski regarding the fiscal stability of the country and defined the motives of GERB for the motion for a vote of no confidence as unfounded.

The outcome of the European Parliament elections resulted in souring the relations between the coalition partners – BSP and MRF. The leaders of both parties Sergei Stanishev and Lyutvi Mestan held talks on the fate of the cabinet but no detail was made public. According to sources close to both parties the two of them did not reach any agreement. Rumen Ovcharov from BSP said that, according to his information, Sergei Stanishev met former MRF leader Ahmed Dogan and requested his support to become Prime Minister and implement some serious changes in the course of government.

Days after the meeting between Stanishev and Mestan the leadership of MRF gave a news conference which proved vital for the future of the government. Mestan said that the political realities do not allow the Oresharski Cabinet to finish its term of office. Mestan mentioned three possible options for a preterm vote – elections in autumn next year together with the local elections; elections in the spring of 2015 or elections at the end of this year. Mestan said that MRF would prefer the elections to take place by the end of the year.

The MRF news conference resulted in a rift in relations between the two parties in power. Sergei Stanishev said the following day that the bearer of the mandate is the one who will determine the fate of the government. The BSP leader announced that he was in favor of elections at the end of July and the introduction of compulsory voting. The idea regarding compulsory voting came as a surprise because BSP have been delaying the review of the President's proposal for a referendum on compulsory voting for a long time.

Stanishev's proposal for compulsory voting was not supported by the members of his own party either. His idea was more a kind of "waving a finger" at MRF rather than a real intention. MRF would be affected most by the possible introduction of a compulsory vote, due to the strictly determined frames of their ethnic electorate.

Political reaction on the part of the other parties represented in Parliament was not long in coming. GERB insisted on the immediate resignation of the government and elections in the near future. "Ataka" suggested that the elections should take place in the middle of July. MRF stated that elections earlier than the end of September would be impossible due to purely organizational and legislative reasons. BSP found that it would be possible after minor changes in the electoral legislation.

In an attempt to reach consensus on issue of the elections, President Plevneliev convened a session of the Consultative Council for National Security (CCNS), where the current political situation in this country was discussed. The parliamentary parties adopted a stance whereby they consider that the European Parliament elections did not add power and legitimacy to the government to implement deep and overall reforms. This is why the leaders of BSP, GERB, MRF and "Ataka" united in favor of the need to hold preterm parliamentary elections in the period 28 September – 12 October 2014, for which additional consultations would be held.

At the end of June the parliamentary political parties reached consensus that the parliamentary elections should be held on 5 October 2014.

The crisis with the fourth largest bank in the country – Corporate Commercial Bank (CCB) with majority shareholder Tsvetan Vassilev caused a great resonance in the public. The bank was subjected to special supervision by the Bulgarian National Bank upon request by CCB, due to a liquidity problem. This situation came about after a conflict between the partners until recently – Tsvetan Vassilev and MRF MP Delvan Peevski. In the middle of June the Prosecutor's Office detained three persons suspected of organizing an attempt on the life of Peevski, behind which was Tsvetan Vassilev. Sofia City Court released the detainees, deeming that there was no evidence whatsoever of any crime. The Office of the Prosecutor refused to appeal against the decision of the court before a higher instance. Moreover, Chief Prosecutor Sotir Tsatsarov admitted that the Prosecutor's Office had definitely made a mistake but transferred the blame onto the police.

In a TV interview Tsvetan Vassilev qualified the accusations that he was preparing an attempt on the life of Peevski as unsubstantiated but admitted that the two of them had had a conflict for a couple of months. For his part, Vassilev accused Peevski that all the public procurement contracts of the last year went through his channels. The owner of CCB said further that Bulgartabak, where he is a minority shareholder, is being drained on a particularly large scale, whereby the money goes into somebody's personal accounts. He asked the Prosecutor's Office why they are not interested who the actual owner of the tobacco holding is. Vassilev said that companies close to Peevski have stopped servicing their debt to the bank on purpose.

The events around Tsvetan Vassilev resulted in a decrease in confidence in the bank. Within three days only, in front of the bank offices around the country, there were long queues of depositors who started withdrawing their deposits. This is how it came to the intervention of BNB.

BNB Governor Ivan Iskrov reassured Bulgarian citizens and said that the banking system in this country was stable. He stated further that the bank would reopen again in a month's time. PM Plamen Oresharski did not exclude the option for the bank to be nationalized, but prior to that the shareholders would be given the chance to redeposit the necessary financial resources on their own.

In the middle of June the National Assembly pronounced its stance on the referendum regarding the election system suggested by the President and the petition for this. Parliament rejected the referendum on the three questions – about the compulsory vote, about part of MPs being elected on the first-past-the-post principle and about the introduction of an electronic absentee vote. GERB insisted that the three questions should be voted on together and not separately, and this predetermined the final outcome. The referendum was rejected with the votes of BSP and MRF and "Ataka" did not take part in the voting.

Despite the forthcoming resignation of the government, some personal changes were made in it at the end of June. MRF's Iskra Mihailova, hitherto Minister of Environment and Water, who became an MEP was replaced by Svetoslav Angelov from

FRIEDRICH EBERT STIFTUNG the youth formation of the same party. PM Oresharski dismissed Kiril Zhelev, Deputy Minister of Finance. The position was taken by Georgi Turnovaliiski, Deputy Executive Director of the National Revenue Agency until then.

# 2. State and Development of the Party System

# 2.1. Trends in the Political Parties Represented in Parliament

## 2.1.1. GERB

The most important political event in an inparty sense for GERB was the elections for European Parliament. They were particularly important for the party because of the expectations that success in them would open up GERB's path back to power. Unlike in other elections, this time GERB did not carry out their usual pro-active media campaign. The efforts were focused on consolidation and mobilizing the local party structures. Party leader Borisov and other leading politicians of the party went around many towns in the country and held face to face meetings with the people. Tsvetan Tsvetanov was elected Chief of the Election Staff of the party, despite the court cases the Prosecutor's Office had filed against him.

Only days prior to the elections, yet another MP - Daniel Georgiev - left GERB's parliamentary group and joined Bulgaria Uncensored of Nikolai Barekov. MPs leaving GERB over the past months, however, did not result in serious disturbances in the party and its unity. The leadership defined this as a "healthy process of cleansing" which will make the party stronger afterwards.

The outcome of the EP elections showed that GERB is becoming not only a major

player in the right-wing political space, but as a leading political party in this country too. The expectations of many analysts that the party would disintegrate in opposition proved wrong.

GERB received 30.4% of the votes, which secured six seats for the party in the EP. This is the best result of the party in European elections – even higher than in the 2009 elections. Nearly 630,000 people voted for GERB in the previous elections, and now – a little more than 680,000. GERB had had five MEPs so far, and now they will have six – the leader of the list Tomislav Donchev, the previous MEPs Andrei Kovachev, Marija Gabriel and Vladimir Uruchev. Fifth and sixth are Eva Paunova and Emil Radev MP respectively.

The exit-poll data showed that GERB won in the large cities of the country. Mainly young voters voted for them, as well as economically active people, people with higher education and representatives of the middle class.

Immediately after the results were announced Boyko Borisov said that the government should resign immediately. He stressed that the country is facing an economic catastrophe and parliamentary elections should be held as soon as possible. If not, the country would be facing bankruptcy and it would come to a "Greek scenario" to put it in his words.

Borisov said that the country needs a strong center-right government. To a journalist's question as to whether or not he would make a coalition with the Reformist Block after preterm parliamentary elections were held, he answered that one can speak about coalitions only after the results are seen. Borisov congratulated the Reformist Block on their result and said that the two parties belong to the same political family and it is only natural for them to partner each other, and even make a coalition if that is the will of the voters.

During the past month one can detect some warming in the relations between GERB and MRF. Borisov denied any kind of agreements between the two parties about a future coalition or joint action in this parliament. All media publications on this topic were described by Borisov as speculation.

GERB declared that they firmly support Jean Claude Juncker's nomination for President of the European Commission. In a meeting of the EPP Group in Brussels Boyko Borisov said that the EPP won the elections and it would be right that the future President of the Commission should be from that party. As regards the Bulgarian nomination for Commissioner, Borisov said that the current government has no moral right to make the nomination because the parties that support it have lost the elections. He said that at the moment Bulgaria has an excellent Commissioner - Kristalina Georgieva - and GERB will do everything possible for her to be nominated by Bulgaria this time too.

The cases against Tsvetan Tsvetanov went on in the court phase. He was sentenced in the first instance by Sofia City Court to four years' effective imprisonment on the count that, despite the court's instructions, he had refused six times to use special means of investigation against Orlin Todorov, former chief of The General Directorate for Combatting Organized Crime in Veliko Tarnovo. Tsvetanov stated that political pressure was exercised against the judge on his case and that he will appeal against the sentence. To the calls of a number of politicians from BSP for Tsvetanov to leave parliament and the leadership bodies of GERB, Boyko Borisov responded that he stands firmly behind him and also accused the court of being partisan. Tsvetanov was acquitted in the first instance on the case of misappropriation of 50,000 BGN from the Budget of the Ministry of Interior.

#### 2.1.2. BSP

BSP suffered a severe defeat in the European Parliament Elections. The party received 18.9% of the votes (424,000 votes) – equal to four seats, which is the same as their coalition partners from MRF. The Socialists lost nearly half a million voters in comparison with the parliamentary elections a year earlier. The difference of more than 11% between GERB and BSP was unexpected polls indicated a 5% advantage for GERB a couple of days prior to the elections. This is why the shock of the Socialists from the loss was so great and naturally caused disturbances - not only within the party but in the relations between BSP and their partners in the government - MRF.

The reasons for the loss of BSP are complex. The negatives of the government and the participation in the unpopular government of Oresharski discouraged some of the left voters. The complex relations with MRF also had a negative effect on the mobilization of the BSP electorate in the elections. Many of the supporters of the party disapprove of it taking part in a government together with MRF. Indicative of that are the growing anti-MRF attitudes among BSP politicians, which were also seen during the election campaign.

The participation of ABV of former President Georgi Parvanov in the elections additionally discouraged the left voters and many of them preferred not to vote. ABV received a total of 4.02% of the votes, which was not sufficient for a seat in the European Parliament. The leader Georgi

FRIEDRICH EBERT STIFTUNG Parvanov noted after the elections that he had expected a better outcome, but pointed out that with such a result ABV would overcome the election threshold of 4% in national parliamentary elections.

The elected MEPs from BSP are: Georgi Pirinski, former MEP Iliyana Yotova, Momchil Nekov and Sergei Stanishev. The young Momchil Nekov came as a surprise as he was 15<sup>th</sup> on the list but got nearly 8% preferential votes, which meant that he came before the leader of the list Sergei Stanishev. The reason for this unexpected result was that Nekov's place on the list was identical with the number of the party on the integral ballot and many of the BSP voters crossed number 15 in both places – for a party and for a candidate.

In the news conference after the elections Sergei Stanishev admitted the severe electoral defeat. He declared that the results were disappointing for BSP and that this was a signal from the voters that must be deciphered and analyzed. Stanishev justified the defeat with the appearance of ABV which, to put it in his words, had taken some of the left votes and another rather large number of the voters who traditionally vote for the party were discouraged and did not go to the ballot boxes at all. On the other hand, Stanishev accused GERB of using their administrative resources in the local authorities to exercise pressure on the voters. Stanishev stated that these were European Parliament elections and one should not make a general deduction for the support for the government. The BSP leader said that he was not intending to resign at that moment and that this was not the most important topic for the party.

Stanishev presented an assessment of the performance of PES in the elections. Ac-

cording to him PES received a good result and came very close to the victors from EPP in terms of number of seats. According to Stanishev, this was a sign that the European citizens want a more social and more tightknit Europe, and not austerity policies.

The data from the polling agencies demonstrated a drop in the socio-demographic profile of the BSP electorate. For the first time BSP came fourth among the youngest age group (between 18 and 30 years) and this makes the Socialist Party the one with the most aging electorate among the main parties in this country. These elections demonstrated yet another precedent in the BSP result - so far in all elections the party had come first among the village population in this country. This time the most village votes in percentage terms were cast for MRF, BSP came second. In 11 of 31 constituencies BSP is the third political power – Blagoevgrad, Burgas, Dobrich, Kurdzhali, Pazardzhik, Razgrad, Silistra, Smolyan, Sofia-24 constituency, Turgovishte and Haskovo. In two of them - Dobrich and Turgovishte, it had never before gone down to third place.

Sofia Metropolitan Organization of BSP demanded a session of the regular 48<sup>th</sup> Party congress as soon as possible to discuss the party's pre-election platform and the coalition policy. BSP Sofia also demands the resignation of Sergei Stanishev. According to the Socialists from Sofia "in order to have a successful performance of the party in the elections, a complete change of the leadership and the mechanism of decision making is needed", and also "the next party chairman should not be elected by the congress delegates but through in-party elections." The former chairman of the party organization in Sofia Rumen Ovcharov was particularly critical towards the party leader and

said that with Sergei Stanishev as the leader the party has no future.

The loss of the elections for BSP and the tensions in the party resulted in a number of resignations of some key figures. Kornelia Ninova resigned as a member of the Executive Bureau of the party and as Deputy Chairman of the parliamentary group. Georgi Kadiev, who has been an open critic of the party leadership, resigned as an MP. He stated that the party was in need of a radical change – not only in the leadership bodies but in terms of policy too. According to Kadiev, if BSP did not replace Sergei Stanishev as party leader, the party would lose the forthcoming parliamentary elections in a catastrophic way. Unlike Kadiev, Kornelia Ninova supported Sergei Stanishev with the motive that one should not change the leader before the elections, because that would result in a split of the party. Yanaki Stoilov, another key figure in the party resigned as Deputy Chairman of the parliamentary group after the BSP MPs supported the MRF nomination of Svetoslav Angelov for Minister of the Environment and Waters to replace Iskra Mihailova, who became an MEP. Yanaki Stoilov insisted that this issue should not be voted on and should be left for a future moment in time.

Stanishev always used to say that he had no intention of becoming an MEP. For a long time information was circulated in the public that he would be the nomination of the government for a European Commissioner. Stanishev did not answer questions from journalists as to whether he would be the next European Commissioner from Bulgaria during the past month in an unambiguous manner and evaded the topic. This is why his decision to give up his seat at the National Assembly and become an MEP, which he announced at the end of June, came as a surprise to many, and provoked different reactions.

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Stanishev announced that his decision was prompted by the new situation in Europe and this country after the EP elections. He stated that he would remain leader of the party, despite rumors that he was getting ready to resign. Stanishev expressed his opinion that BSP was in need of a change but that this change should happen smoothly and without any shocks.

After Stanishev left the National Assembly, Atanas Merdzhanov was elected chairman of the parliamentary group of Coalition for Bulgaria. He was nominated by Sergei Stanishev. New Deputy Chairpersons were elected too – Peter Kanev, Filip Popov, Zahari Georgiev and Mariyana Georgieva.

After the EP elections ABV decided to transform the movement into a party. Rumen Petkov stated that the only two parties with which ABV would not enter into any political agreements are MRF and "Ataka". According to Boyko Radoev, Bulgaria needs a new left party and the proof thereof are the results of the last EP elections. ABV will fight for a change of the political model, expressed in the introduction of a mixed election system and a majority vote for half of the MPs. Parvanov's formation will insist on holding referenda on important issues for Bulgaria, on a reform of the judicial system through changing the way the Supreme Judicial Council is elected, as well as shortening the term of office of the Chief Prosecutor.

#### 2.1.3. MRF

The outcome of the EP elections determined MRF as the third political power with a result of 17.27%, which secured four seats in the European Parliament for the party. Filiz Hiusmenova, Delyan Peevski, Nedzhmi

Ali and Ilhan Kyuchuk were elected MEPs. The second in the list - Delyan Peevski - announced in the news conference after the elections that he was giving up his seat in the EP. It was taken by the hitherto Minister of Environment and Waters Iskra Mihailova. Peevski thanked the MRF structures for their support and expressed his willingness to go on working with them, rather than go to Brussels. This was the first public appearance of the scandalous MP after his unsuccessful attempt to become head of the State Agency for National Security (SANS) in the summer of last year.

As early as in the news conference the night after the election Mestan stated that the political realities had shown that there is no option for the government to survive till the end of the term of office. However, he refused to provide an unequivocal answer to the guestion until when the cabinet will go on working. Mestan explained that the party is the third political power and refraining from any decision that is a prerogative of the bearer of the mandate on their part should not be regarded as avoiding responsibility but, on the contrary, as a manifestation of strong political responsibility. The MRF leader stated that his party was open for talks in order to stabilize the political situation in this country.

Mestan expressed his satisfaction with the result of MRF. According to him MRF is the only political force which has increased its result by 36-37 thousand votes compared to last year.

According to Mestan the elections established MRF as the third political party in Bulgaria, and in this way the forecasts that it might be displaced from this position had proved wrong. Further, he pointed out that MRF is the party with the youngest voters in this country, which is an indicator that there is a lot of energy and prerequisites for upward development in the future.

As was mentioned, MRF predetermined the fate of the government after the news conference of the party when Lyutvi Mestan announced his preference for elections by the end of the year. This aggravated the relations the party had with its coalition partners from BSP to the extreme. Things went as far as Coalition for Bulgaria MPs voting in one of the parliamentary committees for the Declaration condemning the "Revival Process" to be revoked, together with "Ataka". Lyutvi Mestan stated that he was saddened with that position of BSP MPs and demanded that the party officially distinguished itself from this. The declaration was not revoked but the behavior of BSP MPs indicated that BSP-MRF relations are extremely acute.

On the account of the latter, however, during the past quarter a warming of MRF GERB relations was detected. This demonstrated that MRF are preparing the soil for a new government formula in view of the development of the political situation after the EP elections. Sources from MRF denied that they were talking to GERB about forming a new government within this parliament. Lyutvi Mestan announced that the two parties have normal tolerant relations and everything else was speculation. Yordan Tsonev from MRF also stated that there is no understanding with GERB for the time being "although all doors are open, obviously". He was categorical that within the framework of this parliament the movement would not support any PM other than Oresharski.

The scandal between Peevski and Tsvetan Vassilev and the mutual accusations between the two of some outstanding business relations and fixed public procurement only confirmed the opinion that is circulating in the public that there are some strong corporate dependencies behind the party. At this stage, the MRF leadership did not react in any way to the conflict between Peevski and Tsvetan Vassilev, possibly trying not to add negatives to its image.

## 2.1.4. "Ataka"

As expected, "Ataka" did not get any seats in the EP and got its worst election result so far. Only 66,000 voters voted for the party, or 2.9% of the valid votes. One of the main reasons for this result was the support of "Ataka" for BSP and MRF in the National Assembly for a year. "Ataka" was established as a formation at the core of which was the extreme anti-MRF rhetoric. Backing Oresharski's government, albeit informally, together with MRF delegitimized the foundations of "Ataka" and its nature. This is why the sharp decrease in voters for the party is very logical and easy to explain.

"Ataka" tried to bet on the pro-Russian attitudes in Bulgarian society in this election campaign, using the events in the Ukraine. Siderov demanded that the Bulgarian government recognize the Crimea referendum as legal. Moreover, the party launched its campaign in Moscow of all places, where Siderov was on a visit. This populism did not bring about the expected results, however. The position of "Ataka" on the Ukraine issue and the attitudes towards Russia did not bring the effect Siderov was hoping for. The "Ataka" voters found it difficult to understand the paradox – a nationalistic party proclaiming Russian nationalism.

This led to disbursement of the nationalist vote to other formations. For instance, the direct competitor of "Ataka" – the National front for Salvation of Bulgaria (NFSB) even overtook the party of Siderov with 3.05% of the votes of the electorate.

The low results of the two nationalistic parties resulted in a situation where Bulgaria will have no Eurosceptic MEP. This happens at a time when the extreme right and populist formations in Europe are marking a real breakthrough. Against this background, Bulgarian nationalists had the worst results for the past nine years.

Siderov saw his decision to lead the party list for the EP elections as a mistake. According to him many of the voters of "Ataka" thought that he had decided to abandon the party and go to the EP and that deterred them from voting.

On the party TV channel "Alfa Ataka" Siderov announced that he would have a poll among his supporters whether the party should continue to exist and whether he should stay their leader. He even provided his personal telephone number and e-mail address.

"Ataka" MP Magdalena Tasheva said that Siderov had received more than 600 messages on his e-mail address and all of them were "very encouraging". According to Tasheva the main conclusion from this poll was that the supporters of the party did not vote in the EP elections because they did not regard them as important, but the outcome of a national parliamentary election would be different.

Volen Siderov strongly criticized the decision of Plamen Oresharski to stop the work on the South Stream. He accused the PM of taking the decision immediately after his meeting with John McCain and this was proof that he had succumbed to pressure. In typical Siderov style he said that Bulgaria behaves like an American colony and not like a sovereign state which defends its national interests. He threatened that he

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#### 2.2. Non-parliamentary parties

#### 2.2.1. Reformist Block

The Reformist Block (RB) won a total of 6.45% of the votes, which gave them one seat in the EP. The second on the list of RB Svetoslav Malinov from DSB received enough preferences to replace the leader of the list – Meglena Kouneva. This result came about after the DSB voters voted en masse with a preference for Malinov. Even during the campaign it became clear that the hard core supporters of DSB did not approve of Meglena Kouneva as leader of the list, because of her connection to a communist family from the establishment.

Exit poll data of the polling agencies showed that the DSB electorate was mobilized to the maximum extent for this election and this explains why Malinov came first. At the same time 32% of the people who voted for the party of Meglena Kouneva in the last parliamentary elections supported Bulgaria Uncensored of Nikolai Barekov in the EP election. This data confirmed the trend from the past months that many of the structures of Bulgaria of the Citizens Movement had moved to the new party of the former journalist.

Sources from the Reformist Block stated that they were happy with the result, but that they were expecting greater support. DSB leader Radan Kanev said that from now on the Reformist block will develop upwards because this is the only real alternative to the political status quo. According to Kanev the elections have shown that the coalition format of the block is successful and that it has to be developed and built on. The DSB leader stated further that the strength of the Reformist Block is in its unity.

Meglena Kouneva congratulated Svetoslav Malinov on his election as MEP and said that they had very good personal and professional relations. She pointed out that she made her best efforts in the progress of the campaign and that her party had a major contribution to the success of the Reformist Block. At the same time, however, Kouneva demonstrated her dissatisfaction with the situation and said that she would expect some explanation from her coalition partner. She also pointed out that the unity of the Reformist Block was in her hands.

Kouneva's reaction demonstrated that, after Malinov's election as MEP, the tension in the Reformist Block remains high. This might lead to controversies and conflicts within the coalition in view of signing an agreement for running together in the preterm parliamentary elections.

Like Kouneva, Daniel Vulchev from the Bulgaria of the Citizens Movement said that the Reformist Block is a "difficult but successful" coalition. According to him the fact that it unites people with "different political biographies is rather positive".

One of the current topics for the Reformist Block in the context of the forthcoming preterm elections is the relation with GERB. DSB still show contradictory behavior on this question. After the EP elections Radan Kanev stated that GERB is a natural partner of the Reformist Block as a member party of EPP. At the same time, however, in a number of statements that followed, Kanev put GERB on the same plane as BSP and MRF as part of the "political back stage dealings". This prompted Daniel Vulchev to react sharply and say that he did not like the fact that every second word in news conferences of the Reformist Block was "mafia and back stage dealings". According to Vulchev, it is not appropriate to speak in general terms but to give specific names, otherwise it is just empty words.

The attitude to GERB continues to divide the parties in the Reformist Block. This is why the Bulgaria of the Citizens Movement took a decision for an internal party referendum among its members in August, whether to support a possible future government of GERB. According to Daniel Vulchev, this decision is due to the fact that there are many people in the party who are against such a step. Vulchev added that Bulgaria of the Citizens Movement came into being as an alternative of GERB.

The results of the elections resulted in dissatisfaction among the Bulgaria of the citizens Movement. In a letter to the National Council of the party Ivo Ivanov, a member of the Auditing Board of the party, demanded Meglena Kouneva's resignation. The motive was the weak performance in the elections and the fact that the party would not have a representative in the EP, and the responsibility for this was entirely that of the leader. The demand for resignation only had the effect that Ivo Ivanov was expelled from the party.

#### 2.2.2. "Bulgaria Uncensored"

Bulgaria Uncensored managed to win 10.66% of the votes in the EP elections, which secured two seats for the party. So, Nikolai Barekov and Angel Dzhambazki from VMRO will go to Brussels.

Barekov declared that he will be an MEP temporarily, and when preterm elections are held in this country he will come back in order to lead the party's campaign. He defined the cooperation of his party with VMRO, the Agrarian Popular Union and George's Day Movement as an exceptionally successful political project that will continue to develop in the future too.

The results of Bulgaria Uncensored are due to serious financial and media resources, which allowed it to have a strong campaign. After the elections Barekov received many accusations in the public space of the unclear financing of the campaign and that banker Tsvetan Vassilev was behind his project. "Ataka" even said that they will alert the Prosecutor's office about the way he financed his campaign. Barekov rejected the accusations and said that he received the votes of so many Bulgarians because they see him as the only alternative to the status quo. According to him, all politicians are afraid at the moment of him coming to power because he will keep his promise to investigate the entire political elite that has been in power over the past years. According to him this is the reason for the attacks against him. In an interview for a national media Tsvetan Vassilev confirmed for the first time that he had financed the TV project of Barekov in TV7 and given him the initial start in this way.

At the end of June it became clear that Nikolai Barekov and Angel Dzhambazki will be members of the European Conservatives and Reformists Group in the EP. Barekov defined this as serious recognition of his party. Still, he said that his party will be positioned in the political center and will strive to replace MRF as a balancing factor in the Bulgarian parliament.

After the elections Barekov made several contradictory statements. Initially he defined BSP as "the most democratic party", with which BU would enter into a coalition, provided that Sergei Stanishev is not the party leader. In another statement Barekov qualified BSP as part of the political back stage dealings in the country and as a party fully subservient to MRF.

FRIEDRICH EBERT At the beginning of June, Svetlin

Tanchev, who left GERB's parliamentary group, became one of the Deputy Chairmen of Bulgaria Uncensored. In addition, he will be nominated for regional Chairman of the party in Sofia.

Bulgaria Uncensored announced that they will establish a shadow cabinet with some of the key figures of the party – Nikolai Barekov, former TV anchor Rosen Petrov, former "Ataka" MP Kalina Krumova, Svetlin Tanchev, Rada Kodzhabasheva and journalist Miroslava Kortenska.

#### 3. Public Opinion

A Gallup poll of electoral attitudes half a month after the EP elections shows a 15% decline in confidence in the cabinet. 47% of respondents demand the resignation of the Oresharski Cabinet and 32% support it.

According to the poll of the agency in the case of preterm elections there will be at least six parties in the new National Assembly. GERB will win 22-24% support, which will put it in first place. Second comes BSP with 15-17%. In third place is MRF, which is expected to win between 14 and 16% of the votes. Bulgaria Uncensored (6-8%) and the Reformist Block (5%-7%) are expected to be the newcomers to parliament. ABV of Georgi Parvanov also stands a chance of overcoming the election threshold, as support for the movement is around 4%.

#### 4. Main Conclusions and Forecasts

1. The results from the elections for the European Parliament predetermined the fate of the government. The two parties in power - BSP and MRF - did not get the electoral support that can be used as grounds for continuing the work of the cabinet. The decision to

hold preterm parliamentary elections seems to be the only way to resolve the political and parliamentary crisis this country has been in for almost a year. In the next quarter the responsibility for the governance will be in the field of the President, who will have to form a caretaker government for the second time in two years. The tasks facing him will be not at all easy in view of the problems in the energy sector, healthcare, budget performance and the overall state of the public sector. The situation around the Cooperative Commercial Bank added to the tension in the society, which might have a negative effect on the credit rating of Bulgaria.

2. Calling preterm elections has been one of the goals of GERB over the past year. The victory in the European Parliament elections gives the party a chance to return to power. The most important issue GERB has to resolve is finding partners for a future government. Last year, after the parliamentary elections, the party fell into total isolation, due to the confrontational style of government which it had imposed for four years previously. This is why it is important for the party to demonstrate that it is capable of dialogue and consensus.

3. BSP suffered an extremely severe defeat, which results in the party facing serious challenges in the future. The decision of Stanishev to become an MEP will probably increase the centrifugal processes in the party in view of electing a new party leader. Despite Stanishev's claim that he would continue to be the party chairman, this will hardly be possible in view of his engagements in Brussels and Strasbourg. The motivation for voting of the traditional supporters of the party will be the main challenge for BSP in the forthcoming elections. The reasons for this are the negatives which BSP has had to suffer from the government in the past year. The unclear arrangements with MRF gave BSP members and supporters the feeling that the party has become a hostage of the interests of its coalition partner. Georgi Parvanov's decision to transform ABV into a party and run in the forthcoming general election on its own makes BSP's performance in this election even more problematic. Despite the fact that ABV did not make it to the European Parliament, the result it got provides a good foundation for it to overcome the election threshold in the elections for a national parliament.

4. MRF did exceptionally well in the EP elections, which proved yet again that it is capable of mobilizing its electorate to the maximum extent. The party was increasingly criticized for the unclear corporate interests that went with the government during the past year. Yet another scandal related to MRF MP Delyan Peevski and the situation with the Corporate Commercial bank reveal more and more the non-public political dependencies around the party. This all leads to growing anti-MRF attitudes of the public and this might add fuel to the election campaign in the country. MRF will try to keep its balancing role between the left and right forces in this country. This is why the warming of the relations with GERB is no surprise. The party received a very strong government resource over the past year, which will be very difficult to keep in a new government configuration. If MRF does not start a process of distancing itself from Delyan Peevski and the corporate interests that are related to him, the possibility of the party being recognized as a partner in a future government becomes less and less likely.

5. "Ataka" was the biggest loser in the European election. The party collapsed drastically in terms of electorate and it will be very difficult for it to restore its positions. The reason is mostly the informal support Siderov gave to the government. Standing on the same side with the main political opponent, MRF discouraged even the hard core of supporters. The attempts of Siderov to use the political conjuncture around the events in the Ukraine and to attract pro-Russian voters in Bulgaria proved illusionary. On the contrary, the party lost because of its position in support of the annexation of Crimea and of justifying Russian aggression.

6. The EP elections were a great challenge for the Reformist Block. Despite the difficulties they had during the campaign, they managed to overcome the election threshold. This makes their prospects for entering the new National Assembly much better. Despite that, the tension between Bulgaria of the Citizens and DSB remains high, particularly after Svetoslav Malinov managed to overtake Meglena Kouneva in the preferential vote. The main problem before the Reformist Block continues to be the non-homogenous nature of the parties in the coalition and the leaders' contradiction therein. The main challenge in the forthcoming election campaign will be to determine the eligible positions in the lists. This might create a conflict which impacts the result of the party negatively.

7. Bulgaria Uncensored of Nikolai Barekov received an unexpectedly high result in the EP elections. This is due mainly to the strong media campaign of the party and the financial means that were invested in it. The populist style of behavior of Barekov also played a decisive role. At this stage it is not clear yet whether Barekov's project will have the same success in the forthcoming preterm elections for a national parliament.

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