Friedrich Ebert Foundation Office Bulgaria Analyses









Georgi Karasimeonov (Ed.)

# BAROMETER

Political Parties Development in Bulgaria

Vol.8 Issue 4 January – March 2008





### TABLE OF CONTENTS

Table of Contents	1
1. The Political Situation	2
2. State and Development of the Party System in Bulgaria	5
2.1. Processes within the governing coalition	5
2.1.1. Bulgarian Socialist Party (BSP)	
2.1.2. NMSP (National Movement for Stability and Progress)	7
2.1.3. Movement for Rights and Freedoms (MRF)	8
2.2. Processes within the Right-wing Political Environment	8
2.2.1. Union of Democratic Forces (UDF)	8
2.2.2. Democrats for Strong Bulgaria (DSB)	9
2.2.3. Bulgarian New Democracy (BND)	9
2.2.4. Citizens for European Development of Bulgaria (The GERB Party)	10
2.2.5. The Ataka Party	10
3. Public Opinion	11
4. Major Conclusions And Forecasts	13



### 1. The Political Situation

Over the first quarter of 2008, the political situation in Bulgaria was molded by several key political events of internal and foreign nature, which to a large extent predetermined the political agenda in the country. Some of these events are: the nonconfidence vote to the government tabled by the parliamentary opposition with the substantiation that the governing tri-partite coalition had failed to cope with the rampant corruption in the country; Vladimir Putin's visit to Bulgaria in the middle of January and the reactions it provoked; President Parvanov's press-conference on the occasion of the first anniversary of his second term of office, at which he launched a number of proposals about long-needed reforms in the political system of the country; as well as the declared independence of Kosovo and the Bulgarian stance on this issue.

The arrest of two directors from the "Republican Road Infrastructure" Fund on account of corruption and abuse of office and administrative authority gave rise to a serious political row. The two senior civil servants are: Lyubomir Lillov, Director of the Appropriation of EU Funds Directorate, and Ivan Vladimirov, Head of the Fund's Tender Procedure Preparation Department.

As a result of the row on account of the bribes received and the conflict of interests in the "Republican Road Infrastructure" Fund, the EU funding of infrastructure projects was restricted and the European Commission made the demand that Bulgaria should discontinue payments on all projects funded by the PHARE Program.

The corruption row in the "Republican Road Infrastructure" Fund was the account on which the parliamentary opposition tabled a yet another motion for a non-confidence vote to the government. Parliament turned down the non-confidence motion with the votes of the governing majority. All opposition MPs voted for the demise of the government together with all independent MPs and Nickolai Kamov from the Social Democrats Political Movement.

Although the opposition had declared its readiness to announce the revelation of facts about corruption in the high corridors of power during the debates on the non-confidence vote, it failed to do so.

The leader of DSB pointed out three prerequisites for the presence of corruption in the country. The first one was that the BSP and President Georgi Parvanov had "gained control" over the three branches of power to the purpose of paralyzing them and making them free from any control whatsoever. The second prerequisite was rooted in the fact that what ruled over the executive and the judiciary was the Council of the Tripartite Coalition. The third one lay in the fact that Prime Minister Stanishev was proving incapable of controlling his own ministers.

DSB MP Atanas Atanassov said that the incumbent government had set up a well-coordinated system designed to conceal corruption. In his opinion, the major conduit of corruption on the governmental level was the MRF, which was "functioning much like a mobster organization".

For his part, Lyuben Dilov from the ADF stated that the governing majority had clearly proven on many occasions that the subject matter of corruption in Bulgaria was of little concern to them. A case in point was the fact that the parliamentary bill tabled by Fillip Dimitrov, treating the conflict of interests issue, was voted down several times in a row. MP Atanass Shterev from the new Bulgarian New Democracy parliamentary faction, which split from the former NMSII (now National Movement for Stability and Progress – NMSP) parliamentary faction, said that the corruption practices in the healthcare sector were of particular concern. In his opinion, the principal sources of corruption were the public procurement tenders for the purchase of medicines and the regulated prices of medication on the market.

MP Nickolai Kamov from the parliamentary faction of Coalition for Bulgaria pointed out that the MRF was a party, which contributed to the rampant corruption in the country and substantiated his argument with the rings of businesses around the MRF, the statement of the MRF leader, Ahmed Dogan, that the purchase of votes was an European practice, and with other examples to the same effect.

During the deliberations on the non-confidence vote, Prime Minister Stanishev criticized the opposition of iterating its customary old thesis that

the ruling coalition was set up by incompatible parties and this was the reason why it was governed by personal interests solely. The Prime Minister qualified the attacks launched by the opposition to the effect that it was corruption precisely that was accompanying the appropriation of European funds as unsubstantiated and incompetent.

MP Stanimir Ilchev expressed the stance of NMSP by declaring that after this non-confidence vote his desire was to see the establishment of a joint alliance against corruption in Bulgaria with the participation of all components of civil society in the country alongside the executive and legislative branches of power.

NMSP MP Khristina Khristova said that she failed to see any clear-cut and precise arguments about rampant corruption in the country, because the last two Cabinets had made exceedingly much for the eradication of corruption by undertaking measures to this effect mainly by promoting the current taxation reform.

The unsuccessful non-confidence vote showed that the governing coalition has remained stable despite the tremors it experienced after the NMSII parliamentary faction was left by 17 MPs who subsequently formed a new opposition parliamentary faction of their own.

On account of the first anniversary of his second presidential term of office, President Georgi Parvanov summoned a press-conference, at which he voiced a number of ideas concerning much needed political and institutional reforms. His views were met with serious political reverberations. The priority, which President Parvanov outlined, was the need for radical amendments to the Electoral Law. In this respect he demanded that a mixed electoral system be introduced, whereby a proportion of the candidates for members of parliament will be returned by a majority vote. He also announced that he would initiate an opinion poll survey intended to collect votes for holding a referendum, if the parliamentarians fail to accept his idea.

The Head of State launched a yet another set of ideas about constitutional amendments, which will make it possible for the President to summon referenda. Another such idea was that the presidential veto on acts passed by Parliament

will have to be overcome by a larger parliamentary majority than the Constitution envisages at present. The President also demanded that a new Political Parties Act be passed, which should envisage enhanced criteria for party registration. One of the requirements – in the President's opinion – should be for the political formations to possess party structures in two thirds of the country's regions.

3

The proposals made by the President gave rise to numerous reactions on the part of various political parties, whereby his idea for introducing changes in the electoral system received the greatest support. Thus for instance, the UDF leader, Plamen Yurukov, declared that he fully supported the idea of enhancing the majority element in the electoral system. Yurukov was of the opinion that the new electoral system should be passed by Parliament by the middle of this year, so that the parties could have sufficient time to prepare for the next general election. Besides, he positively assessed Parvanov's demand for expanding the presidential powers, including the power of the head of State to initiate referenda.

Prime Minister Sergei Stanishev revealed the fact that for many years now the BSP had been supporting the idea of enhancing the majority element in the election process and declared that the party under his leadership would initiate a debate to this effect as a result of which a new Electoral Bill would be elaborated.

The representatives of the MRF were more skeptically minded with respect to the proposals launched by President Parvanov. The overall stance of the party is that the President has laid the beginning of a debate on the electoral system but the ideas he shared were far from being a project with readymade decisions. In the party's opinion, the finalization of these ideas will take both time and serious discussions among all political parties in the country in order to arrive at an acceptable solution.

NMSP announced that they categorically stood against the President's demand for a one-handed initiation of referenda, because this could bring about a merger of powers vested individually in the legislature and the President and could thus generate a conflict between these institutions. The NMSP spokesperson, Stanimir Ilchev, said that his



party would give its strong support to the amendment in the electoral system. The NMSP opinion was that what the country needed was a system of a preferential vote without any percentage barriers whatsoever and this namely would enhance the majority element at a time of elections.

The visit of the Russian President Vladimir Putin to Bulgaria, which took place in the middle of January, provoked serious political reverberations and gave rise to various and contradictory assessments. As a result of this visit, a number of protest events were held, organized by several non-governmental organizations and Bulgarian opposition parties, among which the major role was played by Ivan Kostov's DSB.

The agreements signed between the governments of the Russian Federation and the Republic of Bulgaria gave rise to a particular debate within the political circles in the country. Despite the preliminary expectations that the agreement concerning the "South Stream" gas pipeline will not be finalized during President Putin's visit to Bulgaria, such an agreement was actually signed. Other bilateral agreements were signed as well, in the area of power generation, too, such as the construction of the "Belene" Nuclear Power Plant and the establishment of an international project company for the construction of the Bourgas-Alexandroupolis crude oil pipeline.

"South Stream" is a Russian-Italian project for a gas pipeline along the bottom of the Black Sea from the Russian gas station "Beregovaya" to the Bulgarian coastline near the town of Varna. On Bulgarian territory the gas pipeline will take two routes — one to the south and one to the north. The northern one will carry gas to Rumania, Hungary, Slovenia, and Austria, whereas the southern one will reach Greece and Italy.

The opposition qualified the agreements reached with the Russian delegation as obligations taken to the detriment of Bulgaria, which thus becomes energy-dependent on Russia, and this in its turn makes it politically dependent on Russia as well. Ivan Ivanov from DSB for instance said that these agreements were a yet another grave betrayal of the Bulgarian national interests on the part of the country's government. In Ivanov's opin-

ion, the government should have stayed the position of Bulgaria's getting a majority stake in that part of the gas pipeline, which crosses the territory of its country.

The governing majority categorically refuted the attacks of the opposition and declared that the project for the construction of the "South Stream" Gas Pipeline completely defended the Bulgarian national interests. Peter Dimitrov, Minister of the Economy and Energy, also expressed the opinion that Bulgaria had honestly and fully defended its national interests. In his opinion, this is best illustrated by the agreement clinched to the effect that the joint venture, which will exploit the gas pipeline, will be registered in Bulgaria and the stakes of the two parties will amount to 50 percent each, although initially Russia had renounced such a possibility and had insisted on Bulgaria's giving its consent to a majority Russian stake.

The Bourgas-Alexandroupolis crude-oilpipeline project also provoked a heated debate between the governing majority and the opposition. The leader of the Ataka Party, Volen Siderov, said that his party staunchly and categorically stood against the Bourgas-Alexandroupolis project because of its great environmental danger for Bulgaria at large, which could catastrophically affect both the natural environment of the country and the Bulgarian economy and tourism in particular, leading to serious damages in these sectors, should the project be actually implemented. Similar was the stance taken by several other parties such as the GERB Party, the UDF, and DSB. The culmination of this negative stance was the local referendum held in the town of Bourgas on the initiative of the right-wing opposition and organized by the GERB-backed newly elected mayor of the town, Dimitar Nickolov. The referendum, however, failed to yield the effect the opposition had hoped for, as the popular turn-out was merely 27 percent of the eligible voters in the town of Bourgas, having in mind that what it takes for a referendum to be legitimate is more than 50 percent voter turn-out. Nonetheless, the results of the vote revealed that 98 percent of those who went to the ballot-box had cast their votes against the construction of the crude oil pipeline.

stablished in the

5

The unilateral declaration of independence by the Serb province of Kosovo became the major foreign policy event directly affecting Bulgaria in its capacity of a country neighboring Serbia. This was the reason why it generated such a broad public debate, especially within the general public and the media. The printed and electronic media covered the opinions of numerous public figures, intellectuals, and politically affiliated activists who expressed a wide range of arguments and opinions on the issue. The stance dominating society turned out to be that Kosovo's declared independence is a step made to the detriment of Serbia and the official Bulgarian position should match this stance.

This situation is rather delicate for Bulgaria as Serbia's neighbor country and this is what prompted the government to adopt a lingering position with respect to acknowledging Kosovo's independence. The stance of the government was that in principle the country recognizes this act with a view to the realities, but it will wait for a while to see how Kosovo's institutions will begin to function after the unilateral declaration of independence and whether the new state will be meeting its international commitments and agreements.

A month after Kosovo declared its independence Bulgaria acknowledged this act by issuing a joint declaration with the governments of Croatia and Hungary. The only parliamentary party, which opposed the declared independence and condemned the stance of the Bulgarian government, was the nationalist Ataka Party. The rest of the opposition parties in the Bulgarian Parliament gave their support to the recognition of Kosovo's independence.

The end of March brought to the forefront a series of scandals which led to sharp conflicts in the Ministry of Interior. They were provoked by secret files which became public and revealed contacts by high officials in the Ministry with criminal groups. A series of arrests followed, including of the former top policeman Ilya Iliev who was recently dismissed from the Ministry. The Minister of the Interior Roumen Petkov was also accused of meeting with businessmen with connection to organized crime. He disclosed that this meeting was especially arranged to gather important informa-

tion and did not violate rules established in the Ministry since it was documented, but as it turned out, the files were missing.

All these revelations created great tensions in the government and especially. in the major party of the governing coalition, the BSP. The prime minister defended Minister Petkov and said that the revelations and arrests were the beginning of important changes to curb corruption in the Ministry. He stressed the role of the new Agency for National Security which, according to him had played a major in revealing some of practices in the Ministry. He needed some time to access the information and then he would take adequate measures, incl. the eventual sacking of Minister Petkov.

## 2. State and Development of the Party System in Bulgaria

### 2.1. Processes within the Governing Coalition

The past three months were a test for the stability of the governing coalition set up by the BSP, NMSP, and the MRF. The tension, which was built up at the end of last year, when a group of NM-SII MPs left its parliamentary faction to establish a parliamentary faction of their own, created expectations among the political and public circles that the government could gradually start to shed off its majority and thus bring about an early general election. Thus far at least, these expectations have not come true, which was confirmed by the turning down of the non-confidence vote tabled by the parliamentary opposition. On the contrary, at the meeting of the Council of Leaders of the tri-partite coalition held in February in the town of Hissarya, the three parties issued a special declaration, announcing their intentions to work for a yet another term of office after the general election due to be held in the summer of next year. Despite these intensions, however, the processes unfolding within the coalition continue to be intricate and complicated and are subject to numerous compromises and arrangements. At the same time, various internal party processes are observed in each of the three coalition parties and it is these processes that will determine the dynamism of developments unfolding therein in the future as well.



### 2.1.1. Bulgarian Socialist Party (BSP)

The largest party in the governing tri-partite coalition – the BSP – started preparation for its forthcoming party congress due to take place this summer. To this effect the BSP is getting ready to pass a new party statute, which is currently being elaborated by a specially elected internal party commission.

What the amendments to the current party statute envisage is the introduction of a new party quasi-membership status – the status of "associates" (literally "brothers-in-arms"), alongside the existing "members" and "supporters" or "adherents". "Associates" will be the name for the preelection allies of the BSP, who will run elections as candidates of the party without, however, being actual party members. This category also includes the election commissions BSP representatives of no party affiliation, as well as observers and advocates working for the party at election times. The "associates" are given the possibility to register as such with a given municipal party organization and it is thus that they will be able to participate in various primaries held in the party.

The draft for a new party statute also envisages that in future the vote for elected party offices, posts and positions shall be held by secret ballot, whereby the practice of holding such votes by mandatory secret ballot at internal party referenda will widen its scope. The new party statute will introduce the principle of limited terms of office for the leaders of the local party organizations, which means that they can hold such an office for no more than two consecutive four-yearlong terms of office. The idea about separating the posts in the executive branch of power and the internal party offices has given rise to serious debates and contradictions. The most likely outcome is that the new party statute will limit the number of positions, which can simultaneously be held by the same individual. In this way ministers, members of parliament, regional governors, and municipal councilors elected from the BSP will not be able to work in the executive or the legislature and hold an individual leadership post in the party at the same time. An exception will be made for the party leader only.

The new party statute also envisages an amendment to the name of the Supreme Party Council. As soon as the new statute has been passed, this supreme body will be called National Party Council.

The draft for a new party statute will be subject to discussions and debates within the party structures and organizations. The expectations for the adoption of the new statute so far have been for the statute to be finally passed at a session of the 46<sup>th</sup> Congress of the party, scheduled to take place this summer.

Over the past three months, the internal party critics of the party leadership and the country's government at large continued to be as active as ever. On account of the updated management program adopted by the Council of the tri-partite coalition, the "left-wing" faction of the BSP declared that they disagreed with the amendment to the pension system, which brought about a yet another decrease of the employers' share in the social security contributions at the expense of the employees and an increase of budget expenditures.

The "left-wing" faction in the BSP tabled a proposal for the party to run the 2009 general election independently rather than form a coalition with other parties as has been the case over the last several years. The leader of the left-wing faction, Yanaki Stoilov, pointed out that the motives for this proposal were that in such a way the party's own political image could stand better and more clearly apart on the background of the rest of the parties.

The "left wing" in the BSP also tabled several proposals to the government aimed at introducing changes to the social and economic policies of the Cabinet, which will have to be pursued till the end of the government's term of office. Some of them include the maintenance of a high and stable growth rate, the pursuance of an antipoverty policy, combating corruption and the grey economy. Another proposal of the left wing concerns the need for the timely highlighting of the priority sectors in the economy, where the budget surpluses should be channeled. In the opinion of the left wing, this can be done as early as the middle of the fiscal year and this is the proper

way of overcoming suspicions for non-transparent practices, which the opposition launched at the government on account of the allocations of the surplus budget at the very end of last year.

Another customary critic of the Cabinet and the BSP leadership, MP Tatyana Doncheva, expressed the stance that the party has been losing people's confidence because of its poor communication practices with its members and supporters.

The relationships of the BSP with its partners from Coalition for Bulgaria underwent certain transformations, too. The conflict simmering for nearly a year between the BSP and the leader of the Social Democrats Political Movement. Nickolai Kamov, reached its long-awaited culmination. Kamov was excluded from the parliamentary faction of Coalition for Bulgaria, having supported with his vote the non-confidence vote to the government tabled by the opposition. Shortly afterwards Kamov's party left Coalition for Bulgaria on its own. Kamov declared that he would continue his parliamentary mandate as an independent MP till the end of the incumbent Parliament's term of office. This leaves open the question about Kamov's future political partners for the next general election, given the fact that the Minister of Foreign Affairs and member of Kamov's party, Ivailo Kalfin, seems to have distanced himself from his leader, preserving his office and his good relations with the Prime Minister and BSP leader, Sergei Stanishev.

## 2.1.2. NMSP (National Movement for Stability and Progress)

The processes of disintegration within the National Movement for Stability and Progress (formerly called National Movement Simeon II – NMSII), including the slumping confidence rating of the party among the country's electorate, are still raising the question about its political future and this question tops the party's political agenda. It is to this effect that the party began its preparation for the next general election, the major objective now being the restoration of its supporters' confidence, the improvement of its political image, and also the search for possible pre-election coalition partners.

At a recent meeting of the Political Council of the party, NMSP members have expressed the stance that the party's participation in the tri-partite coalition has proved to be beneficial. To support this view, they revealed the results from an internal party survey on the attitudes within the local party organizations. According to the party spokesperson, Stanimir Ilchev, the members and supporters of the party are aware of the fact that the future set-up of the country's government will be much more complicated and this is the reason why they share the understanding that the incumbent tri-partite coalition is a much better and more effective solution.

7

A decision was made at this meeting for NMSP to start its preparation for the 2009 general election. Members of the party leadership expressed their willingness to insist that the general election be combined with the elections for European Members of Parliament. Another decision was made to the effect that the leadership of the party's election headquarters should be elected at the next Political Council meeting, at which the pre-election strategy of the party should be outlined and elaborated as well.

NMSP has started setting up 12 expert advisory councils, which will assist the activity of the party by elaborating program stances and policies. The task of these councils will be to secure better communication at the various levels of the party, to open possibilities for greater transparency in the entire party work, and to involve the members and supporters of the party in discussions on topical political and public matters. The appointed leaders of the individual councils are as follows:

The Foreign Policy Council is headed by Solomon Passi, the Council on Intellectual Matters and Science is headed by Prof. Ognyan Gerdjikov, the Healthcare Council – by Antonia Parvanova, the Council on Economic and Financial Matters – by Vladimir Karolev, the Social Policy Council – by Rounyana Deneva, member of the party leadership, the Council on Youth and Sports Issues – by Kaloyan Denev from the party's youth organization, the Culture and Tourism Council – by Nina Chilova, the Council on Environmental Issues and Agriculture – by the leader of the party's parlia-



mentary faction, Plamen Mollov, the Council on Energy Issues – by Denitza Dimitrova, the Local Government Council – by Todor Varbanov, the Council on the Judiciary, Internal Order and Security – by the Deputy Regional Governor of Plovdiv, Meglena Roussenova, and the Council on Transport and Telecommunications – by Olimpi Kuttev.

Although at its meeting in the town of Hissarya the Council of the tri-partite coalition did not discuss and solve the issue concerning the reshuffle of NMSII Ministers (something on which Simeon Saxe-Coburg-gotha personally insists according to insiders), this possibility remains open and is potentially likely to be solved at a future date. According to insiders again, the Minister of Defense, Vesselin Bliznakov, tops the list of ministers whom the party leader would like to replace most.

### 2.1.3 Movement for Rights and Freedoms (MRF)

Over the first quarter of 2008, no particular internal party events have been observed to take place within the MRF that could affect in any way its organizational development. The party has further consolidated its positions in the tri-partite governing coalition, where its weight has grown especially after the split that occurred within the NMSII parliamentary faction.

Over the period under observation, the MRF once again proved to be the party subject to the bulk of critical attacks not only by the opposition, but also by several key figures in the BSP as well. Thus for instance, the former Minister of the Economy and Energy, Roumen Ovcharov, said that the government was becoming increasingly more dependent on the economic interests of the MRF. The opposition continued to hurl its criticism at the MRF, too, and this has been taking place throughout the entire term of office of the incumbent government. The leader of DSB, Ivan Kostov. who is known to be one of the most vociferous political adversaries of the MRF, declared that Dogan's party was preserving its impact on society due to the political patronage it was securing for its members and sponsors and this approach had brought about the development of a large network of corrupt practices.

With respect to the acknowledgement of Kosovo's independence by the Bulgarian government, the DSB took a rather extremist position, which directly affected the MRF. The DSB voiced an appeal to the MRF to sign a declaration that Dogan's party would not work for the autonomy of Bulgarian territories predominantly inhabited by Turkish ethnic population. In response the MRF said that Ivan Kostov's provocations were insufficiently serious and were only aiming at creating groundless negative attitudes against the MRF.

In the opinion of political analysts, the MRF has started its preparation for next year's general election by working out several variants of running it. One of the versions subject to widest debate is running the election in the form of a coalition in a joint Liberal Alliance together with NMSP. According to insiders, such talks have already been held with the NMSP leader, Simeon Saxe-Coburg-gotha.

### 2.2. Processes within the Right-wing Political Environment

### 2.2.1. Union of Democratic Forces (UDF)

During the first three months of the year, the UDF leadership was especially active with respect to opening the party to other right-wing political forces and enhancing the dialog among them with a view to the possible unification of the entire right-wing. Thus for instance, the UDF made a proposal to this effect to the "Radicals" Party, headed by Evgenii Bakardjiev, one of the former strong UDF politicians and Deputy Prime Minister in Ivan Kostov's Cabinet, to the Union of Free Democrats, to the Bulgarian Democratic Forum, to the Union of Victims of Communist Reprisals, and the Radical-Democratic Party with the invitation to for steps to be taken towards the unification of the right wing by elaborating a common statute. A working group set up to this purpose by representatives of the above mentioned parties will consider the opportunity for a future cooperation among them and what form it could take. The representatives of the UFD have retained a reticent stance on the issue thus far. The incumbent UFD leader, Ivan Antikadjiev, who succeeded Stefan Sofiansky to this post after the former leader handed

in his resignation, announced that his party would carefully discuss the proposal and added that for the time being the majority of the members of the party leadership were taking a reserved position.

The past quarter indicated that the UDF is ready to start a dialog with all right-wing parties with a view to undertaking joint actions to the purpose of bringing back the confidence of ordinary citizens in the right wing at large. The party said it was ready to work actively with Boiko Borissov's GERB Party and launched a proposal concerning the need for expert dialog, which would shape up the areas of cooperation between the two parties on concrete policies. The UDF also made an appeal to all the other right-wing parties, DSB included, to get involved with this initiative.

### 2.2.2 Democrats for Strong Bulgaria (DSB)

During the past three months, DSB remained as reserved with respect to the rest right-wing parties as ever, although - together with the other parliamentary opposition parties – it gave their support to the non-confidence vote to the incumbent government. DSB retained its suspicious attitude to the GERB Party as well, which was most clearly manifested during the voting procedure by virtue of which Boiko Borissov's party was officially accepted as an ENP member party. Ivan Kostov said that GERB had given no proof and evidence thus far for its being a genuine rightwing party and this made it impossible for DSB to cooperate with it. As far as the processes of unification in the right-wing political environment initiated by the UDF are concerned, Kostov also expressed his reticence and declared he was not going to not unite with the UDF and that DSB would run the next general election on its own. Kostov sees some progress in the development of the UDF but his main concern remains to be the fact that the UDF would be willing to cooperate with the MRF in future because of the close relationships between Plamen Yurukov on one hand and Yordan Tzonev and Khristo Bisserov from the MRF on the other, who used to be UDF members when UDF party leader was Kostov himself.

DSB were especially critical to the visit of President Vladimir Putin to Bulgaria and DSB activists took and active part in the protests organized during this visit. The DSB leader, Ivan Kostov, declared that the protests were not aimed at the Russian people but at a non-democratic, even totalitarian regime such as the one, which Putin had established in Russia. Kostov was particularly extreme in his assessments on account of the cooperation between Bulgaria and Russia in the area of energy supplies and power generation. In Kostov's opinion this cooperation was deepening Bulgaria's unilateral dependence and almost "vassal nature of the economic relations" between the two countries, because Bulgaria – under the rule of the tri-partite coalition – had become "a Russian appendix and a satellite in the Russian energy and political orbit".

9

At the same time, the differences between DSB activists loyal to Ivan Kostov and his critics in the party grew increasingly larger. The leader of the Sofia city DSB organization, Atanas Atanassov, accused Kostov's critics of disloyalty and ambitions for more party power. On their part, the critics (Neno Dimov and Nickolai Mikhailov) replied with the counter argument that Kostov had turned the party into an instrument for defending his personal interests and had brought about the isolation of the party from the other parties and the citizens at large.

#### 2.2.3 Bulgarian New Democracy (BND)

The 17 NMSP MPs who split from the party's parliamentary faction to set up an independent parliamentary faction under the name of Bulgarian New Democracy (BND) announced that by this summer they would convene a Constituent Assembly, at which a party of the same name would be established. The BND leadership said that the future party would be of a right-centrist orientation and would strive for cooperation with the other rightwing parties to the purpose of jointly entering the future governance of the country. To this effect, the BND has already started consultations with the rest of the right-wing parties. Thus for instance, a meeting between BND and the GERB Party was held at the beginning of February, at which the principles for their possible future cooperation were formulated. After the meeting, Lydia Shuleva from BND said that they had discussed the idea for robust right-wing governance after the next general election, and that both parties had expressed



the opinion that what the country needed was an early general election. The stance expressed by the GERB Party was that the two parties could only cooperate after the next election because GERB's firm position was that they would categorically run the next general election on their own.

BND's negative attitude to the tri-partite governing coalition became obvious during the voting procedure of the parliamentary non-confidence vote, at which the new parliamentary faction voted in favor of ousting the incumbent government from power.

## 2.2.4. Citizens for European Development of Bulgaria (The GERB Party)

The GERB Party became member of the European People's Party and thus gained international legitimacy in the capacity of a right-wing political party. The Chairman of the EPP, Wilfred Martens, qualified the GERB Party as an absolute leader among the right-wing parties in Bulgaria, a proof of which were the party's high election returns in 2007: at the local elections in the fall and at the EMP elections in the spring. Martens expressed his confidence that GERB would manage to unite the right-wing political environment in Bulgaria and would set up the next government of the country.

Boiko Borissov qualified his party's acceptance in the EPP not only as an impressive recognition of the work the party had done but also as a huge responsibility. Borissov declared that GERB would meet the commitments made to the EPP and that the party's objective truly was to unite the Bulgarian right wing around the common goal of winning the next general election and the formation of a right-centrist government.

Out of the Bulgarian parties – members of the EPP, those which gave their support to the EPP membership of the GERB Party through their delegates to the EPP Congress were: the UDF, the Democratic Party, and the Agrarian People's Union headed by Anastassia Mozer, while Ivan Kostov's DSB refrained from voting in favor. The DSB substantiated their vote with the motive that GERB was a party, which has not proven yet its right-centrist essence. In the opinion of DSB, the GERB Party has to politically differentiate itself from all collabora-

tors and officers belonging the former State Security services who were listed as GERB's candidates on its party slates for the 2007 local elections and now rank among the GERB municipal councilors and mayors. Besides, the GERB leadership has not taken a categorical stance with respect to President Parvanov's past and has also failed to condemn the crimes committed by communism.

The GERB Party was one of the organizers of the rally in front of the National Assembly building at the time of the voting procedure on account of the non-confidence vote to the government, together with the parties from the parliamentary opposition. The party leadership said that despite the failure of the non-confidence vote, the party would continue to make its best to provoke an early general election. The party leader, Boiko Borissov, stated that it was the government which bore the responsibility for the suspended funds from the EU PHARE program on account of corruption and the inability of the Cabinet to cope with it. Borrisov also commented on the arrest of the Deputy Head of the Chief Directorate for Combating Organized Crime, Ivan Ivanov, by saying that it was a clear signal indicating Prime Minister Stanishev's incapacity to cope with the corrupt people in his subordinate ministries and agencies, owing to the fact that he had only limited political resources within the framework of the tripartite coalition, where many interests were intertwined and were raising obstacles to the pursuance of any rational policy whatsoever.

The Constituent Congress of GERB's Youth Organization was held at the end of February and was attended by 600 delegates. The Congress elected Monika Panayotova Chairperson of the Youth Organization, who is a 24-year-old graduate of International Economic Relations,.

### 2.2.5. The Ataka Party

The past quarter saw a change in the rhetoric of the Ataka Party and its leader, Volen Siderov, in the direction of establishing dialog with the rest of the opposition political formations. It is thus that the party is trying to break the political isolation it found itself in right after it was returned to Parliament in 2005, especially with a view to the approaching general election next year. Siderov

11

made a number of media appearances in which he appealed to all nationally responsible parties to unite around the idea of elaborating a long-term national strategy and program that will underlie the policy of the Bulgarian state for many years ahead. In Siderov's opinion, this was necessary with a view to the looming demographic crisis in the country, which would become a threat for the country's national security before long in the conditions of increasing globalization.

Ataka was the only parliamentary faction, which voted against the ratification of the Lisbon Treaty by the National Assembly. Votes against were also cast by the independent MPs who had left Ataka's parliamentary faction some time ago. The motives for this vote are that through the ratification of this Treaty the country has lost its national sovereignty and in future all important political decisions will be made by Brussels.

#### 3. **Public Opinion**

During the first guarter of 2008, the electoral attitudes in Bulgarian society indicate a shift in the tendency observed at the end of last year, when a relative parity between the two major parties at present - the GERB Party and the BSP - was recorded. The survey, held at the end February by the National Center for Opinion Poll Surveys (NCOPS), indicates a serious growth of the popular support declared by the respondents for the GERB Party, which has thus come to stand apart as the first political force in the country. To the question "If the general elections were held today, which party would you vote for?" 30.3 percent of the respondents have declared that would cast their vote for the GERB Party, while the BSP ranks second in this survey with twice a lower level of support, namely it has the support of 15.4 percent of the voters only.

The parties, which are certain to overcome the electoral 5 percent threshold, are the MRF with its 9.3 percent electoral support and the Ataka Party with its 5.4 percent electoral support. Out of the rest of the right-wing parties – at this point in time, at least –it is only the UDF that has the chance of making it to the next Parliament with its 4 percent electoral support. The support rating of DSB

is as low as 2.6 percent of the respondents' votes, and the support rating of the Bulgarian Agrarian People's Union – People's Union is less than 1 percent. Should NMSP choose to run the next general election independently, it is almost certain to fail, as the survey data indicate a support rating for it of 1.6 percent of the overall respondents' vote.

According to the NCOPS survey, society is dominated by the conviction that Prime Minister Stanishev's government will complete its full term of office. This is the opinion of 61 percent of the respondents, whereas only 15 percent think that there will be an early general election in the country.

The survey also studies the attitudes of the Bulgarian citizens with respect to the processes, which have been unfolding in the right-wing political environment. 36 percent of the respondents think that the country could be governed by a right-wing coalition in the near future. Most frequently, such is the assessment of the people in the age bracket between 40 and 60 years of age, the highly educated, the inhabitants of the regional centers, and the supporters of the GERB Party and the Ataka Party. 32 percent of the Bulgarian citizens are of the opinion that GERB is the party capable of uniting the right-wing political environment and only 5 percent believe that it is the UDF that is capable of accomplishing such unification. Approximately one fourth of the respondents think that not a single party is currently capable of becoming the driving force of the right-wing unification in the country.

The NCOPS's questionnaire contains a question concerning the desired type of a next governing coalition in the country, which outlines another important trend among the Bulgarian voters. The idea of GERB' governing the country on its own enjoys the highest support rating of 9 percent of the respondents. A possible coalition between the current political opponents, the GERB Party and the BSP, ranks second in voter preferences with a 3.7 percent support rating, thus exceeding the support for a possible union between the UDF and GERB, which enjoys a 3.2 percent support rating. Only 3.1 percent of the voters have given their support for a second term of office of the incumbent tri-partite governing coalition.



The BSP supporters would rather see their party govern jointly with GERB (13.3 percent) rather than with its current coalition partners from NMSP and the MRF (6.5 percent). The highest number of respondents who support the idea for a new term of office of the incumbent tri-partite coalition is among the MRF supporters (13.9 percent). The majority of the MRF electorate (19.3 percent), however, thinks that the future government of the country should be set up by their own party and the socialists. One third of the NMSP electorate is of the opinion that their party should govern jointly with GERB in the next government of the country. As few as 5.3 percent of NMSP adherents have given their support for a coalition with the BSP only, while 7.4 percent stand for a second term of office of the incumbent government. Every fourth GERB supporter thinks that their party should govern on its own, 10 percent give their preference to a coalition with the parties of the traditional Bulgarian right wing, while only 4 percent support a coalition with the BSP.

Ataka's supporters put their stakes on two alternatives with a relatively equal distribution of votes, each supported by about 25 percent of the overall number of Ataka adherents. The two alternatives are: preference for a Cabinet set up by Ataka on its own and preference for a coalition with the GERB Party.

What is observed among the UDF supporters is as follows: 18 percent of them want for the country to be governed by a right-wing coalition, whereby 13 percent are the respondents' preferences for a coalition between the UDF and GERB, while another 8 percent would rather see the UDF govern together with DSB.

The majority of all Bulgarians, however, more than 52 percent, cannot formulate a definite reply or are rather convinced that none of all existing alternatives is good enough for setting up possible party coalitions, capable of taking up the reins of the country's governance.

The survey held by the NCOPS indicates that the number of voters who stand for the introduction of mandatory going to the ballot box has been steadily growing: from 34.7 percent in 2007 to 45.2 percent at present.

As far as the non-confidence vote to the government tabled by the parliamentary opposition is concerned, 52 percent of the Bulgarians approve of this initiative, namely because of the high corruption rates in the country. The non-confidence vote enjoys the highest approval rating among the supporters of the UDF and the Ataka Party – 87 percent for each of the two parties, followed by the supporters of DSB - 80 percent, and the GERB's supporters - 72 percent. The approval of the motives for the non-confidence vote is higher than the average among the inhabitants of the capital city and the regional centers of the country, among university alumni, and the youngest voters. Nearly 25 percent of the Bulgarians disapprove of the non-confidence vote and these are mainly supporters of the tri-partite governing coalition, the elderly, and the village inhabitants.

Another opinion poll survey, held by GA-LUP, reveals certain perceptions and assessments currently made by Bulgarian society with respect to unemployment, the trends in the economy, and inflation. In terms of the respondents' assessments of the country's economy, over the last 15 years it is traditional for the Bulgarian public opinion to continue to perceive a slump in the economy or at least a continuous threat for such a slump. In practice, the most sensitive indicator for the attitudes to the country's economy remains the popular opinion about what is going to happen with prices, now that unemployment has ceased to be a major factor in the ranking of social problems. Approximately 40 percent of the Bulgarians indicate that the gravest problem in the country is the rising inflation, followed by the low level of incomes – 29 percent of the respondents. What is notable, however, is that the expectations of the respondents for the future are more optimistic than they were last year.

A later opinion poll survey, held by the NCOPS in March, has also recorded the attitudes of the Bulgarian public opinion on account of Kosovo's declaration of independence and the consequences stemming from this act for the stability in the Balkan region. The survey results indicate that the major fears stemming from the unilaterally declared independence are not connected with Bulgaria's nation-

al security. Much bigger are the public concerns on account of the foreign political reverberations connected with the support Bulgaria has given to the independence of the former Serb province. Thus for instance, 61 percent of the respondents fear that tension in Serbia may rise, and 52 percent are afraid that the relations between Bulgaria and Serbia may get complicated. More than half of the respondents feel uneasy about possible future conflicts in Macedonia. An overall 43 percent of the respondents expect that "kosovization" of other countries in the region may follow.

As far as the government's stance on the Kosovo issue is concerned, 22 percent of the respondents are categorically against the recognition of Kosovo's independence, 30 percent find it difficult to make an assessment, and 14 percent accept the decision made by the Bulgarian government.

### 4. Major Conclusions and Forecasts

1. About a year before the regular general election in the country is due to take place, the political situation in the country is marked by two principal trends. On one hand, the internal instability has grown as a consequence of the avalanche of corruption revelations in key structures of the executive branch of power. The most strongly affected institutions are the Ministry of Internal Affairs and the agencies connected with the implementation of a number of major EU programs. Several financial flows related to these programs have been suspended either as a result of corrupt activities or incapacity to meet the criteria for their appropriation.

On the other hand, there has been growing discontent and pressure on the part of certain social and professional groups in society, some of whom are dissatisfied with the level of payment they receive for their work, and others – with the difficulties they meet in selling their product in the new conditions of the country's EU membership.

The economic situation is stable on the whole with the exception of the disturbingly high inflation rate (of about 12 percent) and the growing deficit of the current account of the country's Balance of Payments. At the same time, there are symptoms that the Bulgarian economy will sustain

certain adverse consequences due to the subprime mortgage crisis in the USA and the global credit crunch, which has partially affected the European Union as well, evidenced by the tumbling prices of stocks on the stock exchanges and the tightened terms of loan extension.

Despite these adverse processes, the governing tri-partite coalition is likely to complete its entire term of office, regardless of the declining public confidence, which pollsters have measured in the opinion poll surveys. Symptoms of tension can also be noticed within the ranks of the governing coalition, generated by the crisis in its individual parties, especially within NMSS, which recently went through a painful split. At the same time, the situation within the biggest party in the coalition – the BSP – has been tense because of the clash between its major wings. The MRF has remained the most stable party in the coalition thus far and seems to be the principal guarantor of the stability of the tri-partite governing coalition. However, certain Cabinet reshuffles in the near future cannot be completely ruled out either, especially as a consequence of the scandals in the Ministry of the Interior and the grave revelations of corruption and misdoing implicating high officials, including the Minister.

President Parvanov has also become more active of late. He came up with a series of proposals for implementing reforms in the country's political system. Though not quite unequivocally, some of these proposals got the approval of the major political parties and the civil society at large. At the same time, it is only just a part of these proposals that can be implemented in practice, for instance those meant to reform the electoral system to the purpose of enhancing its majority vote element. All proposals concerning the expanded scope of presidential powers are hardly likely to get parliamentary support. What can be expected with the ever closer approach of the general election is an enhanced presence of the President in the political life of the country, especially as far as his constructive criticism of the work of the government is concerned.

2. The party system as a whole and most of the political parties themselves are in a situa-



tion of a grave confidence crisis. This gives rise to two tendencies: the withdrawal of citizens from the political process and from the electoral process in particular and/or an orientation towards populist alternatives, a typical example of which are the Ataka Party and the GERB Party in particular.

The BSP in its capacity of a major party in the left-wing political environment is going through complicated processes of internal differentiation, some of which are inherited from the past, while others are the product of serious ideological differences stoked up by the policy pursued by the incumbent government. They are expressed on one hand in the battles between different party clans (e.g. the group around Roumen Ovcharov, Roumen Petkov, and Sergei Stanishev), and on the other - in clashes between two factions: the left-wing one and right-centrist one, the latter being associated with the party leader Stanishev. These clashes are gaining momentum not only under the pressure of the evolving social processes, but especially under the pressure of the corruption rows as well. Clashes have also been witnessed in connection with the discussions around the amendments to the party statute, which are meant to enhance the extent of democracy within the BSP. The party itself is subject to poignant attacks on the part of the opposition and the GERB party in particular, which insist on provoking an early general election.

The left-wing faction has been criticizing the government for its policy of neo-liberal orientation, especially after the flat tax rate was passed by Parliament, which was a denunciation of the social objectives the party had declared to uphold. New tensions were generated by the government's stance in connection with Kosovo's unilateral independence, because a significant portion of the BSP members find it hard to accept.

Another front-line is looming between some of the members of the party leadership around the party leader Stanishev and several of the younger members of the party leadership who set on a confrontation course with representatives of the party's "heavy artillery", who until recently were playing a dominant role in the party.

All these processes are resulting in a decline of the party's electoral impact, which – according to the results from the latest opinion polls – gets the support of about 17 percent of the voters. The conflicts in the Interior Ministry added another flame to the looming conflicts in the party and led to a further decline in public support.

Should the Prime Minister and BSP leader fail to come on top and constrain the internal conflicts in the party, they will directly affect his capacity to lead the government as well. Society is looking forward to decisive actions in terms of curbing corruption and overcoming the adverse processes, which prevent the country from appropriating the EU structural funds. The growing impression that the Prime Minister shows indecision undermines the positions of the government at large and further contributes to the loss of public trust. This puts to the test not only the very stance of the Prime Minister but also his personal capacity to lead.

3. GERB, the major opposition party, has continued to gain popularity on the background of the confidence crisis affecting the government and the conflicts accompanying it. The GERB Party's success has been growing owing to the populist discourse practiced by its leader, Boiko Borissov, whose main refrain are the demands for an early general election. At the same time, symptoms of internal contradictions have started to emerge in certain GERB party circles, which in turn have brought about a series of exclusions of GERB activists from the party. Discontent can be observed among some of the GERB supporters against the new party activists who got access to the offices of local power. Some of them have become subject to criticism on account of their poor performance at the posts, to which they have been elected, and this for instance is particularly true of some of the mayors elected on the GERB party slates.

GERB's accession to the European People's Party was undoubtedly a highly positive achievement. It is thus that the party won international recognition and legitimacy as a right-wing formation, despite the lack of clarity in its value orientation and the criticism addressed to its party program, especially as far as its economic program is concerned, on the part of specialists.

15



At the same time, despite its effort to look like an unappeasable opposition, the GERB Party is part and parcel of the local authorities in major cities of the country and the citizens will start to compare its party rhetoric with its specific management activities increasingly more often. Borissov himself is subject to criticism increasingly more often with respect to his weaknesses in the seat of Sofia City Mayor. With time, the internal differences within the GERB Party itself are also bound to grow. For the time being, Borissov – in his capacity of an undisputable leader – will prove capable of coping with such contradictions, although some signs have emerged that his authoritarian style of leadership has already been provoking certain negative reactions on the part of GERB Party activists.

The stabilization of the GERB's Party electoral impact at about 25 – 27 percent gives no guarantees that it will win an absolute majority at the next general election, which is the objective GERB has been striving for ever since its inception. At the same time the aftereffects of the latest corruption scandals are favoring the party's electoral positions.

GERB has been avoiding any bondage with pre-election coalitions thus far and has repeatedly declared that it would not govern in a coalition with the BSP, the MRF, and the Ataka Party. All this places the party in a difficult and even precarious situation should only those four parties manage to make it to the next parliament, in accordance with the current forecasts of the country's pollsters.

4. The processes in the right-wing political environment continue to be contradictory because of the quite weakened impact, which the UDF and DSB are capable of exerting on it. Ever since Plamen Yurukov has become leader of the UDF, he has been trying to shift the trend of his party's declining impact rating, but thus far his efforts have been ineffective. His most recent initiative aimed at restoring the UDF membership of former UDF activists, who along the road left the party for one or another reason, is hardly likely to achieve the desired effect. On the contrary, the result may have just the opposite result, which will bring about the withdrawal of more citizens from

the UDF, whose reactions to the "new members" recruited among the "old top brass" of the party are quite adverse.

The DSB has not discontinued its encapsulation in an extremely confrontational line of opposition, imposed by the party leader, Ivan Kostov. Kostov himself is becoming an increasingly disputable figure within his own party, his opponents being either manifest (such as Neno Dimov and Nickolai Mikhailov) or tacit (such as Svetoslav Malinov). Although Kostov enjoys the support of loyal adherents and extreme anti-communists, neither he nor DSB could rely on optimistic prospects for the future, should they continue to pursue their current course of action. The party leader carries too much of a negative burden for his party and this is the reason why he is subject to ceaseless attacks on the part of the media, hostile political forces and individual public figures.

5. The extreme nationalist Ataka Party of a right-wing orientation has marked the stabilization of its electoral impact rating of late, having sustained a visible decline of its support rating at the end of last year. The stabilization is also due to the fact that it was given legitimacy by other right-wing parties, which included the Ataka Party in joint protest activities against the government at the time of the non-confidence vote in the Bulgarian Parliament. For his part, the Ataka party leader, Volen Siderov, has now reverted to a more moderate and constructive tone of discourse, obviously with the intention of removing the possible obstacles barring his inclusion in likely future governing coalitions after the next general election results.

6. According to the latest opinion poll forecasts, four parties are certain to get returned to parliament at the next general election in the country and these parties are: the BSP, the MRF, the GERB Party, and the Ataka Party. The UDF also has a certain minimal chance of making it to the next parliament. All this creates an unprecedented situation in Bulgaria and will encumber the formation of the next country's government, if the current battle-lines are preserved and compromise solutions fail to be arrived at. However, the trans-



formations in the post-transition party system are bound to continue by all means and they are likely to bring about new configurations in the executive branch of power.

Surprises cannot be ruled out as well, both in terms of an absolute parliamentary majority for the GERB party or in terms of a new type of party combinations designed to form a joint government, such as the combination between the GERB Party and the BSP, despite the intimidations currently voiced by GERB's leader, Boiko Borissov. There are too many common interests between the two parties rooted both in the past and the present, which will prevent them from ruling out such an alternative altogether.









Friedrich Ebert Foundation Office Bulgaria P.O.Box 859 97, Knjaz Boris I St. 2nd Floor 1000 Sofia, Bulgaria Orders

Friedrich Ebert Foundation Office Bulgaria Att.: Emilia Burgaslieva

e-mail: office@fes.bg Fax: +359 (2) 9802438

All texts are available online www.fes.bg

The views expressed in this publication are not necessarily those of the Friedrich-Ebert-Stiftung or of the organization for which the author works.