

## **INTRODUCTION**

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Three major historical tendencies are defining the nature of corruption as a process in Bulgaria today.

The major task of the Bulgarian State revived after the 1878 Liberation is to modernise the society following the model of European economic, social and political development of the New Era. This is a difficult task due to the historical retardation of the country during five centuries of Ottoman repression. The market economy structures are poorly developed and there is hardly any large-scale entrepreneurship, especially in the sphere of industry. Public opinion, as a means of civil self-organisation, has certain traditions on a municipal level, but the national civil community is still being established, and is feeble and politically divided. In such conditions the Bulgarian State becomes not merely the major but almost the only tool for modern change. The first governments after Liberation were frequently compelled to act not only without the support of the majority of the social strata, but even against the interests of small entrepreneurs, agrarians and craftsmen, in order to procure the financial and organisational resources for the industrialisation of the country. Thus the state controlled a huge amount of resources and power without being balanced by society or the free market. The direct result from this mass concentration of public resources in the hands of the state was the system of strong and direct political control over the administrative hierarchy by the monarchy and the ruling party.

The autonomy of the administration from political influence is formally based on impersonal principles and norms of behavior. In reality the court and party hierarchies too easily turned their political clients into a ruling administrative elite, totally changing at every swing of the political pendulum. Through the direct control of its clients over the administration, the Bulgarian political elite after the Liberation practically controlled the biggest part of the public wealth and redistributed it not according to the needs of the market, but following the logic of political expedience.

Such a system where the administration and the market are ruled on the basis of political expedience leads to the merging of the responsibilities of the administrative hierarchy and the replacement of clear, legally founded principles, roles and rules with the shadowy dictates of party-political uncontrollability. In such a system of dependence, there is ample room for corruption.

In the conditions of the authoritarian communist system there exist two parallel social hierarchies. The first of them is the official, ostentatious hierarchy of raising the individual to a position in the Communist Party and the state according to his/her personal capabilities. In Bulgaria such an official hierarchy was established as an outcome of the “great fairness” of the communist regime. But in parallel existed also the reality of the “small fairness” – the hierarchy of distribution and control in a deficit-ridden economy, though this practice was of course formally condemned. The shopkeeper in a greengrocer controlled under the counter a hoard of tomatoes and exchanged this for the equally scarce shoes, washing powder or salami from the shop opposite the street. The more powerful party official, assigned to distribute state buildings and apartment blocks, controlled the shortage of living space and exchanged it for automobiles, or foreign passports, or quality medical care. In essence this hierarchy of the “small fairness”,

of control over the shortages of many products in the communist system is the real, meaningful hierarchy of social differentiation in society. This hierarchy of deficit is truly characteristic of authoritarian communism, but communist regimes do not acknowledge either its totality, or its necessity for the society to function.

Through sporadic hints and partial outbursts of truth, the hierarchy of deficit was qualified as a “deviation” from the principles of social justice and the official nominal social hierarchy based “on merit”. Thus the hierarchy created by deficits created a second, illegitimate reality, systematically corrupting the values of individuals and the society as a whole. The illegal act was taken to be normal, even necessary for survival and promotion. Lawful acts were ridiculed as naive or even stupid. And if the police state could at least crack down on the misdeeds that exceeded permissible levels, after the fall of the communist regime, any such barrier was removed.

One of the legacies of the failure of the reforms in Bulgaria in the 1990-96 period is that the authoritarian state did not so much disintegrate as become privatised by the officially-dethroned party leaders. On the basis of illegitimately-shared state resources, there sprang new economic groups – money launderers, strong-arm insurance agencies – that could not find a place for their money and activities within the law. These groups are not able to act in normal market conditions. Their “business” is the redistribution of the gradually shrinking social resources through brutal pressure over the institutions when the state is weakened by ineffective transition.

The prototypical clerks, impoverished together with most other citizens, easily succumbed to the systematic corruptive influence of these groups. The greater part of the Bulgarian politicians – MPs, high administrative officials, and ministers – was also bought. After 1992 there was nothing to prevent the rise of the Bulgarian Mafia. A number of additional conditions like the embargo on Yugoslavia, the weakness of the united democratic opposition, the feeble commitment to reform on the part of the ex communist party, strengthened the control of the Mafia over the national life.

During the entire period from 1989 until the end of 1996, the Mafia’s parasitic relationship with the state created the class of nouveaux riches, morally relativistic and cynical in its social relationships, and drained huge portions of the national wealth. The catastrophe brought on by this system led to the January 1997 wave of social discontent, which played the role of a partial catharsis for the despairing society. Despite this, Bulgaria is still far away from overcoming all the consequences of the mass corruption in the period of post-communist Mafia control.

The three historical processes influencing the multiple forms of corruption in modern Bulgaria have a common social and cultural basis – the delayed or consciously prevented process of moving towards a modern democracy and market economy.

The lack of clear legal differentiation and balance between the political power, the administration, and the market processes is rooted in the weakness of civil culture, the inability of the society to effectively control and limit the powers of the political, bureaucratic and market interests in a balanced system. Under the communist regime, the civil weakness escalated into a prohibition of civil activity itself, however limited its potential.

From that viewpoint, the effectiveness of any anti-corruption activity in Bulgaria today is directly dependent on two conditions:

- A reliable and detailed assessment of all major forms of corruptive interaction in the public sphere and in the interaction of public institutions with the private sector.

- The establishment and strengthening of a broad and open civil coalition of independent organisations, state institutions, media, business associations, experts and leaders of public opinion aiming at a gradual transformation of civic relations and the relations between the private interests and the public institutions. This transformation should be based on shared values regarding responsible civil behavior forming clear legal rules and principles. The ideal of such a transformation is the achievement of maximum transparency and integrity in public activities – personal or institutional – following the settled democratic values and norms of the Bulgarian people.