

Bulgarians under the Yoke of Oligarchy¹

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The European Union is acknowledged as having had a transformative impact on the countries of Central and Eastern Europe which emerged as newly independent states after the fall of the Berlin Wall almost a quarter century ago. The consolidation of democratic institutions and adoption of good governance practices in the 'new democracies' was the key aim of the EU's enlargement policy and this variegated framework of democracy promotion seemed to have achieved unequivocal success with the so-called 'big bang' accessions of 2004 and those of Bulgaria and Romania in 2007. But anybody evaluating the democratic process in Central and Eastern Europe today would have to conclude that something has gone badly wrong. In Hungary, Victor Orban's right-wing Fidesz government has presided over the systematic weakening of the courts, the progressive dismantling of university autonomy and engaged in endless attacks on the freedom of the press. In Romania the democratic process has been sorely tested by Prime Minister Victor Ponta's attempts to impeach President Basescu and to curb the power and independence of the Romanian Constitutional Court. When viewed in the round these developments add up to a pattern of serious and persistent breach of European constitutional and institutional values. But it is in Bulgaria where we find the most dramatic and systematic deviation from EU norms of democratic accountability and good governance.

The Bulgarian crisis is multi-faceted and truly existential, what Edgar Morrin calls a 'polycrisis'.² It is simultaneously economic, demographic, institutional and social. Endemic corruption and organized crime blight Bulgaria 25 years after the end of communist rule, eroding confidence in the economy, encouraging mass migration of its citizens and delaying its entry into the EU's Schengen agreement, which allows passport-free travel between countries. This is a world in which powerful oligarchic networks have succeeded in 'capturing the state': at one and the same time they dominate Bulgaria's political parties and ruthlessly pursue their own interests, remaining hidden from any kind of public scrutiny, much less accountability or justice. Democracy in Bulgaria has for some time seemed an empty shell and political institutions devoid of any substantive role in a post-democratic regime of oligarchic privilege.

¹ O'Brennan, J. 'Bulgarians Under the Yoke of Oligarchy' (2014) "Bulgarians Under the Yoke of Oligarchy". *NEW LEFT REVIEW*, 86:

² Edgar Morrin and Anne Brigitte Kern, *Terre-Patrie*, Paris, 1993.

In *The Strange Non-Death of neo-Liberalism* Colin Crouch argues that neo-liberalism in practice, is not about free markets but the dominance exerted over public life by the ‘giant corporation’. In Bulgaria the ‘giant corporation’ is the oligarch, the sinister controlling force behind much of the economy and politics that stands between the Bulgarian state and the market. It is far more potent than both and has achieved functional dominance over both.³ For a quarter century Bulgarians have suffered under predatory and vertiginous oligarchy as deregulation, privatization and monopoly practices have enriched the ‘elect’ and utterly eroded the social contract. Corruption and the abuse of power have become so entrenched that Bulgarians profess significantly less trust in their politicians and political institutions than any other European citizenry. This unholy alliance between rapacious capitalism and unscrupulous oligarchy helped to sustain and re-produce patterns of nepotism and theft of public resources amongst the elite while condemning the majority of Bulgarians to a precarious existence characterized by low and stagnant wages and ever-increasing prices. The Bulgarian variant of neo-liberalism thus includes not only the readily identifiable elements deemed more or less universal to the model; the relationship with oligarchy constitutes a particularistic local pathology, a unique if somewhat unacknowledged contribution to the organizational logics of renascent neo-liberal form. The state, far from representing a countervailing force to oligarchy, is comfortably accommodated within its tentacles.

The oligarchs constitute both a known and unknown presence in Bulgarian life. They are *known* in the sense that everybody seems to know their names, many of them appear regularly in the media, some of them own football franchises. Some have even taken on the familiar characteristics and persona of the modern celebrity. But they are *unknown* in that the great power many of them wield is a hidden power, the sources of their wealth cannot be satisfactorily accounted for, and the mechanisms through which they exert their power over the state are never meaningfully investigated. Disentangling these vectors of ‘shadow power’ would, in any normal society, fall to an independent and vigorous media. But in Bulgaria the media has been swallowed almost whole by the oligarchic class.

But 2013 has finally seen an ‘awakening’ of Bulgarian citizens and a protest movement every bit as audacious as that in Brazil and Turkey has been shining a light on outrageous abuses of power and pervasive cronyism, whilst at the same time demanding a radical change in how the country is governed. And while the Bulgarian anti-government protests have occurred somewhat ‘under the radar’ of global media attention, one thing is very clear: Bulgaria is witnessing an epochal challenge to the authority of the political class and shadowy oligarchs which have dominated the country since the demise of the Communist system. Every night for almost three months up to twenty thousand people have taken to the streets of Sofia and other cities, protesting against corruption and serial abuse of power by elected representatives and their shadowy oligarchical patrons. The new spirit of protest has surprised Bulgarians themselves most of all. For it goes against the passivity which was said to define Bulgarians

³ Colin Crouch, *The Strange Non-death of Neo-Liberalism*, Oxford, 2008.

in both their historical and modern incarnations. In his epochal novel *Under the Yoke* the revered Bulgarian writer Ivan Vazov depicted a people suffering for hundreds of years under Ottoman oppression, a period colloquially known as *the Turkish Yoke*.⁴ They are finally awakened from their bondage in the 1870s as the cruelty of the Turkish occupation coincides with a new spirit of popular rebellion. Vazov's text could easily be transplanted to Bulgaria's post-communist experience since the ouster of the Todor Zhikov regime in 1989.

This social awakening is one that has seen students and taxi drivers walk arm in arm, architects and doctors accompany housewives and pensioners. Children have featured prominently balancing on their parents' shoulders or brandishing flags or colourful banners. The vast majority of people protesting are not members of political parties, nor have they had an association with formal politics before. They are not organized, except in the loosest sense of coming together via social media networks organized more or less spontaneously. The common denominator which links these people is that they have had enough of gangsterism and racketeering, and of latent nepotism amongst a golden circle of political and business privilege, enough of the endless abuses of power by corrupt politicians servicing their 'business' clients. What these people want is to live in a 'normal' European country.

The trigger for Bulgaria's protests was the appointment on Friday 14 June of a detested media oligarch called Dylan Peevski as Bulgaria's 'security tsar', the head of the State Agency for National Security (DANS). Peevski's biography provides striking evidence of how power really works in Bulgaria. A scion of a well-connected family that owns Bulgaria's largest newspaper and television group (it controls 40 per cent of print media in Bulgaria and 80 percent of distribution), in 2001, in his second year at law school, Peevski joined the then-ruling National Movement Simeon II (NMSII) party and was promptly appointed Secretary of Parliament and – incredibly - head of Bulgaria's largest Black Sea port at Varna. In May 2005, he became an examining magistrate in Sofia, although manifestly unqualified for the post. Five months later he was appointed as deputy minister responsible for disasters and accidents; his remit also included responsibility for issuing licenses for the arms trade. In 2007 he was sacked from his post as Deputy-Minister and investigated for attempted blackmail. Peevski and his mother Irena Krasteva, former head of the Bulgarian national lottery, are backed by Zvetan Vassilev, one of Bulgaria's richest men, and the Cooperative Trading Bank (KTB), a financial institution greatly favoured with government business. Vassilev owns firms in almost every economic sector, including banking, insurance, electronics, newspapers, foodstuffs and tobacco.

Peevski is an MP for the ethnic Turkish party, the Movement for Rights and Freedoms (MRF) which he joined in 2009 after ditching the NMSII; the MRF supports Prime Minister

⁴ Ivan Yazov, *Under the Yoke*, Sofia, Corina Books, 2003.

Plamen Oresharski's governing coalition led by the Bulgarian Socialist Party (BSP). The MRF, colloquially known as the 'Turkish party', commands about 11 percent of popular support. The leaders of this party and its members of Parliament, a mixture of ethnic Turks and Bulgarian Muslims, are characterized by extremely low ethical standards and by personal fortunes that cannot be accounted for in any explicable context. Peevski's appointment to head DANS was veiled in secrecy and took place without a debate in the National Assembly. DANS is the agency responsible for the internal security of Bulgaria. Its chair is one of the most important figures in the country. Its role was elevated in the wake of the terrorist attack on Burgas airport in July 2012 (attributed to Hezbollah) which killed 5 Israeli tourists and their Bulgarian bus driver. This executive position has been strengthened even further recently after controversial amendments in the DANS legislation were signed giving the organization responsibility for dealing with organized crime. The post also allows access to highly classified information, the power to issue arrest warrants and authorize wire taps. One week before Peevski was elected to his security post by Parliament the law for the position was outrageously changed in an apparent attempt to qualify him for the position despite his complete lack of specialist intelligence training. "We are protesting against the oligarchy, which humiliated the people once again, promoting its latest protege," one group of demonstrators said on a Facebook page. Although Peeveski's appointment was ultimately rescinded due to popular backlash it was one of a number which outraged public opinion in Bulgaria and did significant damage to the country's international reputation.. Another was that of Petar Kirov as deputy transport minister. Kirov similarly had no obvious qualifications for the post. Moreover, there was a clear conflict of interest because his father, Volodya Kirov, was formerly director of an executive agency attached to the Transport ministry. Kirov allegedly presented a recommendation on his behalf by the European Commissioner for Regional Policy, Johannes Hahn, but when this news became public Hahn vigorously denied ever having made such a recommendation. A similar outcry met the appointments of Chavdar Georgiev and Burhan Abhazov as deputy ministers of environment and agriculture, respectively.

Oresharski, a non-partisan former finance minister, was appointed as a safe pair of hands by the Socialists after a general election in April produced a tight outcome. Within a short period his critics were deriding him as "Oligarski" and calling on him to resign. This unusual option of a 'technocratic government' came about because the leading figures within the two largest political parties, the BSP and the centre-right GERB (Citizens for the European Development of Bulgaria) were so deeply discredited after years of scandal. The lesson Bulgarians drew from the appointment of Peevski was that even respected figures like Oresharski are incapable of shaking off the tectonic-like grip of underworld forces in Bulgaria. That Oresharski's shaky coalition is being propped up by the parliamentary votes of the extreme right xenophobic *Ataka* party only adds to the complaints of the protestors that the Bulgarian political model is fundamentally discredited.

In 2009 Bulgarians turned to the populist GERB party, led by the charismatic Boiko Borisov, who offered a strong anti-corruption platform and a focus on tackling organized crime. Boiko Borisov's ascent to power was emblematic of a constant in modern Bulgaria's history: the yearning for and frequent embrace of populist 'saviours' who would rescue the nation from chaos and the arbitrary exercise of power. In 2001 Bulgarians elected their former King, Simeon Saxe Coburg-Gotha, who – remarkably - returned from exile in Spain to lead the National Movement Simeon II, to deliver them from a succession of post-communist administrations which had proved both highly corrupt and deeply incompetent. Borisov's emergence as the new saviour revolved around his reputation as a tough police chief and his stated determination to crack down on oligarchs and corruption. Once in office, however, GERB took political cronyism to new levels and became more and more unpopular as it implemented austerity policies which cut deep into Bulgarian incomes and living standards. Borisov was further discredited by revelations of large-scale illegal wiretapping of political opponents by his interior minister, and when, on the day of the general election, hundreds of thousands of illegal ballots were found at a property belonging to a prominent GERB supporter, suggesting a clear effort to influence the course of a tight electoral contest.

This wave of popular protest is one best described as an 'anti-politics' rebellion, the Bulgarian variant of 'a plague on all your political houses'. The protestors assemble not just to raise their voices in unison against a single inexplicable appointment or for a particular cause or ideology. Rather, they rail against the system itself. Embodying extreme disaffection with the establishment parties of the centre (the BSP and GERB) this 'revolt against the top' propagates a populist discourse which divides society into the parasitical elites (from the worlds of business and politics) versus the people, but the language of the protesters is also cast in pluralistic and universal terms, as accessible to protesters in Bosnia, Brazil, India and Turkey as those in Bulgaria: the twin themes of accountability and justice ring out from the nightly rallies across the country. And as in Brazil and Turkey, it is not the excluded and the marginalized who are marching, but people from the mainstream of society, from the Bulgarian middle class. Thus Bulgaria can be located within the portrait painted by Ulrich Beck of 'the *citoyens* making a comeback across the globe'.⁵

Although corruption and the abuse of power constitute the central elements of the protest movement, the shadow cast by severe economic hardship and chronic poverty is also playing a subsidiary role in fomenting the anti-politics sentiment. Since 1989 Bulgaria's population has declined from 9 million to 7.3 million due to sustained emigration and a falling birth rate. New data from the EU demonstrates that Bulgarians have the lowest standard of living in the European Union, at around 50 per cent of the EU average. Even Croatia, which acceded to the EU on 1 July, is significantly more prosperous than Bulgaria. Both the BSP and GERB are castigated for their complicity with non-transparent privatization deals and economic austerity; successive governments have presided over a devastating social crisis which has

⁵ Ulrich Beck, *Twenty Observations of a World in Turmoil*, Cambridge, 2012.

been bound up with a signal adherence to the demands of international financial institutions. The irony here is not lost on Bulgarians. At the onset of the EU financial crisis in 2008, Bulgaria had one of the lowest levels of public debt in Europe at 15 per cent of GDP. Its budget deficit was below 3 per cent. And yet the Borisov government embarked on a foolish programme of austerity measures, the logic of which was almost entirely predicated on demonstrating to Brussels what a good 'European pupil' Bulgaria now was. Reductions in public spending coupled with large increases in the price of utilities brought people out on to the streets in February. Whilst the crisis has fundamentally re-shuffled the cards of power globally, in Bulgaria the *status quo ante* prevails. The Bulgarian state – like others in South Eastern Europe – has been weakened by the crisis but this has only had the effect of copper-fastening oligarchical control over the economy.

Tragically the protests set off a wave of self-immolations, an extreme form of political protest, demonstrative of the lack of hope felt by so many in desperate economic circumstances. The self-immolation in Varna of artist and photographer Plamen Goranov, a 36-year old who burned himself to death in front of the municipality building, spurred an extraordinary nationwide emotional reaction; many even comparing his sacrifice to that of the Czech pro-democracy martyr Jan Palach four months after the Red Army invasion of Czechoslovakia in September 1968. Protestors also cite Mohamed Bouazizi, the Tunisian street trader whose self-immolation so dramatically sparked the Arab Spring. Goranov's breathtaking act inspired other Bulgarians to imitation: at least 9 people have died by setting fire to themselves since his death. These 'martyrs' achieved what years of tortuous scrutiny by the European Union failed to: they threw a harsh light on the rotten state of Bulgaria's administrative, judicial and political structures. Every instance of self-immolation (and these have continued throughout the summer) represents the most dramatic demonstration of political failure and societal breakdown *in extremis*.

Goranov and other protestors have consistently argued that in Bulgaria it is impossible to know just where organized crime ends and the state begins. The nexus between the two is characterised by deliberately complex bureaucratic structures, opaque corporate accounting, preferred-bidder public procurement frameworks and a maze of offshore accounts which support vast money laundering activity by oligarchies and their political supplicants. In many industries it is almost impossible to identify the beneficial interests which constitute the real controlling forces and dominant players. This is especially so in the Bulgarian media landscape. The context here is one of an uncommon attachment to corruption and rent-seeking behaviour; it is the very *modus operandi* of highly clientelistic networks of local power. The Bulgarian 'revolution' which ended communist rule was more akin to an internal coup d'état: the Party went through the motions of renouncing communism after the fall of the Berlin Wall, but the reforms were cosmetic, and the greater part of the party's grey *nomenklatura* mutated into fixers and middle men whose inside knowledge of the 'system' gave them significant advantages of scale in the new world of democratic capitalism and

competitive party politics. Stephen Holmes argues that the disappearance of the Communist Party machinery left behind various ‘orphans’ or ‘highly developed fragments of a highly developed state’. These corporate organizations survived as ‘subsidiaries spun off from their parent organization’, including (critically) state security and secret service affiliates.⁶ Formal democratic institutions have continued to function since 1989 but in a context where real power is wielded by informal oligarchic networks, most with strong links to organized crime.⁷ In the 1990s Bulgaria (and its neighbour Romania) became increasingly associated with discernible patterns of state capture as criminal groups managed to suborn political, judicial and economic structures, hampering much-needed reforms (the reforms which were being implemented across Central Europe), and depriving citizens of an impartial rule of law.⁸ Organized crime groups succeeded in instrumentalizing municipal and national political actors with the result that organized crime seeped into every discernible crevice of public life, bearing significant influence over political stability, rule of law, and socio-economic development.⁹ Secrecy constitutes the default operating mode of government at both municipal and national level, itself a reflection of the structural dominance of former members of the security services.

Holmes argues that after the demise of communism the ‘abuse of the many by the few’ did not stop. Rather it took different forms. In the Bulgarian case we can cite the Privatization Agency as one of the most important instruments of such abuse. Looted assets were soon being described as private property of favoured oligarchs, having been sold off at ludicrously low prices. For Holmes this shrewd re-branding of public as private constituted a ‘form of liberal sacralisation’, protecting stolen property from majoritarian oversight. The outrageous abuses engendered by corrupt privatization have fathered a lingering sense of dissatisfaction in Bulgaria.¹⁰ The sub-contracting of services which were previously performed by the Bulgarian government has further enriched favoured groups which ‘compete’ for state business. National regulatory bodies are pitifully ill-equipped to match the excesses of organized crime units which increasingly operate within a global regime which facilitates financial largesse. To make matters worse the Bulgarian judiciary is also deeply implicated in these activities. Judges are reluctant to deliver convictions in corruption cases involving high profile politicians and bureaucrats because a significant number of prosecutors and judges appear to be involved in the very corrupt practices they are supposed to be prosecuting. Widespread collusion between judges and politicians prevents the effective tackling of the

⁶ Stephen Holmes, ‘Goodbye Future? *Eurozine*, (2012), <http://www.eurozine.com/articles/2012-11-21-holmes-en.html>

⁷ J. Rupnik and J. Zielonka, ‘Introduction: the state of democracy 20 years on: Domestic and External Factors’, *East European Politics and Societies*, Volume 27, Number 1, 2013, pp.3-25.

⁸ Emil Giatzdis, ‘The Challenge of Organized Crime in the Balkans and the Political and Economic Implications’, *Journal of Communist Studies and Transition Politics*, Volume 23, Number 3, 2007, pp.327-51.

⁹ Daniela Irrera, ‘The Balkanization of Politics: crime and corruption in Albania; EUI-RSCAS Working Papers Number 18, 2006, <http://econpapers.repec.org/paper/erpeuirsc/p0173.htm>

¹⁰ Stephen Holmes, ‘Goodbye Future? *Eurozine*, (2012), <http://www.eurozine.com/articles/2012-11-21-holmes-en.html>

problem of political corruption.¹¹ These practices are now closely associated with an ‘informal politics’ where actors without any democratic legitimacy secure ‘unjust, disproportional, or even illegal advantages on behalf of particularistic interests’, as Jacques Rupnik and Jan Zielonka put it. Loyalty is based on common interests, history and socio-familial connections in these networks rather than on common ethical, professional or political values. They operate by exchanging favours, fencing off competition, and promoting partisan regulatory standards.¹² This is a world of shadows and subterfuge, of shifting alliances and asymmetric power extremes. Its agents sponsor political supplicants who walk and talk like politicians of a normal European state, but in practice loyally serve their network allies.

The protest movement has also highlighted the extent of Bulgaria’s non-compliance with EU rules and the evident nonchalance of elites about potential sanctioning by Brussels, which presents serious challenges to the credibility of EU ‘integration through law’, as Gerda Falkner puts it.¹³ Bulgaria became a member of the European Union in 2007 but Bulgarian policy-makers have continually engaged in ‘smoke and mirrors’ policy-making since then; rhetorical statements of intent are not followed through, and the gap between transposition and implementation of EU laws is very substantial. Bulgaria’s efforts to fight corruption look satisfactory enough from the perspective of transposition of laws. But at the level of *actual implementation* it is completely unsatisfactory: rule of law performance has not only not improved; in some respects it has actually gone into reverse since Bulgaria joined the EU. The problem of weak administrative capacity also plays a role here and Bulgaria has clearly struggled to upgrade its system of public administration sufficient to cope with EU membership. But any substantive analysis of governance processes in Bulgaria will reveal that the dominant impulses among Bulgarian elites remain clientelism and rent-seeking rather than the pursuit of EU-motivated reforms.

What is remarkable is the breath and scale of such corruption seems to have increased markedly *after* Bulgaria joined the European Union in 2007. Once ‘over the line’ of membership Bulgaria’s reform process stagnated and the EU’s leverage dropped away to virtually nothing. Despite six years of post-accession ‘supervision’ via the so-called ‘Cooperation and Verification Mechanism’ (CVM) Bulgaria is still identified as strongly with issues of corruption and state capture as it was prior to accession. The CVM represents a novel instrument in EU enlargement governance, and has extended EU oversight of Bulgarian implementation measures well beyond the accession date. But the reality is that after accession the motivation to observe the ‘rules of the game’ and continue processes of

¹¹ See Maria Popova, ‘Why Doesn’t the Bulgarian Judiciary prosecute Corruption?’ *Problems of Post-Communism*, Volume 59, Number 5, September-October 2012, pp.35-49.

¹² Jacques Rupnik and Jan Zielonka, *op.cit.*

¹³ Gerda Falkner, ‘The JCMS Annual Review Lecture: Is the EU Losing its Credibility?’ *Journal of Common Market Studies*, Volume 51, 2013, pp.13-30.

reform has weakened considerably and so has the external monitoring from Brussels.¹⁴ The alarming finding for the European Union is that once accession is achieved a return to the *status quo ante* is entirely possible in some member states. Once the power of ‘enlargement conditionality’ vanishes, Brussels cannot hope to influence the course of domestic politics in the same way as during an accession negotiation. In Bulgaria there has been no real internalization of EU norms and practices amongst political elites. Rather the European Union has been harnessed by oligarchic networks to support their private interests and rent-seeking activity.

To demonstrate the extent of the ‘weakening of the EU anchor’, Venelin I. Ganey, a Bulgarian political scientist, asserts that after 2007 ‘corrupt decision-makers rerouted flows of resources toward businesses owned by their own families’ resulting in a climate of ‘post-accession hooliganism’. Bulgaria has received nearly €10 billion in EU funding since joining the Union and the power to distribute significant spoils has been ruthlessly manipulated by a range of political actors. The most outrageous case Ganey highlights is undoubtedly that of Vesselin Georgiev, who was in charge of distributing European funding for the upgrade of Bulgaria’s transportation infrastructure after accession. In 2007 and 2008, he channelled hundreds of millions of euros into bank accounts owned by his brother. This blatant extraction of rents from Brussels forced the EU to withdraw more than €500 million in grants and supports in 2008 and is now threatened again as the European Commission responds to the complaints of protestors. Ganey argues that virtually the entire Bulgarian political class was ‘privately complicit in the embezzlement of the European funds’.¹⁵ Given the continuing international credit squeeze and a very significant reduction in foreign direct investment (FDI), EU funds have become the main source of financing in both the public and the private sector. Rather than structural and cohesion funds being spent according to rational and efficiency-enhancing universal criteria, Bulgarian politicians have openly boasted of their capacity to divert resources to their own supporters in arbitrary fashion. For Ganey, European officials emerge as ‘little more than suckers’ who supply Bulgarian political factions with resources they use to magnify their local influence. In 2007-2009 Petar Iliev, Chair of the Electronic Communication Networks Directorate, signed contracts worth millions of euros with companies controlled by his brother; Ivan Andreev, regional director of the National Energy Company, choose as partners firms owned by his brother and sister in law; Minko Minkov, director of the regional administration in Varna, repeatedly awarded grants to organizations controlled by his aunt and sister.¹⁶

¹⁴ See A. B. Spendzharova and Milada Ana Vachudova, ‘Catching up? Consolidating Liberal Democracy in Bulgaria and Romania after Accession’, *West European Politics*, Volume 35, 39-58 2012; Milada Ana Vachudova, ‘Corruption and Compliance in the EU’s Post-Communist Members and Candidates’, *Journal of Common Market Studies*, Volume 47, 43-62, 2009; Milada Ana Vachudova, (forthcoming) ‘EU Leverage and National Interests in the Balkans: the puzzle of enlargement ten years on’, *J. Common Market Studies*, Volume 52, 2014.

¹⁵ V. I. Ganey, ‘Post-accession Hooliganism: Democratic Governance in Bulgaria and Romania after 2007’, *East European Politics and Societies*, Volume 27 (2013)

¹⁶ *Ibid.*

The Executive Forest Agency is best known for being responsible for authorizing hundreds of land-swaps at below market prices, which have allegedly cost the state more than a billion in forgone revenues. The allegedly independent Bulgarian energy commission has had five different chairpersons in just twelve months and often seems to act more as the spokesperson for Government than an external oversight agency. Many Bulgarians were outraged in early 2013 when an EU grant of almost €1 million was awarded to a group called Payner Media, for the production of so-called ‘chalga’ music. This was awarded under an EU competitiveness fund designed to help small and medium size enterprises. Chalga constitutes a bizarre mix of traditional folk music with oriental and dance sounds and usually features barely clad young women celebrating both the ‘bling’ lifestyle and the deeds of notorious gangsters. The decision to award Payner a large grant lay with the Bulgarian authorities (as the European Commission was quick to clarify). But the controversy moved to the political stage because the president of the company, Mr Dimitrov, is a founding member of the ruling GERB party and is said to have been invited to run for parliament by GERB leader, Boiko Borisov.¹⁷ In Varna, Bulgaria’s third largest city with a population of about 400,000, the protests have explicitly targeted a group called TIM, a business conglomerate allied to GERB and for long the real power in the North East of Bulgaria. Some estimates suggest that it controls up to 70 per cent of Varna’s economy, including most of the Black Sea tourist infrastructure. When protesters in Varna yell M-A-F-I-A they are automatically conflating politics with organized crime and implicating politicians, including most notoriously the former mayor Kiril Yordanov, as the agents of this powerful oligarchic network. ‘Oligarski go home’ is just one of the slogans which denigrate the despised political class as protesters demand an end to golden circles of privilege. Varna perfectly illustrates the point made by leading commentator Nayo Titzin that the definitive division in today’s Bulgaria is no longer between right and left but between the citizens and the mafia.

A further destabilizing element in the Bulgarian political landscape is the continued feuding between the leaders of Bulgaria’s largest political parties. Boiko Borisov recently vowed to initiate a libel lawsuit against Sergei Stanishev, the cerebral leader of the Bulgarian Socialist Party (BSP) and also President of the Party of European Socialists (PES) over claims by the latter that Borisov had a criminal record. Indeed leaked transcripts published by Wikileaks cite former US Ambassador Jonh Beyrle referring to Borisov (in a cable sent on 9 May 2006) as having ‘used his former position as head of Bulgarian law enforcement to arrange cover for criminal deals’ and highlights accusations in years past {which} ‘have linked Borisov to oil-siphoning scandals, and major traffic in methamphetamines’.¹⁸ This ongoing clash demonstrates the dismal failure of the Bulgarian political class to respond to the protest movement. Rather than engage with the critique of the movement, the leaders of the main centre right and centre left parties have turned on each other and sought to make political

¹⁷ ‘Controversial Bulgarian Popfolk Company gets Major EU Funding’, Novinite Agency, 15 January 2013, http://www.novinite.com/view_news.php?id=146859

¹⁸ See the Bulgarian cables at: <https://bivol.bg/english.html>

capital in anticipation of a new election being called. The very phrase ‘social awakening’ is one that terrifies these leaders, signifying as it does the end of the cosy regime they and their supporters have benefited from over a quarter century of post-communist life.

One of the most extraordinary episodes in the Bulgarian crisis has been the open and unequivocal support for the demonstrators by EU diplomats based in Sofia. In particular the joint statement by the German and French Ambassadors on 1 July highlighted the need to reverse ‘the penetration of private interests in the public sphere’. In front of the German embassy protestors erected a make-shift ‘Berlin Wall’ as a symbolic gesture of the Bulgarian government’s ties with business moguls and oligarchs. Sofia must be the only European capital where the representatives of the German government have been cheered in the midst of the current economic crisis. It is almost unprecedented in European diplomacy for ambassadors to so publicly take sides with a civil society movement. That support has undoubtedly added legitimacy to the movement and emboldened protestors. To add further ballast to the protests, European Commission Vice-President Viviane Redding expressed her sympathies by tweeting encouragement for the protestors. Attending a Citizens’ Dialogue event in Sofia she said ‘Since I arrived here, I have been hearing about corruption, oligarchy, lack of justice in the institutions’ work and despair’. She also added: ‘my sympathy is with the Bulgarian citizens who are protesting on the streets against corruption’ and she was ‘very much moved by the strong desire of the Bulgarian citizen to have this change, to fight for democracy, to fight against corruption’.¹⁹ The commissioner was emphatic in stating that modern democracies and strong economies are ‘incompatible with oligarchies’.

The protest movement has also demonstrated remarkable creativity – for instance staging a live picture of Delacroix’s “Liberty leading the people” to mark a month since the beginning of the protests. In August as Parliament was dissolved and beleaguered MPs headed to the beaches of the Black Sea, a new movement emerged determined to ‘follow them to the coast’. Protests have also taken place in the United States and European capitals. In New York a group of protestors gathered at Columbus Circle. Dressed in white, the color of hope, they held a slogan that proclaimed: ‘Theatre and plays belong to Broadway, not in Bulgarian politics!’

These have been dramatic days in Sofia as a government in power for less than 20 weeks has struggled to understand a burgeoning civil society which has belatedly but assuredly found its voice. Bulgaria’s failed transition from communism has handsomely rewarded reascent elements of the former communist state security networks, crime rings and oligarchies, while it has completely failed the country’s citizens. The European Union regarded itself (and was

¹⁹ See ‘EU Commission backs Bulgaria anti-corruption protests’, EU Observer, 23 July 2013, <http://euobserver.com/justice/120951>

regarded) as the dependable anchor of transformative economic and political change in its new member states. Now, exhausted by introspection, it is confronted with the strongest evidence of the failure of that model and yet seems powerless to act. This has significant consequences for the EU model of democracy promotion. Despite this, Bulgarians are giving substance to John Stuart Mill's assertion in the middle of the nineteenth century that 'the only test [...] of a people's having become fit for popular institutions is that they [...] are willing to brave labour and danger for their liberation'. Bulgarians have been directly confronting the local 'masters of the universe' and challenging oligarchical power in myriad ways. Strikingly, as in Brazil and Turkey these protests are about the primacy of the rule of law and the dignity of the citizen. The widespread mobilization made possible by social media and the rendering of an illuminative landscape of opposition inhabited by a diverse range of cultural responses to widespread crisis has also rendered the movement unique in Bulgaria's recent history. On the streets protestors want to re-enforce their demands of Bulgaria's politicians: an end to avaricious oligarchical power and the 'normalization' of Bulgarian politics. Realistic political answers to the multiple challenges facing Bulgaria presuppose a highly improbable transformation in the self-understanding and behaviour of the oligarchs and Bulgarian state officials. The struggle over corruption and oligarchy is ultimately a struggle to re-invent and re-constitute the political and the social in Bulgaria in ways which correct the illiberal mutations in power which have characterized the post-communist state. It remains to be seen whether Plamen Oresharski and his colleagues can survive this 'ferment from below'.

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