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Bulgaria's Political Parties

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- The early parliamentary elections held on 5 October resulted in eight parties and coalitions entering in parliament. 32.6% of the electorate voted for GERB, 15.29% for the coalition "BSP - Left Bulgaria," 14.91% of voters supported DPS, 8.91% the Reformists' Block, and 7.29% the Patriotic Front. The National Assembly will also include Bulgaria Uncensored, which won 5.65% of the electoral vote, Ataka - with 4.54% and ABC - with 4.18%. These results mean a severe fragmentation of Parliament and will make negotiations on forming the next government very difficult.
- GERB won the elections with a convincing lead over BSP, but the result is far below expectations in terms of the number of MPs. The party will have below 90 MPs, which makes it impossible to form a center-right coalition with the participation of the Reformists' Block alone. Thus, GERB will have to seek other coalition partners. The party left the door open for all parties, except Ataka and Bulgaria Uncensored. Radan Kanev, from the Reformers, declared that he would not support a GERB cabinet with Borisov as Prime Minister. Perhaps this particular issue will become the cornerstone for forming a government.
- BSP suffered a severe defeat. The party received about half a million votes - its weakest result in parliamentary elections so far. This raises questions about the need for urgent reforms and changes within the party. ABC's entry into the National Assembly breaks the recent monopoly of BSP over the political space to the left and shows that the Left is in a new phase of its development. Whether this new path will be one of division and fragmentation or one of unification will depend entirely on the Left's leaders.

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1. The Political Status Quo

Over the past three months the political status quo has been largely determined by two main themes - the election campaign and the crisis around the Corporate Commercial Bank (CCB). The country's banking system faced a serious challenge when, at the end of June, shortly after the CCB was placed into conservatorship, the third-largest bank in Bulgaria - First Investment Bank (FIB) fell into a temporary liquidity crisis. This happened after the bank's depositors started a run on the bank, giving in to panic caused by rumors that it had problems, which spread through the media and social networks. The bank announced that it had fallen victim to an unprecedented criminal attack, that BGN 800 million had been withdrawn within a single day and consequently requested support from the Bulgarian National Bank (BNB). FIB's situation led to urgent political talks at the President's Office with the participation of all major political parties in the country and BNB Governor Ivan Iskrov in search of solutions to tackle the crisis. Participants in the talks issued a joint statement in which they declared that the banking system was stable and that the State would do all that was necessary to support the bank, which was facing temporary difficulties. What happened to FIB was described as a criminal attack, punishable to the fullest extent of the law. The declaration calmed citizens and queues at the bank's branches were gone the next day. FIB received help from the State, with the approval of the European Commission, whereby the amount must be repaid within a year and a half after the preparation of a restructuring plan.

Four months later, the problem with CCB continues to be unresolved. The bank

remains closed, as BNB has extended the deadline for opening it twice already. BNB's latest decision envisages that the bank will remain under conservatorship until 20 November. The National Bank's management became the object of serious criticism, due to the CCB crisis. Many financial experts blamed the central bank's Governor Ivan Iskrov and its entire board for what happened to CCB and for the lack of supervision. Just two weeks before the CCB was closed, BNB allowed its majority owner, Tsvetan Vasilev to acquire Credit Agricole Bank - now Commercial Bank Victoria. It was announced that the buyer had excellent financial indicators. Once CCB and Commercial Bank Victoria were placed under conservatorship, Ivan Iskrov suggested that CCB's good assets be transferred to Commercial Bank Victoria, which could be rehabilitated, while all bad loans remained in CCB, which would then be made bankrupt. This decision, however, did not receive the support of the main political parties. Moreover, many experts and politicians saw in this proposal an attempt by certain economic circles to acquire the bank's assets at a low price. Ivan Iskrov and the Management Board of the BNB were further accused of not providing liquidity support to CCB, as they had done for FIB, and not allowing its shareholders to rehabilitate the bank, as required by law. Many of the main political parties demanded Iskrov's resignation and it is likely to become fact once a new Parliament is formed, following the October elections.

For four months now there is still no final report on the true state of the CCB. The conservators' interim report, published in late July, shows that the bank had a good capital adequacy ratio as of 30 June this year, and its assets exceeded the liabilities.

This prompted different interpretations by different economic analysts and politicians - on one hand, that the bank was being drained and that it resembled a pyramid, and on the other hand, that it was being attacked due to economic interests related to Delyan Peevski.

The Prosecutor's Office filed charges against the main cashier and the executive director of the CCB for draining BGN 206 million. Prosecutors also sought the arrest of the majority owner Tsvetan Vasilev, for whom Interpol announced an international search. The location of CCB's owner was unclear for nearly two months. In mid-September, he surrendered to Serbian authorities and is now subject to an extradition procedure.

Although his whereabouts were unclear, Tsvetan Vasilev sent several letters to the media, in which he accused a number of state institutions – BNB's Governor, the Prosecution and Oresharski's government – of serving the interests of individuals who were trying to acquire the bank's assets.

Accusations that, through their initial actions against Tsvetan Vasilev's companies, prosecutors had contributed to the banking panic and massive withdrawals of funds from CCB also circulated the media. What was happening around CCB led to a decline in the ratings of the Prosecutor General Sotir Tsatsarov and highlighted the issue of certain backstage dependencies and links to the affair with the bank.

The situation around CCB became the main theme of the election campaign. The bank's depositors held a series of protests, while political parties were blaming each other for the crisis. GERB maintained the argument that when „BSP is in power, banks collapse,“ making analogies with the late 1996 banking crisis. In turn, BSP blamed

GERB and DPS for advocating a „bank holiday“ during the talks at the President's Office, following the crisis around First Investment Bank, which had envisaged a limitation of banking transactions for a certain period of time.

In late September, the European Commission opened an infringement procedure against Bulgaria for failing to transpose a European Directive, pursuant to which depositors with deposits of up to EUR 100,000 are entitled to receive their funds within 20 days, provided that the bank is placed under special supervision. According to the current Bulgarian Law on Bank Deposit Guarantee, guaranteed deposits are payable within two months and only provided that the respective bank's license has been revoked. Currently, the CCB is placed under conservatorship, but its license has not been revoked, which is why people cannot receive their deposits guaranteed by law.

On 5 August, President Rossen Plevneliev issued a decree appointing an interim government that would operate until the next National Assembly formed a new cabinet. George Bliznashki, a professor of constitutional law, was appointed as Prime Minister within this caretaker government. Bliznashki had been a member of BSP until a few months ago, but was expelled from the party because of his extreme criticism of its leadership and open oppositional behavior. He was an active participant in the protests against Oresharski's government and supported the student occupation of the University of Sofia at the beginning of the year. The interim Prime Minister has four deputy prime ministers, while the interim government of Marin Raykov had three.

Ekaterina Zaharieva has been appointed as Deputy Prime Minister of Economic Policy

and Regional Development and Minister of Investment Planning. Until this appointment Zaharieva acted as the President's Chief of Staff. She had also been Deputy Prime Minister and Minister of Regional Development in the previous interim government. Iliyana Tzanova has once again been appointed as Deputy Prime Minister of EU Funds - a position she occupied in the previous interim government appointed by Plevneliev. Deputy Prime Minister of Social Policy and Minister of Labor and Social Policy is the former head of the National Insurance Institute Yordan Hristoskov – an established professional and expert in the field. Hristo Ivanov has been given the position of Deputy Prime Minister of Justice, Order and Security and Minister of Justice. He is a lawyer with an NGO background. Before joining the interim government, Hristo Ivanov had been Program Director of the Bulgarian Institute for Legal Initiatives (BILI). Rumen Porozhanov is the new Minister of Finance. He was Chairman of the State Fund "Agriculture" during the former GERB government. Former Union of Democratic Forces (UDF) MP Yordan Bakalov has been appointed Minister of the Interior. For many years, Bakalov had been a member of the Parliamentary Committee on Public Order and Security. Velizar Shalamanov has taken over the Ministry of Defense. He had been deputy Defense Minister in the government of Ivan Kostov (1997-2001). Until now, he has held the position of Director of Cooperation with Consumers in the united NATO Communication and Information Agency (NCIA). Interim Minister of Health is Dr. Miroslav Nenkov, an anesthesiologist from the Military Medical Academy, who held the position of Deputy Minister in the previous interim government. The President's Secretary on Civil Society Relations Rumyana Kolarova, who

is also a university professor, has been appointed Minister of Education.

The young political scientist Daniel Mitov has been appointed Minister of Foreign Affairs. He had been a member of Democrats for a Strong Bulgaria (DSB), where he held the position of deputy chairman of the party, and subsequently of Meglena Kuneva's Bulgaria for Citizens Movement. Until his appointment as minister, Mitov was a representative of the National Democratic Institute of the United States in Brussels. Vasil Shtonov - a completely unknown face for the public, has taken over the Ministry of Economy and Energy. He was formerly a marketing director at the telecommunications operator "Bli-zoo". Vasil Grudev heads the Ministry of Agriculture and Food. Previously, he was deputy director of the State Fund "Agriculture" during the GERB government and briefly, in 2013 also director of the Fund. The President's advisor Nikolina Angelkova has been appointed as Minister of Transport and Communications. She had been Deputy Minister of Regional Development in GERB's government. Svetlana Zhekova has become Minister of Environment and Waters. She held several positions in the Permanent Representation of Bulgaria in the EU. The President's Secretary on Culture and Education Martin Ivanov takes over the Ministry of Culture and short-track champion Evgenia Radanova is Minister of Sport.

When introducing the staff of the interim government, President Plevneliev announced the tasks and priorities before the new ministers. Holding free and fair elections was a principal task for the interim government. With respect to the country's financial status, Plevneliev said that the government should draw up a thorough overall

analysis of the implementation of the budget for 2014 and provide an estimate for its implementation by the end of the year. He further announced that in the case of necessity, the government would prepare an update to the budget to be submitted before the next National Assembly within the first days of work. Plevneliev further instructed the interim government to initiate the procedure for Bulgaria's entry into the Single Supervisory Mechanism of the European Union, given the crisis in the banking sector in recent months. Renewing payments under the stopped Operational Program "Environment" and the partially frozen Operational Program "Regional Development" was also among the announced priorities of the interim government, as was signing the Partnership Agreement with the European Commission for the next programming period – 2014-2020. The government was also to undertake urgent measures for stabilizing the energy sector.

The interim government started its work with massive shifts in a number of government departments and agencies. A large number of all district governors were fired. The State Energy and Water Regulatory Commission's (SEWRC) staff were replaced, as were the managements of the Road Infrastructure Agency and the State Fund "Agriculture". There were also changes in a number of local units of government institutions – water supply and sewerage companies, educational inspectorates and others. The replacements were recruited mainly from GERB's ranks and had held their respective positions before the arrival of Oresharski's government. This caused a strong reaction from a number of political parties, which accused the interim government of conducting a political purge in GERB's interest. The unions of energy

workers in Bulgaria signed a statement, denouncing the change in the leadership of Kozloduy nuclear power plant. One of the most controversial appointments was reinstating Vanyo Tanev as Head of Customs. Tanev is still associated with the notorious phone recording of his conversation with Boyko Borisov, in which the former prime minister ordered him to stop a customs inspection of the brewery owned by the late Mihail Mihov, A.K.A. Misho the Beer.

The interim government has embarked on an ambitious program, which includes developing strategies in various sectors such as a strategy for judicial reform, a strategy for higher education development, as well as drafting bills in different fields. Bliznashki's government has certainly borne criticism for all the above, given its primarily technical nature and the fact that drawing up long-term priorities is not among its tasks.

The interim government has undertaken to update the budget, whereas the idea is to submit the update before the next National Assembly immediately after the elections. The update envisages a 4.5% budget deficit and a new debt issuance, amounting to BGN 5 billion. Trade unions and employers' organizations were unsupportive of the recommended update. They unanimously declared that proposing changes to the budget is not among the interim government's tasks and that this should be undertaken by the next legitimate government elected by Parliament. All major parties, with the exception of GERB, condemned the intention of Bliznashki's cabinet to propose an update on the budget.

In the area of energy projects, the interim government disclosed part of the South Stream contracts. PM Oresharski's cabinet has signed a construction contract and is

being blamed for the lack of clarity with regard to transit fees Bulgaria is entitled to. The interim Minister of Economy and Energy Vasil Shtonov said that the project would remain on hold until its compliance with European legislation was ensured. With regard to the agreement for the construction of a new reactor at Kozloduy signed between Oresharski's cabinet and Westinghouse, the interim government announced that it would leave the final decision on the matter with the next regularly elected government.

In Mid-September SEWRC came out with a resolution to increase the price of electricity by nearly 10% as of 1 October. This decision also received the support of the interim government. The Minister of Economy and Energy Vasil Shtonov said that the price increase was inevitable, due to the previous government's artificial cost containment, which had led to increased losses in the sector. The decision to raise electricity prices has led to sharp reactions from a number of political parties such as BSP, Ataka, the Patriotic Front and Bulgaria Uncensored. Participants in the anti-monopolies protests of February last year threatened new protests, should electricity prices be increased and no actions be undertaken in the fight against monopolies in the sector.

The Supreme Judicial Council (SJC) failed to elect a new chairman of the Supreme Court of Cassation (SCC) and shall initiate a new procedure after the election. The deputies of the current Chairman Lazar Gruev – Pavlina Panova and Tanya Raykovska had been nominated for the post. Neither candidate managed to secure the necessary 17 votes (a qualified 2/3 majority). Judge Raykovska received 15 votes, while 9 SJC members voted for Judge Panova. The term of the current Chairman of the SCC Lazar Gruev expires in November and if no

new chairman is elected in the meantime, an acting chairman will be appointed from among his deputies.

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2. Current Status and Development of the Party System

2.1. Citizens for European Development in Bulgaria (GERB)

After its victory in the European Parliament elections, GERB has gradually increased its electoral lead over BSP. All leading polling organizations in the country showed a significant distance between the two parties in the range between 10 and 15% throughout the campaign. The reasons behind this gap were largely a result of the weak government of Oresharski's cabinet, and BSP proved to be the worst affected by that. GERB was able to take advantage of the political situation and to consolidate their electorate prior to the elections. The lack of a serious alternative to the political Right, with the notable exception of the Reformists' Block, further contributed to increased support for Boyko Borisov's party.

Leading figures from the previous GERB government and the party's political leadership topped the voting lists. Fig-

ures from the traditional Right such as the former head of the Dossier Commission - Metodi Andreev, who topped GERB's list in the Plovdiv district, and others associated with the UDF like Edvin Sugarev and Evgeny Mihailov, who supported the election campaign of the party, were also recruited. GERB's approach was an attempt to attract voters from the traditional Right, in order to expand its influence in the electoral political Right.

During the election campaign GERB relied primarily on criticizing the former ruling majority. The party argued that the country was facing a financial disaster and if the State did not take out a major external loan, there would be no money even for salaries at the end of the year. In his public appearances, GERB's leader Boyko Borisov repeatedly described a disastrous picture in all public sectors - health, energy, and the pension system. According to him, it would take harsh and unpopular reforms, which GERB was ready to undertake, if the party received public support for forming their own government.

One of the main questions during the election campaign facing GERB was related to potential partners for forming a government after the election. As a member of the EPP, the Reform's Block is the obvious choice for the party. GERB's Deputy Chairman Tsvetan Tsvetanov said that a coalition between the Reformists' Block and his party would be the most natural one. The Block, however, gave contradictory pronouncements with regard to GERB, too often voicing their criticism towards the party and its leader Borisov. This, on the other hand, provoked sharp reactions from Boyko Borisov on several occasions, prompting GERB's leader to leave the question of a coalition partner open, saying that the country need-

ed a stable government and a broader national consensus. Many experts interpreted this as a sign for a potential future grand coalition between GERB and BSP, but Borisov denied the notion publicly.

In its election program GERB considers economic growth as a key factor for an efficient economy. The party plans to ease the administrative burden on small and medium enterprises and reduce taxes for them. Attracting foreign investors is outlined as a main priority. Tackling unemployment and social inclusion of vulnerable groups are outlined as the party's main tasks in the field of social policy. Its program further includes increased funding for education and the introduction of the dual system - learning through working.

In terms of fiscal policy and finance, the party's program relies on a low redistributive role of the State with regard to the budget. Administrative reform is another important point. Improving the quality of administrative services relies heavily on the introduction of e-governance.

GERB's platform includes a number of measures in the field of security. The main points here concern the fight against domestic and serious organized crime. GERB also plans on the introduction of compulsory voting, if it receives public support.

2.2. Bulgarian Socialist Party (BSP)

The current quarter began with major changes in BSP, caused by the party's poor performance in the European Parliament elections. It led to the resignation of Stanishev, who announced that he was withdrawing from the chairmanship, as he did not want the party to be adversely affected by mistakes he had made. According to him, in the eyes of the public the Left had ceased the battle for ideas a long time ago

and replaced it with battling each other. Stanishev indicated internal problems and interpersonal rivalries as the major problem within the Left. After his withdrawal, Stanishev has focused on his work as MEP and leader of PES.

A new chairman of the party was elected in late July, during the party's congress. There were 29 nominees for the position, 20 of whom asked to be struck off the list. Thus, the choice involved a total of 9 candidates – the former MP and oppositionary George Kadiev, the businessman and leader of the Socialist Party in Plovdiv George Gergov, the energy minister in Oresharski's government - Dragomir Stoinev, the MP Kornelia Ninova, the Chairman of the Thracian Association Krasimir Premianov, the MP and Organizational Secretary of BSP Krasimir Yankov, the Deputy Chairman of the 42nd National Assembly Maya Manolova, the Chairman of the 42nd National Assembly Mihail Mihov and the Deputy Chairman of BSP and leader of its left wing Yanaki Stoilov.

The result was a runoff between Mihail Mihov and Dragomir Stoinev, where the former received 167 votes, while the latter got 126. Kornelia Ninova came in third, followed by Yanaki Stoilov.

In the end, Mihail Mihov was elected to lead the party. Out of the total of 726 votes during the runoff, Mihov received the support of 377 delegates, while Dragomir Stoinev had 333 votes.

BSP appeared with a new name for its coalition at the election; "Coalition for Bulgaria" was replaced by "BSP – Left Bulgaria", in order to highlight BSP's leading position in the country's Left.

BSP presented its platform, upholding "12 red lines" the party would not concede. With regard to the energy policy, the

program envisages the continuation of the South Stream Project and the development of nuclear energy, through undertaking active steps for the construction of "Belene" nuclear power plant. It further backtracks on shale gas exploration and mining.

The Socialists insist on a comprehensive analysis of the activities of BNB, which should efficiently and responsibly fulfill its role in maintaining the banking system's stability. BSP declared their support for "legislative changes in relation to banks and banking supervision, in order to increase the liability of shareholders and reduce the risk for depositors, as well as to eliminate fees for payments to the budget for citizens and provide them with equal rights to those of the banks before the judiciary."

In their program, BSP highlight another important issue – citizens' growing distrust in state institutions. The party's solution to this problem is to eliminate corporate influence over state and municipal institutions. The Left insists that they seek transparent, not backroom politics, which requires opposing self-interested use of power and the wealth which buys it. The party's key objective remains to return the State to the people.

BSP further asserts that its role is to "protect labour, provide conditions for economic growth and improve social policy." The election platform also envisages a commitment to shift to a progressive income tax for individuals and to family taxation – a principle that BSP failed to adhere to during the government of Oresharski's cabinet.

The party voiced their support for an "economically active state," which "besides being a regulator, is also owner and investor." The program promises "continuing efforts to increase income" through active social policy, which promotes education,

acquiring professional skills and social integration. A gradual increase of the minimum wage, pensions and social security contributions, in accordance with increased labor productivity and the actual cost of living, is also among the party's goals.

With regard the conflict in Ukraine, BSP opposes the extension of sanctions against Russia and favors efforts to find a political solution to the crisis.

2.3. Movement for Rights and Freedom (DPS)

DPS fell into political isolation after the collapse of Oresharski's government. BSP admitted that during their joint term in office the relationship with DPS had been complicated at best and that it was unlikely they would partner-up again in the future. In the public sphere the „Peevski“ scheme became a byword for DPS's customized politics and backstage power. Regardless, Peevski once again found a spot on the party's list in this election.

In Mid-September, the newly elected Turkish Head of State Erdogan welcomed DPS's leader Lyutvi Mestan in his residence. This prompted a series of comments in the country's public sphere. No prior information about the meeting had been released and its announcement caused surprise among the public. Mestan stated that the meeting had nothing to do with DPS's election campaign, and that conjectures suggesting such a link should be avoided. According to DPS's leader, the dialogue between him and the Turkish president was “something completely natural; the lack of such a dialogue would be unnatural.” Mestan described the meeting as “inevitable, necessary and beneficial, especially for Bulgaria.” During the talks he raised the issue that “DPS, as a Bulgarian national party, is a strategic resource for Bulgaria.”

Lyutvi Mestan believes that Bulgaria does not “need to revert to offcast models of government, be they “problematic” coalitions or tendencies towards authoritarianism.” Instead, he believes that a broad national consensus is needed and political parties should be able to sacrifice power in the name of values and national interests. Mestan further argued that the next Bulgarian government should have at least 300 days of public and political tolerance, instead of the traditional 100 days, so that it may accomplish something useful. DPS's leader pointed out that Oresharski's cabinet hadn't even had “100 seconds of tolerance for work.”

Mestan further criticized the attempt of certain political parties to isolate DPS from political life, describing this phenomenon as “a denial of multicultural democracy.” In his opinion Bulgaria, the Balkans and Europe have no other way for development except through multicultural democracy, which in his words is “the civilizational choice of Europe and at the core of the European idea. And all who deny it remove themselves from the value system of the European Union.”

In this context, Mestan believes that DPS needs to be considered a strategic resource for Bulgaria and an advantage, given the model that it represents. DPS's Chairman said that the current ethno-religious challenges the region, Europe and the world were facing, emphasized more clearly the geopolitical value of the Bulgarian ethnic model, which brings the principles of the nation-state in conformity with human rights and freedoms.

In their program, DPS rely on measures to improve the economic environment and attract direct foreign investments. The party's main priorities are financial stability, maintaining the currency board, maintaining low

levels of public deficit and state debt, gradual introduction of program budgeting and entry into the Eurozone.

The program places a strong emphasis on social policy and in particular on achieving higher levels of employment, tackling youth unemployment, increasing incomes, as well as equality for people with disabilities. The party's long-term goals with regard to pensions include balancing the retirement age for men and women and annual updating of all pensions as per the Swiss rule.

In education, DPS envisages changes in the school financing system and puts an emphasis on the development of vocational education. Key points in the health-care sector include access to quality health care, protectionism in terms of human resources and the introduction of eHealth based on a unified information system.

In the sphere of security, the program focuses mainly on fighting everyday crime in small towns and villages, as well as coordination of defense agencies, both internally and externally.

An important aspect of the party's platform is the inclusion of minority groups in civil society and state institutions, eliminating any attempts at covert forms of discrimination and prevention of xenophobia and extreme nationalism.

2.4. Bulgaria Uncensored

After its high results in the European Parliament elections Bulgaria Uncensored gradually began to lose electoral credibility. The reasons for this are alleged connections between the party and the oligarchic circles of Tsvetan Vasilev and Delyan Peevski circulating in the media. Barekov's political opponents, who differ in color and span the political spectrum, accused the party and its

leader of being a conductor for hidden economic interests.

All this led to tensions and conflicts within the coalition led by Bulgaria Uncensored. The inevitable split did not lag behind. Shortly after the European Parliament elections VMRO terminated relations with Bulgaria Uncensored and joined the coalition led by NFSB – the Patriotic Front. Nikolay Barekov declared that VMRO's MEP Angel Dzhabazov had to leave the European Parliament, as he was there only thanks to Bulgaria Uncensored. Barekov argued that VMRO and NFSB had come together to support Boyko Borisov in the next government. It became known, however, that a week earlier Barekov had held talks with the nationalists of NFSB on joining Bulgaria Uncensored, which yielded no results.

Barekov's search for new partners was probably due to his intention to seek new resources for his campaign. The CCB crisis had a negative impact on Bulgaria Uncensored although Barekov denied that his formation was being funded by the circle around Tsvetan Vasilev. It was no mere chance, however, that Bulgaria Uncensored set up one of the most expensive election campaigns for the European Parliament elections. After the departure of VMRO, Barekov found new partners – businessmen Hristo Kovachki's party "Leader". "Leader" is a formation relying primarily on the corporate vote.

On the eve of the elections, Bulgaria Uncensored was abandoned by two of its most recognizable figures - Angel Slavchev and Kalina Krumova, which further strengthened the sense of internal discord within the organization. Bulgaria Uncensored's Deputy Chairman Angel Slavchev withdrew from the party at the end of July, heavily criticizing Nikolay Barekov. Slavchev said

that Nikolay Barekov "is not Bulgaria Uncensored's true leader, but simply a puppet, operated and managed by DPS MP Delyan Peevski on a daily basis." He further stated that he had witnessed a number of telephone conversations between Barekov and Peevski. Precisely this development of the situation within the party had led Slavchev to quit. Barekov denied Slavchev's accusations and inculpated him of serving other interests, seeking to dismantle and discredit the party.

Kalina Krumova, Chairman of the Euromothers Association left Bulgaria Uncensored in mid-September. Krumova's reasons for leaving were based on her disagreement with the fact that the decision-making within Bulgaria Uncensored had shifted towards other formations, such as "Leader". She further said that the party lacked the capacity to listen and that a large portion of its structures are discouraged to simply execute the decisions of its leadership.

A week before the election, Barekov's party was also abandoned by a number of local structures. When Bulgaria Uncensored's Chairman in Plovdiv, Harry Garabedian said he was leaving the party, the structures in Smolyan, Devin and Dospat joined him. The Citizens Association "Power", which participated in the anti-monopolies protests, also left the coalition. Its reasons: the lack of a clear cause, Barekov's autocratic decision making, as well as the cooperation with "Leader".

Barekov's predications during the election campaign did not differ in essence from those articulated at the European Parliament elections. His idea for operation "Clean Hands," i.e. investigating political power during Bulgaria's transitional period, was part of the current campaign as well. Another major focus was the use of populist

social promises, typical for the far left, such as the introduction of free healthcare and education. One of his more unusual ideas includes the return of compulsory military service and labor conscription.

Barekov also gave contradictory signals about who would be a potential coalition partner for his party after the elections; his statements ranged from assertions that he would be willing to work with all nationally responsible parties, except DPS, to declarations that he could govern with both BSP and GERB, but without Borisov and Tsvetanov. During the election Barekov strongly contested the setting-up of a record number of polling stations in Turkey, as well as the expected flow of emigrants to Bulgaria on the occasion of the Muslim holiday Eid al-Adha. In protest, he and his supporters blocked the border with Turkey. This was deemed a populist move, aimed at creating tensions.

2.5. The Reformists' Block

At the end of August, two more parties joined the Reformists' Block – Bulgarian New Democracy (BND) of former NDSV (National Movement for Stability and Progress) members Borislav Velikov and Nikolay Svinarov and Irina Abadzhieva-Reputs' Christian Democratic Party of Bulgaria. The decision to include Borislav Velikov's party in the Block was not accepted unequivocally by all coalition partners. Reactions were especially fierce when Velikov topped the Reformists' Block list in Montana. Local UDF and DSB structures in Montana expressed their indignation about the nomination and even sent letters of protest to their leaders.

The Reformists' Block also held unsuccessful negotiations with the Greens for joining the coalition. The Greens blamed

the Reformers that the talks had primarily focused on financing the campaign and who would pay how much, not on what policies would be upheld.

Kanev resigned as the Block's spokesman on the grounds that the coalition's unity was heavily shaken, that it could not form a collective policy and that various representatives of the Reformists' Block were "secretly and individually negotiating with GERB."

Tensions between the parties in the Reformists' Block led to discarding the election of a chairman from the agenda of the congress held on 14 September. Hours before the vote was supposed to take place, Meglena Kuneva's Bulgaria for Citizens Movement and UDF demanded that it be postponed for 10 November. The two parties issued a joint statement, arguing that the election of a chairman "will lead only to conflict and ultimately to weaker results at the polls. Given the current situation, any choice will only result in demotivating a large number of the members and sympathizers of the parties within the Block." The two parties reaffirmed their "unconditional support for the Reformists' Block coalition and that we will fight with all our strength for achieving better results at the snap parliamentary elections," but urged "everyone to come together on 10 November, marking 25 years of democracy in Bulgaria, to reaffirm the unity of the Reformists' Block and make responsible decisions for the Block's future and the future of the country."

In order to mitigate tensions and avoid division within the Block, three weeks before the election Radan Kanev officially withdrew his candidacy, thus rendering the congress virtually meaningless. In his speech before congress delegates, Kanev said that

it was not important whether he would lead, the important thing was "the Reformists' Block leadership position in Bulgarian politics." He further stated that "nothing is more important for public interest than the victory of the Block at the election" and that "our voters want a radical, brave change, which only the Reformists' Block can bring about." Kanev argued that what is needed is a reformist right-wing government with a short-term mandate, which would "return power to the sovereign" and request a constitutional amendment.

The Block's priority is to achieve economic and fiscal policy stability, whereby the suggested measures for achieving these aims include maintaining low levels of deficit, state debt and inflation. The Reformists' Block believes that the business environment could be improved through reducing the administrative burden, stimulating investments, enforcing reforms in the requirements and criteria for starting a business and eliminating monopolistic interest.

Their social policy priorities emphasize the need for minority integration, support for households who spend over 10% of their income on energy, promoting youth employment and linking social support with a social responsibility and obligations system, as well as a bill regulating hourly wages. With regard to pensions, the Block's program envisages achieving conformity between contribution amounts and actually received pensions.

The coalition's program envisages changes in the model of university financing, based on their rating, aligning the curriculum with the requirements of the business community and inciting educational policies among minority communities.

In the healthcare sector, the coalition believes that there is a need to change the status of the National Health Insurance Fund, aiming to turn it into a state instrument for provision of basic medical services. Another point includes the introduction of a second voluntary pillar of competing private funds, covering the Healthcare Insurance Fund's current deficits, as well as the introduction of individual electronic healthcare cards.

2.6. Ataka

At the opening of the party's election campaign, Volen Siderov said that Ataka had become the sole support of the Bulgarian people and the only defense for ordinary citizens. The top priority for him and the party would be to raise incomes to a level comparable to those of the other countries in the European Union. In order to achieve that, Siderov said that the Bulgarian industry had to be developed with national capital and that all national treasures had to be in "Bulgarian and not foreign hands." Ataka's leader once again stressed that foreign companies export the country's national treasures and derive huge profits at the expense of Bulgarian workers and their low wages. Again in this campaign, Siderov bet on pro-Russian sentiments in the country, voicing his support for Russian policies and condemning the imposition of sanctions against the country.

Volen Siderov reacted strongly to the SEWRC's decision to increase electricity prices and organized a series of protests in the capital and other cities in the country, attempting to capitalize on the issue on the eve of the election. During last year's protests in February, provoked by high electricity prices, Ataka were again especially active, which in the end brought them success at the elections.

Ataka's main competitor for the nationalist vote in this election was again Valeri Simeonov's National Front for the Salvation of Bulgaria (NFSB), which entered the current election together with other nationalist parties such as Krasimir Karakachanov's VMRO-BND and former Plovdiv mayor Slavcho Atanasov's VMRO-NIE in the coalition Patriotic Front.

Polls during the election campaigns showed an advantage of the Patriotic Front over Ataka and forecasts suggested that Valeri Simeonov's party could overcome the 4% electoral threshold and find a place within the next parliament. Although Ataka began at a low in terms of electoral support after the results at the European Parliament elections, according to various polling agencies it managed to gradually increase its support base over the course of the campaign.

3. Public Opinion

Gallup research on public political attitudes in the country, conducted in mid-September, showed growing pessimism in expectations for the country's future development. Over 70% of people believed that Bulgaria is heading for worse. Undoubtedly the political crisis, having lasted for over two years now, and slow economic development have contributed to the results. Pessimism also prevails with regard to election results. 54% of all respondents are of the opinion that the vote would not change a thing, which is largely due to lack of confidence in the country's political elite as a whole.

The study further shows that the situation around CCB has affected the public's assessment of the country's financial stability.

The majority of Bulgarians, or 61%, share the view that the country is in a fi-

nancial crisis, whereas expectations that it will deepen further, regardless of election results, prevail.

The interim government as a whole does not enjoy the confidence of the majority of citizens. A little over 70% of respondents stated that they do not trust the interim PM Prof. George Bliznashki, and only 18% expressed confidence in him. Overall levels of confidence, and respectively of distrust in the interim government are similar to those of Oresharski's cabinet in the last month of their mandate. 15% of voters asserted their trust in the interim government, while 70% expressed a lack of trust.

The majority of respondents in the Gallup poll believe that the current cabinet is dependent on GERB. 54% are of the opinion that President Rossen Plevneliev's actions are also being constrained. GERB supporters believe the opposite. Most participants in the poll also share the view that the interim government should seek accountability from Plamen Oresharski's cabinet. Naturally, BSP supporters are the exception.

As a rule, levels of distrust in political figures outstrip those of confidence. Individuals who are not so directly involved with the political process, such as Bulgarian EU Commissioner Kristalina Georgieva and the National Ombudsman Konstantin Penchev received the highest levels of positive attitudes towards them.

56% of voters would prefer a coalition government to rule the country after the election, while only 12 % wish for a party government.

4. Main Conclusions and Forecasts

1. The election results revealed several major trends. Confidence in politicians and elections, as a tool of democracy remains

low; a clear sign for this is the so far lowest voter turnout in parliamentary elections ever since the democratic changes in the country. The 43rd National Assembly will be extremely fragmented, due to the entry of smaller formations within its ranks. This will complicate negotiations on forming a new government and lays the ground for future political instability. The country is in economic and social crisis. The series of reforms which need to be implemented requires wide approval and a majority government with a broader support base. If this fails to be accomplished, the country will be threatened by a new political and parliamentary crisis and the eruption of new street protests in the winter, caused by poverty and the delegitimization of the political elite as a whole.

2. GERB won the elections with a convincing lead over BSP, but the result is far below expectations in terms of the number of MPs. The party will have below 90 MPs, which makes it impossible to form a center-right coalition with the participation of the Reformists' Block alone. Thus, GERB will have to seek other coalition partners. The party left the door open for all parties, except Ataka and Bulgaria Uncensored. Radan Kanev, from the 'Reformers', declared that he would not support a GERB cabinet with Borisov as Prime Minister. Perhaps this particular issue will become the cornerstone for forming a government.

3. BSP suffered a severe defeat. The party received about half a million votes - its weakest result in parliamentary elections. This raises questions about the need for urgent reforms and changes within the party. ABC's entry into the National Assembly breaks the recent monopoly of BSP over the political space to the left and shows that the Left is in a new phase of its de-

velopment. Whether this new path will be one of division and fragmentation or one of unification will depend entirely on the Left's leaders. Another left formation – Tatyana Doncheva's Movement 21, gained over 1% of the electoral vote, entitling the party to a state subsidy. This result again shows that there are other entities with a claim on votes to the left. Sociological data from the exit polls indicates that BSP is an aging party. The party comes in 5th in terms of the number of young and middle-aged voters. This is actually the party's biggest challenge in the medium and long term.

4. DPS gained on BSP. The party has traditionally strong results in areas with mixed communities. In addition, however, DPS has entered districts with Roma population, which once again raised suspicions of vote-buying. 44% of the Bulgarian Roma population cast their vote for DPS. The party has fallen into political isolation, thanks to its model of customized political behavior and corrupt practices related to the party's activities. Nevertheless, the party will most likely play a major role in the current parliament, regardless of whether it will be opposing or supporting the governing majority, whichever that might be, on certain issues.

5. The Reformists' Block doubled its results from the European Parliament elections. The reason behind it – the coalition gained the support of younger voters, who saw in it a chance for change. The Reformers will most likely be part of the next coalition government headed by GERB, but it will be extremely difficult to find a consensus on the prime minister post. The Block remains divided over Borisov, which again became

clear on election night, when UDF leader Bozhidar Lazarov said he saw no problem with Borisov as Prime Minister, while DSB's Radan Kanev believes that the former Prime Minister should back down. The major challenge before the Reformers continues to be the fact that they are composed of several political entities with ambitious leaders, each of whom wants to be in charge. This could cause commotions within the coalition, despite showing progress and opportunities for future development, given the election results.

6. For the first time two nationalist formations – the coalition Patriotic Front and Ataka, will be part of the Bulgarian Parliament. Bulgarian citizens' protest vote and the severe fragmentation of the political space are largely to blame. Unlike Ataka, who no one wants to partner with, the Patriotic Front is a moderate nationalist formation, which will be sought as a partner in forming the next government. It seemed that after the results of the European Parliament elections Ataka was heading for marginalization, but the party managed to mobilize again during the election campaign, attracting voters to the left through its support for Russia and its positive attitude towards the pre-1989 socialist system.

7. Bulgaria Uncensored managed to enter Parliament, despite registering a decline as compared to the results from the European Parliament elections. The party's future seems uncertain, due to its populist and corporate character. Whether it will manage to establish itself as a lasting entity will largely depend on the steps it undertakes within the next parliament.

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