

# EU-28 WATCH



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# EU-28 Watch

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## On the project

Euroscepticism and the European Parliament elections in 2014, the EU's Neighbourhood in light of the Ukraine crisis and power relations in the EU: The EU-28 Watch project is mapping out discourses on these issues in European policies all over Europe. Research institutes from all 28 member states as well as Iceland, Macedonia, Montenegro, Serbia and Turkey give overviews on the discourses in their respective countries.

This survey was conducted on the basis of a questionnaire that has been elaborated in March 2014. Most of the 33 reports were delivered in June 2014. This issue and all previous issues are available on the EU-28 Watch website: [www.EU-28Watch.org](http://www.EU-28Watch.org).

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## Bulgaria

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### 1. Euroscepticism and European Parliament elections

#### *Domestic perspective on European Parliament elections*

The electoral campaign for the European Parliament (EP) elections in Bulgaria was mainly focused on domestic political affairs and European topics were either barely touched upon or were used to pursue populist goals. An additional reason for that was the internal political uncertainty that started in February 2013 when the government of Boyko Borissov saw itself forced to resign because of widespread demonstrations in the country. Therefore, there were no constructive debates on important European topics neither between the leaders of the main political parties, nor between the leading candidates running for the EP. Instead, main parties preferred to address their core groups of voters whom they predominantly counted on for support.

The only exceptions were the leading candidates from the newly formed centre-right Reformist Bloc and ABV – a mildly nationalist movement, seceded from the Bulgarian Socialist Party (BSP) in the months before the elections – respectively Meglena Kuneva and Ivailo Kalfin. Mainly because of their background (Kuneva was Minister of European Affairs in 2002-2006 and European Commissioner for Consumer Protection between 2007 and 2010; Ivailo Kalfin was appointed Minister of Foreign Affairs between 2005 and 2009 and then elected Member of the European Parliament in 2009-2014), they tried to provoke a real debate on topics of importance for the country and the EU, though without achieving any concrete results.

Nevertheless, EU-related topics were not absolutely missing – BSP called for a more social Europe while Borissov's Citizens for European Development of Bulgaria (GERB) warned of a new freeze of European funds for Bulgaria as was the case during the governance of the BSP-led coalition between 2005 and 2009. Relations with Russia and reactions to the crisis in Ukraine also gained attention since the Bulgarian response to these topics was seen by opposition parties as a test in front of the country to make a choice between Europe and Russia.

The EU-wide frontrunners' role in the Bulgarian electoral campaign remained limited to their personal participation at the official opening ceremonies of the electoral campaigns of GERB and BSP. The media attention on the statements of Jean-Claude Juncker and Martin Schulz seemed not to influence voters to the expected extent.

#### *Pro-European majority and Eurosceptic margins*

According to a recent Eurobarometer public opinion survey, Bulgaria is one of the member-states with relatively high levels of trust in the European institutions reflecting pro-European moods among the Bulgarian society. One of the reasons for this is the fact that in general, Bulgarians do not trust their national institutions and they believe that the European ones are working much more effectively. Unlike the common European picture of strengthening eurosceptic views and an upward trend of anti-EU parties, euroscepticism in Bulgaria is still not strongly expressed despite the efforts of some nationalist parties to use it in the European Parliament electoral campaign in 2014.

Eurosceptic messages were observed mainly in the campaign of the extremist and ultra-nationalist party Ataka, which started its electoral campaign in Moscow and declared its support for the Russian positions during the crisis in Ukraine. As a matter of fact, the whole campaign of the nationalist party

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relied on anti-EU messages and pro-Russian positions aiming at attracting the Russophile constituency in Bulgaria. As it turned out later, this eurosceptic behaviour brought just the opposite result and the party failed to have even a single MEP elected in contrast to the two seats it obtained during the previous EP elections.

Thus, even though some eurosceptic messages emerged during the European Parliament electoral campaign, the pro-European trend continues to be dominant in Bulgaria.

#### *A clear winner and the rise of 'soft euroscepticism'*

The 2014 European elections turnout in Bulgaria (35.15 percent) was below the 2009 figures (37.5 percent) and significantly lower than the turnout in the last national elections held in May 2013 (51.3 percent). These figures could be explained with the declining social energy after almost one year of anti-government protests and the perceptions that the EP could not change people's everyday life.

Beyond any doubt, it is the Borissov's GERB (part of the EPP) that was the winner in the elections by obtaining 30.4 percent and receiving six seats in the European Parliament (five MEPs in 2009-2014). The coalition in power suffered a considerable defeat – BSP (part of the Progressive Alliance of Socialists and Democrats) received four seats (no change in number in comparison to the 2009 EP elections, though, with less support), while its coalition partner, the Movement of Rights and Freedoms (DPS) increased its number of MEPs by one to reach four representatives.

Two other political players that did not participate in the previous EP elections registered a more favourable result. The Reformist Bloc received 6.45 percent of the people's support and will be represented by one MEP, whilst surprisingly enough; the newly formed soft eurosceptic and populist party, Bulgaria without Censorship (BWC) registered a breakthrough with 10.66 percent of the votes and will send two representatives to the EP. Its campaign was held under the slogan "Bulgaria deserves better" and argued that the Bulgarian EU membership has not lived up to the people's expectation and blamed Brussels, along with domestic elites, for this failure.

Eventually, the outcome from the European Parliament elections was considered a non-confidence vote and a reason for early elections to be held by the end of 2014 according to the preliminary talks political parties had in the weeks after the elections.

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- Biljana Rilska, [Campaign: Anything is possible](#), 17 April 2014.
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## 2. The EU's Neighbourhood

### *Striking a balance between the EU and Russia*

“Always with Germany, never against Russia”. The basic principle of the Bulgarian foreign policy under Tsar Boris III in the first years of the World War II seems to be still valid nowadays, though modified to “Never against Russia, never against the European Union”. This literally explains the approach the socialist-led coalition applies in its relations to Russia and the European Union as a follow-up on the Crimea crisis and in the field of energy.

The balance game the Bulgarian government tries to play is not only because of the relatively good perception Russia enjoys in Bulgaria in contrast to other former communist countries. This image is to a large extent due to Russia's role in the liberation of Bulgaria and restoration of the Bulgarian statehood in the late 19th century. However, the government's double-talk stems from the strong Russia sympathy the constituents of the socialist party traditionally express, on the one hand, and the country's commitment to EU positions on the other. This was clearly shown in the reactions during the events in Ukraine when voters of the socialist party, whose leader Sergei Stanishev chairs the Party of European Socialists (PES), were rather disappointed with the country's official statements and demanded a more Russia-friendly position in the debate on imposing EU sanctions on Russia. In fact, surveys from the first half of 2014 reflected a divided public opinion on Russia and the EU's response to the Crimean crisis.

Bulgarian relations with Russia are also dominated by the energy topic. The country is dependent on Russian imports for 90 percent of its gas supplies; operates a Russian-type nuclear power plant; and has another nuclear plant in the pipeline (initially started with Russian companies but without definite plans for the continuation of its construction). Additionally, Bulgaria was amongst the EU members criticized by the European Commission for signing a bilateral agreement with Russia as part of the South Stream project. This is why Bulgaria was considered one of the top “slackers” in the EU within the “Relations with Russia on Energy Issues” component of the 2014 European Foreign Policy Scorecard, issued by the European Council on Foreign Relations.

Relations to Russia in the above-mentioned fields are expected to increasingly dominate the debates in the country also in regard to the early elections scheduled for the beginning of 2014's last quarter. A different policy direction, which is more assertive against Russia, can only be expected if the new government has a stable majority in parliament and the will to tackle the sensitive political issues.

### Support to the Eastern Partnership and missed opportunities

Along with the Bulgarian and Romanian accession in 2007, the Black Sea region gained additional attention also due to its immediate geographical proximity to the EU. In this regard, the wider Black Sea region emerged as a (new) possibility for active Bulgarian foreign policy engagement. However, preoccupied with internal issues and struggling to find a sustainable external focus between the Western Balkans and the Middle East, Black Sea countries seemed not to be a high priority for several consecutive governments.

Unlike other new member states, Bulgaria missed the opportunity for a more proactive approach towards the EU's Eastern Partnership (EaP). The country reiterated many times its official position that the three key EaP countries, Ukraine, Moldova and Georgia, need long-term European prospects but could do more to support the European Commission in deflecting Russian pressure from Eastern

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Partnership countries. Civil society, non-governmental organizations and business also failed to take full advantage of the shared history and new cooperation opportunities.

### *Largely supportive of Turkey's EU bid*

As one of the newcomers in the EU, Bulgaria declares firm support for all countries with an EU accession perspective and Turkey is not an exception. All Bulgarian governments since 2007 and major political parties confirmed this policy line in accordance with the good-neighbourly relations both countries maintain and Turkey's support for Bulgaria's NATO accession more than decade ago.

However, since Bulgaria's relations to Turkey are a sensitive question for the broader public, mainly due to historical and geographic reasons as well as deeply-rooted prejudices, every now and then small nationalist parties question Turkey's EU accession. A failed attempt to hold a referendum on Turkey's EU membership in 2010 and only sporadic surveys on the public support for the country's possible European future show that the general public is aware that this topic is currently not on the EU's agenda.

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### **3. Power relations in the EU**

#### *In favour of German leadership and austerity*

In general, Germany is positively perceived by most Bulgarians which automatically leads to a supportive evaluation of its role in the European Union. Since the Euro Crisis there have not been any considerable discussions on Germany's role in the EU due to the fact that Bulgaria is not a Eurozone member and has not been directly affected by the "austerity vs. growth" debate in the EU. In fact, the country's currency is connected to the euro according to the Currency Board regulations adopted in 1997. One of the most obvious implications is the fixed exchange rate between Bulgaria's currency and an 'anchor' currency, initially the Deutsche Mark and afterwards the Euro. Thus, with a currency pegged to the single European currency, Bulgaria cannot participate in the decision-making process in the Euro Zone and is therefore rather a passive recipient of Euro Area decisions.

Since Germany's positions on the broader EU agenda are followed with significant attention, every now and then high-level Bulgarian politicians express their opinion on Germany and its role in the EU. In late January 2012, the then newly elected Bulgarian President, Rosen Plevneliev, in an interview for "Financial Times Deutschland" supported the idea for Germany to have a leading role in Europe and for a harder line in [controlling public spending](#). In his statement, Plevneliev voiced his firm conviction that German policies will lead to a stronger Europe and stressed that the German views on fiscal stability must become a top priority in Europe although austerity measures should not hinder economic growth. In other words, public resources must be used for investment. Boyko Borissov, Bulgaria's Prime Minister in 2009-2013, confirmed his support for Merkel-led Germany several times during his term of office and reiterated it later as leader of the GERB, the biggest political party in the country (in opposition since May 2013). Reasons for his unwavering support are, on the one hand, the good relations with the Christian Democratic Union/ Christian Social Union in Bavaria also within the European People's Party and, on the other hand, shared visions for implementing a strict fiscal policy in EU member states.

### *Consistent fiscal discipline and its payoffs*

Being outside the Eurozone, the "austerity vs. growth" debate in Bulgaria adopts a domestic rather than European perspective. It emerges usually during election campaigns as was, for instance, the case during the European Parliament election campaign. Nevertheless, the debate does not reflect a real competition between opposing visions and eventually remains at populist level aiming mainly at additional voting support. In fact, a strict fiscal policy was actively pursued by four consecutive Bulgarian governments consisting of different coalitions including all major parties in the period between 1998 and 2013.

In the last ten years (2004-2013), Bulgaria's average budget deficit was -0.4. In 2013 alone, it reached -1.5 percent of GDP in 2013. Similarly, the general government gross debt totalled approximately 20 percent over the observed ten-year period and 18.9 percent of the country's GDP in 2013, thus placing Bulgaria after Estonia (10 percent) and before Luxemburg (23.1 percent). Thus, this south-eastern European country succeeded to be among the frontrunners in the Union when it comes to the shape of government finance statistics.

It was the strict fiscal policy of the GERB-led government between 2009 and 2013, which increasingly faced criticism from various social groups and fiscal stimuli supporters. However, the country does not have many options to loosen the grip of this type of fiscal policy. Firstly, the Currency Board arrangements prevent Bulgarian governments from implementing a monetary policy according to their own considerations and also suggest an orthodox approach to public finance. Secondly, not being a member of the Eurozone, Bulgaria cannot count on any financial rescue plans. This is why – unlike for countries in the Euro area – an EU bail-out has never been an option for Bulgaria.

As a matter of fact, in contrast to other EU member states, no pure austerity measures have been applied in Bulgaria since the outbreak of the crisis. Social transfers and public sector salaries cannot even be compared with those of the other worst-performing EU countries, but they have not been reduced because of budgetary cuts. On the contrary, despite the moderate increase in pensions and in public sector salaries in the last few years, their purchasing power even increased. What is more, the starting position of Bulgaria during the outbreak of the crisis did not allow the country to request financial assistance from the IMF, contrary to a number of other countries in Central and South Eastern Europe.

### *The UK – a partner in enlargement and the trio Presidency*

The topic of the United Kingdom's withdrawal from the European Union led one of the main weeklies in Bulgaria to provoke a debate on the topic in 2013. According to the polls most of the Bulgarians

voted in favour of the UK staying within the EU. The public image of the UK in the country suffered considerably since then as a consequence of the exaggerated issue on the expected immigrant wave from Bulgaria and Romania after the opening of the UK labour market on January 1, 2014.

In political terms, a British EU exit might affect the future of the EU enlargement policy since the UK is one of its few remaining supporters and this coincides with the Bulgarian interests and policy towards its non-EU neighbours. Another important issue for the country, which depends on the results from the possible referendum in 2017, is the upcoming trio Presidency of the Council of the European Union together with the United Kingdom and Estonia. It will be the first time for Bulgaria to take over the rotating presidency in the second half of 2018 and a possible UK exit might significantly affect the preparatory work for the joint presidency.

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