

A COUNTRY THAT CAUSED EUROPE'S "ASSISTANCE FATIGUE"

Stephan E. Nikolov, PhD
Senior Research Fellow, Institute of Sociology, Sofia

Bulgaria was probably the least probable country to join the EU. It was a political rather than based on economical rationality decision, one that came in times of deep transformation of the EU itself. With the Bulgarian succession, the Cyrillic alphabet became the third official EU alphabet. And this is a distinct Bulgarian contribution to the linguistic and cultural diversity of the Union. However, due to frauds and abuses of European funds in Bulgaria, this country faces tough time with the withdrawal of the EU money.

EU faced extremely grave problems in approaching the Balkans. Greece, the first Balkan country, member of the still predecessor of the EU, European Community (1981), was lucky to be the poorest relative among rich ones, and thus to benefit from the generous transfers. This time, however, it is already over. As M. Foucher wrote in the beginning of the 1990s, the Balkans were 'a very serious and unprecedented challenge for western Europe', and Yugoslavia itself – a 'laboratory for testing the EC's managerial capacities' – and these capacities proved to be extremely low (Foucher: 129-30). This meant inability of civilized and advanced Europe to prevent or at least to alleviate the worst bloodshed since WWII with all corollary of sufferings and setback for the peoples. The next stage of this challenge will be the ability of the already grown and ripened Europe to integrate Balkan countries – including those, which some foreign experts prefer to separate in a category of Western Balkans – as equal and flourishing, and not as a second rate. Performance of the 'new wave' Balkan countries that joined EU recently – Bulgaria and Romania – still leaves too serious doubts whether either of them was sufficiently prepared to become a member. And it is more than clear that their accomplishments affect the already existing reluctance among Europeans regarding further enlargement. And this is an obvious message that has direct impact on the countries from the so called Western Balkans, an invented neo-geopolitical term that means former Yugoslav republics (probably excluding Slovenia), plus Albania. This area already lost pace due to the wars that followed the break up of Yugoslavia, and still lacks lucid prospect ('road map') on its way to shared European values, a process that is even more complicated because of obstacles as the contested name of Macedonia.

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“A dull and obscure place”. Bulgaria was lagging far behind the other countries from the so called ‘socialist camp’ in its economic advancement. Almost exclusively agrarian and rural in 1944, with some small beginnings of food- and tobacco-processing industry, Bulgaria started a vigorous effort for a great scale industrialization after the communists took the power, and especially after 1956. Bulgaria was so predictable and dull, that almost no foreign observers or correspondents were coming to Sofia – one such rare account of this depicts such a picture: “Whatever else is true... Bulgaria is the most underreported, unnoticed Eastern European country of them all... No uprising like Hungary, no riots like Poland, no Russian tanks putting down revolts like they did in Prague and East Berlin... it thoroughly deserves its total obscurity” (Grey: 34). Some projects in metallurgy, machine building, electronics, warehouses’ mechanization, chemistry, armament and shipbuilding, to mention just a few of the most ambitious projects, proved to be, in a great degree, a failure. Poor quality of most of the products was restricting their market only within the COMECON zone (more than 70% as of 1980s), and especially to the USSR (over 50%). Nevertheless, aspirations of some high state servants reached the point where much effort was directed toward developing certain economic relations, including joint ventures, with ‘capitalist’ countries – especially Austria, W. Germany, Japan¹. Apart from the propaganda, these relations grew, to a great extent, on exclusively political basis, closely tied to the cold war’s specific ‘regulations’. On the one hand, it was part of the then ‘game’ for overcoming the centrally planned economy shortcomings, and, on the other, these endeavors were too restricted by the ideological dogma.

Todor Zhivkov ruled over Bulgaria for a long time when he visited some of the most advanced Western countries during the 1980s – especially at EXPO in Osaka, Japan. He was so impressed by the economic and scientific achievements that he almost completely lost his confidence that, under the communist regime, such progress might be attained. He dared to share his doubts with his close collaborators, and also with the newly elected Soviet leader, M. Gorbachev. This became a source of the animosity between them, when Gorbachev charged Zhivkov with ‘insincerity’ (Gorbachev, 1995: 367-8), and – sic! – pro-Western orientation. It was due to Zhivkov’s insisting that the socialist country – including advocates of this humble opening of Bulgaria – considered as the closest Moscow’s ally – toward the West, such as O. Doynov were ousted from the party/state leadership to be replaced with the pro-Moscow younger generation politicians such as A. Lukanov. And these were the same people who later, in November 1989, expelled T. Zhivkov himself, and – ironically enough – started the Western type democratic political reforms in Bulgaria.

The first formal contacts between Bulgaria and the then European Community occurred in 1986, when unofficial negotiations between the two started. On August 9, 1988 diplomatic relations were established, while earlier Sofia, as it was in line with Moscow then,

¹ Details may be found in: И. Марчева (2003, 2004: 95).

overlooked the process of European integration. This was an ideological dogma to be followed, since the Bolshevik leader Lenin once anticipated that there will never be any 'United States of Europe'. Official negotiations between Bulgaria, still a 'People's Republic' then, and the EU began in April 1989. They aimed at concluding an agreement for trade and economic cooperation. But all this was accomplished only after the democratic changes in Bulgaria in 1989-90. In March 1990 the Bulgarian Ambassador in Brussels, At. Ginev, was accredited also to the EU HQs, and thus the process of mutual recognition concluded. In the same year, on May 8, the above mentioned agreement for trade and economic cooperation was signed, and Bulgaria joined the PHARE Program. An historic breakthrough was made on the eve of Christmas, on December 22, 1990, when the Great People's Assembly voted almost unanimously to proceed with Bulgarian membership to the EU. It took a year until negotiations for gaining an associated EU status started, which was completed in 1993. It took another six years for genuine negotiations for EU accession to start. It was a decade of deceived expectations, during which Bulgaria heavily suffered severe supply shortages, extreme rise of both petty and organized crime, sharp drop of the living standards for the majority of the population, due to lack of socio-economic reforms, wrongly conceived policies, and effects from the Yugoslav embargo.

The Bulgarian accession to the European Union took place on January 1, 2007. Bulgaria was part of the second stage of the EU's fifth enlargement, along with Romania. The date of accession was set at the Thessaloniki Summit in 2003 and confirmed in Brussels on 18 June 2004. Within the framework of integration meetings held between the EU member states and Bulgaria, an 'Association Committee' was held on 22 June 2004. It confirmed overall good progress for the preparation of the accession; however, it highlighted the need for further reform of Bulgaria's judicial structures, particularly in its pre-trial phases, as well as the need for further efforts to fight against corruption and organized crime, including human trafficking. This last reproach will further often be repeated as a continual disappointment by European structures for enduring shortfalls of Bulgaria on its way from the communist past back to the civilized world.

There was also, according to the report, limited progress regarding the integration of the Roma community. The same findings were reflected in the 2004 Regular Report.

The European Council in Brussels, as of December 17, 2004 confirmed the closing stages of the accession negotiations with Bulgaria. The 26 September 2006 monitoring report of the European Commission confirmed the date once more, also announcing that Bulgaria and Romania would meet no direct restrictions, but, again, progress in the already mentioned areas – reforms of the judicial system, elimination of corruption and the struggle against organized crime – was said to be strictly monitored.

Bulgaria signed the Treaty of Accession on 25 April 2005 at Luxembourg's Neumuenster Abbey.

The first Bulgarian European Commissioner, Meglena Kuneva of NDSV, joined the Barroso Commission as the person responsible for consumer protection upon Bulgaria's accession to the EU. Her term spans 1 January 2007 – 31 October 2009.

The Bulgarian National Bank plans to replace the national currency, BG Lev, with the Euro by 1 January 2010, a term deemed not so realistic by foreign observers. Most of these, including many Bulgarian experts, postpone this move at least with a year – and with the global financial crisis this term seems also to fade away. In the same time, there are observers who insist on immediate acceptance of the Euro as an official currency unit, since any way BG Lev is strictly bound to the Euro (initially to the D Mark) according to the Currency Board establishment on July 1, 1997.

With this accession, the Cyrillic alphabet became the third official alphabet of the EU, after the Latin and Greek alphabets. According to a declaration by Bulgaria to the European Union: *With the recognition of Bulgarian as an authentic language of the Treaties as well as an official and working language to be used by the institutions of the European Union, the Cyrillic alphabet will become one of the three alphabets officially used in the European Union. This substantial part of the cultural heritage of Europe represents a particular Bulgarian contribution to the linguistic and cultural diversity of the Union*².

*Cyrillic will also be featured on the euro banknotes and the national (obverse) side of the Bulgarian euro coins. The ECB and the EU Commission insisted that Bulgaria change the official name of the currency from Evro (EBPO in Cyrillic, as accepted) to Euro (EYPO), claiming that the currency should have a standard spelling and pronunciation across the EU*³. *The issue was decisively resolved in favour of Bulgaria at the 2007 EU Summit in Lisbon, allowing Bulgaria to use the Cyrillic spelling eepo on all official EU documents*⁴.

As of 13 December 2007, all EU institutions – including the European Central Bank (ECB) – use EBPO as the official Bulgarian transliteration of the single European currency. And this is probably the biggest achievement of the Bulgarian affiliation with EU. It is not so insignificant, because it means sustaining and promoting a diverse European tradition – that of the use of the Cyrillic alphabet, which is the alphabet of the Eastern and Southeastern Slave peoples. Moreover, this clearly indicates that speculations that EU would further keep the Eastern Orthodox, using Cyrillic scripts, out of the large European family are completely unfounded.

² "Final Act: Declarations: Declaration by the Republic of Bulgaria: Declaration by the Republic of Bulgaria on the use of the cyrillic alphabet in the European Union". *Official Journal of the European Union* (Office for Official Publications of the European Communities) 48 (L 157): 392. 2005-06-21, http://eur-lex.europa.eu/LexUriServ/site/en/oj/2005/l_157/l_15720050621en03910392.pdf. Retrieved on 3 November 2008.

³ Николай Василев ще брани в Брюксел изписването “евро” вместо “eypo” (Nikolay Vassilev Will Endorse in Brussels Writing of “Evro” instead of “Euro”, in Bulgarian), *Mediapool.bg* (2006-11-07). Retrieved on 4 November 2008.

⁴ Bulgaria wins victory in evro battle – Reuters, <http://www.reuters.com/article/companyNewsAndPR/idUSL1868684020071018>; “Evro” dispute over - Portuguese foreign minister – The Sofia Echo, http://www.sofiaecho.com/article/evro-dispute-over--portuguese-foreign-minister/id_25576/catid_66.

This step seem to be a credible evidence that corroborates progress to one of the basic EU value: “The greatest success [. . .] has been overcoming the division of Europe. But shared values have prevailed. [. . .] Europeans should be proud of what they have achieved by their labours over the centuries in terms of values, freedom, law and democracy [...] We know that our European roots lie in Greek philosophy, Roman law, the Judeo-Christian heritage, the Enlightenment – in other words, our shared European culture. But there have also been tragic European civil wars, and in the 20th century the totalitarian ideologies, with their disdain for humanity, and then, in 1945, the courage of the founding fathers in following the path of forgiveness and reconciliation, in building a new, better, more peaceful, shared Europe.”, in the words of Hans-Gert Poettering, the President of the European Parliament⁵.

It is, however, again in the political domain. Too little, alternatively, could be said about the economic accomplishments of Bulgaria. On the contrary. More and more Bulgaria is becoming a negative example and a serious abuse for both EU and the Bulgarian people themselves.

As the Director of the European Anti-Fraud Office, OLAF, Franz-Hermann Bruener said during his last visit in Sofia in November 2008, that the EU budget had incurred losses of between 10 Mln. and 100 Mln. Euro from the frauds with European funds in Bulgaria. He insisted on more preventive measures against future EU money abuses as well as on the issuing of actual rulings on the embezzlement cases. “A number of things have been done but also a number of things have not been done properly, and a lot of money have ended up where they are not supposed to”, Franz-Hermann Bruener stated⁶.

According to the Bulgarian mass-circulation daily *Trud* (November 16, 2008), Bulgaria’s State Agency for National Security (DANS) had unravelled a 10 million leva scam involving alleged siphoning of value-added tax (VAT) refunds by Plovdiv-based companies and offshore firms. The VAT scam involved properties being sold and re-sold at inflated prices, and sellers got their tax credits back in record time. An unidentified former tax official, who for the past 10 years had been involved in the wine business, was involved in the scam, the newspaper said.

A day later, Bulgarian news agency Focus quoted Plovdiv’s district prosecutor Andrei Atanassov as saying that the prosecutor’s office was dealing with two cases involving alleged defrauding of EU funds. An investigation completed four months ago had involved a dairy farm that had been given 400 000 leva on condition that the facility would operate for at least four years. Investigation had found that the dairy farm was not operating. Documents,

⁵ H.-G. Poettering (13 Feb. 2007). Priority is dialogue for partnership and tolerance. *Inaugural speech by the new president of the European Parliament*. European parliament. <http://www.europarl.europa.eu/sides/getDoc.do?language=EN&type=IM-PRESS&reference=20070208IPR02888>. Retrieved on 27 February 2009.

⁶ http://www.novinite.com/view_news.php?id=99098

submitted by the owner, showing that he had bought processing equipment, turned out to be forged.

The other case involved large-scale document fraud allegedly involving 612,000 BGL (approx. 320,000 Euro) given to build a fruit-drying facility. Documents certifying that the facility complied with Bulgarian law were found to contain false information and falsified signatures. If found guilty, the accused could face up to 20 years' jail for document fraud.

Bulgarian-language weekly *Tema* magazine reported that the first conviction in Bulgaria for defrauding EU funds had been handed down – hardly the most outrageous case. A 69-year-old woman who had been manager of an association, Agrarian Women's Club, was given three years' probation and banned from occupying public office after pleading guilty to diverting for her personal use 85,000 BGL paid to the organisation in 2005 and 2006 through the EU's Leonardo da Vinci programme. The funding was intended for educational seminars. In this case too, prosecution started only after the fraud was reported to Bulgarian authorities by Olaf. Her conviction followed a four-month investigation.

Commenting on similar cases, Bulgaria's European Integration Minister Gergana Grancharova said that Bulgaria was taking active steps against organised crime and corruption in a follow-up to the most recent report by the EC that was sharply critical of the country's failures in this regard. Grancharova said that "the margin with verdicts having become effective is still discouragingly blank", Bulgarian National Radio (BNR) reported. "We have been working with the capacity of all institutions to make sure that the tone of voice of the next EC Bulgaria report will be radically different," Grancharova said.

John Faull, the head of the EC Directorate on Justice, Freedom and Security, said during a visit to Sofia last Autumn that the EC was expecting in the next four to five months to see courts handing down sentences after the reforms introduced in Bulgaria's justice and internal order sector. Faull said that what the EC meant by results was – conviction of criminals. In his words, there are no perfect laws and structures, and it is results that would show whether things had changed, BNR reported.

Fig. 1. MAIN POINTS OF EU MONITORING OVER BULGARIA

Independence of Judiciary
Transparent and effective judicial process
Reinforcement of the judges' professionalism and efficiency
Struggle against corruption at authority's high levels
Struggle against corruption in the local authority and at the borders

Fighting organized crime, money laundering. Confiscation of lawbreakers' property

On Fig. 1 here, one could see the main points of the EU monitoring of Bulgaria, which stay unchanged even from the pre-accession period. Virtually all of them are related to the legal sphere – criminality, including organized crime and public officials' corruption, but also the inadequately reformed judiciary, still incapable to deal with this difficult realm. Most likely,

Fig. 2. MAIN STATEMENTS OF THE Feb. 12, 2009 EU REPORT CONCERNING BULGARIA'S ADVANCEMENT

POSITIVE	NEGATIVE
Supreme Judicial Council's Inspectorate operates	Sluggish penal prosecution
Penal Code and Civil Code are implemented	Penal Code further not repaired
Ministry of Internal Affairs Law amended in order to simplify its administration	Fast prosecution produces too soft verdicts
Law on Special Intelligence Means adopted	Turning down and deceleration of cases at the pre-trial stage
All courts dispose of internet sites	Absence of parliamentary control over the State National Security Agency (DANS)
Within both Ministry of Interior and DANS special squads have been created to fight Eurofunds' abuses, organized crime and corruption	Decrease in the number of cases against corruption
Law on Conflict of Interests adopted	Implementation of the Law on Conflict of Interests obstructed by the Parliament
Law on Public Procurement recuperated	Lack of a Law on Political Parties Funding and open Register of the Donors
	Lack of measures for abolishing acquisition of votes
	Legislation banning of abuse with trade with land and forest plots

	Lack of rulings in important cases against organized crime
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Bulgaria is not the most corrupted EU country, nor its judiciary is the worst ever, but accusations coming from Brussels, no doubt, are not invented because of allegedly anti-Bulgarian mood – as some local ‘patriots’ claim.

As of 2009, there have been some spectacular actions, such as government reshuffle (later same people re-appeared on the political stage in the parliament or at leading party positions), arrests in front of the TV cameras of senior public officials and largely known criminals (such as Galevi Brothers, who allegedly rule over Dupnitsa – called often ‘the first private town’). However, the last EU report from February 2009, divested of any political avowals and seems balanced, reveals again not only some prevalence of the negative statements, but – which is even more important – most of the positive ones are seriously undermined, if not obliterated, by the comments on the negative side. For example, the outset of the Judicial Council’s Inspectorate has not accelerated the overall slow-moving and ineffective judiciary; the highly publicized launching of the ‘Bulgarian FBI’, the State National Security Agency (DANS), produced too much blunders and a great deal of controversy; the Law on Conflict of Interests was finally adopted, but its implementation was obstructed by the Parliament, and so on, and so on...

Apparently losing patience, the usually subtle and soft José Manuel Barroso wrote in the end of March 2009 an unusually severe letter to Bulgarian PM, Sergey Stanishev. According to him, among the EU countries there is an “*assistance fatigue*” toward Bulgaria, and the government in Bulgaria has to demonstrate “tangible results” in order to persuade partners to further forward more experts and funding⁷. Once again, the government ‘elucidated’ the distraught Barroso’s remarks as a ‘back up’ of their policies, while the opposition and the media detect there a message ‘go to hell, damn inept and stupid bureaucrats, we are fed up of you’. And many think that if there have not been the great EU troubles with the folding to finalize the all-European legal architecture by a sort of European Fundamental Law, unprecedented earlier measures for denunciation of Bulgarian EU membership would already be taken. As it is well-known, in December 2007 the European leaders signed the Lisbon Treaty which was intended to replace the earlier, failed European Constitution, which never came into force after being rejected by French and Dutch voters. However, uncertainty clouded the prospects of the Lisbon Treaty's coming into force as result of its rejection by Irish voters in June 2008, thus shifting attention from the poor performance of the latest EU countries to the more focal European issues. And far more pressing hassle with the global economic crisis even further diverted attention from Bulgaria.

Some non-political experts are much more transparent and without elusive articulation. One such harsh critic of the premature, in his opinion, affiliation of Bulgaria (and Romania) to the

⁷ Dnevnik Daily, April 1, 2009.

EU is Prof. Werner Weidenfeldt, respected scholar and professional. He often reiterates that such early accession has been a ‘huge blunder’, and warns that if Bulgaria continues to perform poorly, it will remain deprived of EU funding – because ‘EU could no more afford to provide gifts’. He is warning that if no serious steps are made by the Bulgarian government itself, then it is even possible for EU to undertake measures to block the entire EU membership in Bulgaria, and thus Bulgaria to become the first ever country expelled from the EU⁸.

The next EU report, this time with political evaluation too, is expected in July – in the very eve of the next national elections, and first ever regular elections for Bulgarian MPs to the European Parliament. Whether authorities will succeed in making it more commending and supportive than the earlier ones, or at least will postpone its disclosure for after the elections, we shall see. At any rate, much more important is whether Bulgaria will overcome its actual socio-economic backwardness, whether Bulgarians would feel themselves equal among the rest of the European peoples – and not as the poorest, most pessimistic, and looking for jobs and financial support abroad.

⁸ Вернер Вайденфелд: ЕС не може да си позволи просто да подарява пари. An Interview with W. Weidenfeldt. In: Dnevnik Daily, April 2, 2009.

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