

*Chapter III*

**THE POLITICAL PROCESS AND CORRUPTIVE PRACTICES**

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**1. FORMS OF CORRUPTION IN THE POLITICAL PROCESS**

There are several major forms of corruption observed in the recent history of Bulgaria that affect the normal political process.

The first form is termed **nepotism** and involves the possibility of a person endowed with public political power to interfere with the work of other structures - administrative, economic, or party. Thus practically a redistribution of the normal legitimate social order is made on levels of strategic significance for the development of the country. The second effect of the rise of party status and the unilateral empowerment of a certain political figure with powers outside the initially delegated to him or her is a process violating the recruitment of normal political elite.

A second form of political corruption is termed **patronage**. It is the possibility for a given party to turn its party interests into a public one and execute control over the state administrative mechanisms as a result of observing the democratic procedures, or a forceful usurpation of power, and assigning personnel close to the party elite to the administration. Thus the necessity of the state to recruit a stable administrative apparatus functioning on bureaucratic, not political, procedures is violated. Apart from that, there are no guarantees for the protection of the necessary level of professionalism. The transformation of party hierarchy into a state-bureaucratic one does not put barriers before the threat of unifying the state and the party, i.e. to privatise the state for the sake of a private interest.

A third form of corruption is the **illegitimate lobbying**. Unlike the lobbying procedures in the developed countries that are transparent and publicly accessible, in this case we speak of influencing in order to achieve strategic goals through illegal pressure, violating the law and implementation of private interests at the expense of the public ones. Even in the cases when the implementation of a certain private interest coincides with the public one, illegitimate lobbying is not justified, because it is a result of a subjective judgment and the decision for using pressure is unregulated. Illegitimate lobbying does not coincide with the two forms of corruption mentioned above, because it serves a small group aiming to remain in power.

The fourth form of corruption is termed **trade with political or electoral influence**. The winning of a certain party of the political sympathies of a given group of voters creates the possibility for the party leader or the whole leadership to impose uncontrolled monopoly over the party structures in the period between the regulated procedure for calling a party congress. In this period the party leadership uses its right to make party agreements or enter coalitions, using the monopolist right to distribute and trade with the electorate and political resources gathered thanks to the efforts of all party structures and, finally, thanks to the voters. The frequency this form is often found in unstable democratic regimes with no clear and settled characteristics of the political model.

The fifth form of corruption is termed **political protection**. Contrary to nepotism, this form is connected with the establishment of a protected political perimeter for the sake of a private interest. Thus, through the exploitation of a system of privileges, characteristic of any political community, a protective mechanism for the private interest is formed. Usually the outcome of this form of corruption is a result of the complex use of the other types of corruption and is connected with the effort of the political subject to keep a monopolist position regarding the rest of the party members. The protective range is established through the system of administrative, legal and social regulations, administering the political position. This results in cultivating in the legal practice impunity regarding already committed crimes and abuses of public interest.

The sixth form of corruption is termed **legitimising of political privileges and securing preferences due to participation in a political process**. This form is usually widely spread in undemocratic - totalitarian or authoritarian societies - but is also found in societies in transition, where the unstable political model tends to regenerate protective mechanisms for the political class. The establishment of such a model encapsulates the political elite, stops the rotation within it and prevents the possibility of public control over it. In Bulgaria, the existence of the system of political privilege and preferences cultivated in the political structures a readiness for uncontrolled exploitation for personal profit. Thus, though the traditionally negative view of politics and politicians, there is also observed a readiness to exploit political power for pursuing private profits. That is, politics and political activities are prestigious and breed influence and are often considered the major means for control, not the administration of the social resources.

The seventh form of political corruption is **unregulated party financing**. It is connected with the establishment of illegal procedures for raising means for politically powerful formations. These are consciously allowed near the public goods, the competitors being forcefully thrown out of the market through party pressure. The securing of a monopolist position of certain economic structures is a process of a mutual exchange of goods serving only a single political subject or a single political or party leadership. This form of political corruption is ambivalent and connected with the establishment of party economic and non-governmental structures, that is subjects which a priori do not belong to the political spectrum. The establishment of such structures is a stable practice in the developed democracies where the competition is balanced with the political pressure and where there exist proven techniques for their control. In an unstable democracy, the imposition of a political monopoly over business structures and the public sector leads to the unification of political relationships and the establishment of stable undemocratic cases.

All the seven forms of political corruption might be observed in society existing by themselves, but practically their presence in the political and public sectors is often overlapping with other forms of corruption ensuing from the legal framework, the economic and administrative regulations of the given country and state. That is why the practices for counteraction and limitation of corruption are part and parcel of the ruling strategies used by the political elite in power.

## **2. GENESIS OF THE PROBLEM IN THE POST-SOCIALIST PERIOD**

Corruption practices in the sphere of politics as a rule are processes of accumulation of resources belonging to the society as a whole, and establishing control over them by persons who claim to be delegated the rights to dispose of and command these resources. In Bulgaria the development of political corruption was stimulated by a process wider in range and influence. The political and economic changes in the country after 1989 started at one and the same time, but during the last eight years, their rates were different. The comparatively easy way of establishment of the new political institutions was in contrast with the difficult process of economic transition.

In this dilution between the two types of transition originates the leading role of politics and personally of politicians in the social processes and provides control over the economic transformation. Thus, practically, the establishment of a market economy that is to replace the planned economy strategically was governed by an incorrect concept. The new political system - still unsteady, with unchecked controlling and supervising mechanisms - began to practice the political and administrative heritage of communism.

### **2.1. The role of the state**

Not society, but the state continued to play a leading role in this process. The society itself continued to produce state-oriented attitudes which were exploited by the new institutions in the course of pursuing their strategies. The restructuring of the political space imposed its features on the restructuring of the economic space, preserving the old relations of dependence between these otherwise independent spheres.

The formal control over macro-parameters of the economic sphere, which has to be exercised by the reformed state institutions, in fact was replaced by the political control over certain spheres of the national economy. The establishment of influential economic subjects - state and private - was a process performed with the active cooperation of the influential party structures. Thus the ratio between the political and economic sphere was maintained in favor of the political sphere.

The beginning of this tradition should be found not just in the first years after 1989, or in the communist period. The long state-oriented tradition established in Bulgaria already at the end of the previous century has cultivated in the social reality the readiness and the expectation for exercising political control over spheres which in principle do not belong to it. The following stages in Bulgaria develop and vary the forms of this control, and the variants exert pressure by the state or by its separate representatives over private activities and sectors.

### **2.2. The role of the parties**

The administrative control over the economy, established in the decades of Communist Party government and the intentionally planned status of life of the main social groups, developed also the readiness for unregulated evasion of the complicated bureaucratic procedures in which every individual was involved. Under the circumstances of discrediting and destroying the socialist system, and the lack of essential structures, the idea of transition was turned upside-down. In the period 1989-1996 society wandered in its choice of the main political subject of the transition and tried the possibilities of the polar two-party system, which had already formed and stabilised. The phenomena that were registered related to the unpreparedness of the Bulgarian people to completely adopt a real transformational strategy and to part with the illusions inherited from the past. The main subject on the left remained the Bulgarian Socialist Party, as the direct successor of the Bulgarian Communist Party. It possessed the resources to impose a macroframework of the transition (economic and political), but its message and political practice were in disrepute. On the right, the unsteady coalition of the Union of Democratic Forces (UDF) was formed, based on the values of the belated (unrealised) modernisation, but practically it didn't possess the resources to turn it into governing strategy.

The processes of economic restructuring in Bulgaria after 1989 came about in a situation where the creation of economic subjects was intentionally directed. A situation was created where a powerful structured interest dominated. This interest carried out its strategy by a sequence of "satellite bodies". In addition, the realisation of the economic and public strategy could be

accomplished by establishing a strategic coalition with a political subject. In Bulgaria it was realised mostly in the time of the government of Luben Berov.

Political parties and the election victories are inevitable mechanisms for the realisation of collective interest. The parties, by their nature, are structures of freely organised individuals, who propose to the electors' programmes for the government. In this sense, they are open structures that can be supported by various sources. Avoiding the situation when a given party turns into only an instrument for the realisation of collective interest is usually accomplished by establishing transparency in the party financing. Fixing a threshold over which any financial support is made a matter of common knowledge is the most used mechanism.

There is possibility that citizens, according to their empathy with the programmes of a given party, can support it financially. But the list of the organisations that support the parties through vast amounts is known to the public. In this way complete information for the electors in their decision to vote is provided. A correction is being created which would allow the public opinion to identify the support of the collective interest for a given party formation, and to keep an eye on the method of governance, as well as to see whether a party that has won the elections is transformed to a means of realisation of an exclusive interest.

### **3. CORRUPTION MODEL FORMATION**

#### **3.1 Peculiarities of the model of transition**

The government of the Communist Party in the period 1989-1990 was consistent with the restructuring attempt of Gorbachev for administrative control over reform processes. This type of control blocked every serious attempt to reorganise the old communist state. The initial readiness of the society to accept the imperatives of the change was in contrast with the unwillingness of the governing elite and the administration to enact them. The model of transition, imposed by the (reformed) Communist Party, affected the normative perimeter of the society - pluralisation, demonopolisation of the public resources, change in the constitutional organisation. These general parameters were changed, but this didn't exert considerable influence on the change in the social structure, hierarchies and relations within the society. They were left to act according to the remaining dogma of the communist model.

The access to the minimal power resources and the possibility for contact with higher levels of power continued to provide the formal motivation of the individual striving towards a successful career. In his attempt to raise his social status, and to direct, or at least to control the speed of his growth, the citizen remained inclined to create informal, but quite strong in parallel to the formal ones, relations and mechanisms of influence. Even more - the pluralisation and the minimal expanse of the perspective of life stimulated the development of these "warm" relations, based on the membership in the informal social systems. The forms of political and social clientism developed in new variants proportionally to the disintegration of the old relations of dependence. The close party approach was replaced by the sincere social exchanges between clients.

The transformation that began after 10 November 1989 was outlined by the strategic dichotomy of replacing the planned economy with the market economy, and transformation of the totalitarian system into the democratic system. As a result of this, there was a general change in the social value system - something that the traditional patriarchal psychology of the Bulgarian people was not ready for.

### **3.2. Specifics of the development**

Specifics of the formation of the corruption environment can be found mainly in two aspects - national peculiarities and the nature of the political processes.

#### *3.2.1. The influence of national peculiarities*

The competition and the competitive principle that outlined the rhythm of the change were artificially brought into the Bulgarian society. Its social structure and the changes that were made in the structure were dictated by informal unions based on kinship, family, friendship, neighborhood, etc., that entered into competition with other similar social formations.

*The official unregulated network of social exchange* traditionally dominated the Bulgarian social fabric. This network is wider than the formal one, which is the existing normative legalised network of social relations. Even more - the informal network and its usual or traditional regulation duplicate the legalised forms of social participation and gradually begin to replace them. Thus, the distortion related to the easy and in most cases unsanctioned overcoming of the official social network and its rules, turned into the norm. Though not legalised, it began to be considered generally adopted.

Exactly this type of relations also formed the Bulgarian political system after 1989. Fragile, with unproved democratic procedures, it was a priori pliable by such influence. The political parties that formed it differed in their history, model and political practice, but were similar in their unpreparedness to act in the field of expanded political freedom without taking advantage of it. Patriarchal-class solidarity and clientism entered the political life, becoming a structurally determined component.

#### *3.2.2. Political processes*

The forms of political corruption, already analysed, were accepted wholesale by the new Bulgarian political reality. They remain invisible as far as they were related to the established social and political attitudes and inherited from the communist government.

The accelerated and varied cycle of elections through which Bulgarian people passed began with a real pluralistic ‘boom’, where not only the influential, but also the peripheral social interests participated. A general contradiction in the first stage of the postcommunist transition was related to the lack of any consensus or at least undisputed subject of transition. The bipolar alternative and its peripheral left- and right-centered variants supposedly were in principal agreement to make the transition, but mutually excluded their strategies and views of its accomplishment. The government crises, resulting in the downfall of the governments of Andrei Lukanov and Philip Dimitrov in the period 1992-1994, established the unique government of Luben Berov, which was elected with the mandate of the Movement for Rights and Freedom (MRF). It announced that it would follow the program of UDF, but actually its government stint introduced mechanisms for illegal protection of private interests (namely of the Multigroup company) in contradiction to the public ones, which it pretended to protect. This government is the telling example of the mistaken parameters of the Bulgarian transition in the period 1989-1996. The semi-legal existence of Mafia groups, drawing resources from the communist heritage, or founding their business on the grounds of criminal activity, and their legal tie with the public power representatives (deputy circles, ministers and higher administrators), under the circumstances of a total lack of control and punishment mechanism for such activity.

Identification of the communist government at the end of 1994 and the two years in government of Videnov didn't put up a barrier to such activity already accepted as a conventional practice. The formation of satellite bodies with their own interests differing from the state ones continued to exist. However the subjects were changed - Orion was preferred to Multigroup. Recidivism was developing in the direction of introducing the explicit political preferences concerning the criminal economic structures, whose interests were the same as the national strategic interests (for example, problems about wheat or the banking sector).

### **3.3. Current situation**

The overthrow of the BSP was followed by a long-term discrediting of its role as a possible, even hypothetical, subject of the change. Lacking an alternative, the position of the UDF, as a political structure able to successfully accomplish the transition, in a paradoxical way created conditions for gradual re-establishment of the old administrative practices in the government and in the economy of the country. The limited personnel of the UDF at the beginning of its recent government mandate was an obstacle to the new political elite in its effective control over the middle and lower level of state government. The personnel vacuum (which could not be avoided) enabled public power to be entered by figures and structures which were engaged only in party activities or sought interests different from the state government strategy. Thus practically whole government levels were occupied by the political figures whose professionalism and readiness to perform the government programme, first and foremost were based on their role and position in the party hierarchy.

This process of expansion threatens to block the accomplishment of the reform strategy and is a gradually drawing back from its main elements - privatisation, administrative reform, crime-fighting, economic growth.

## **4. STRATEGY OF POLITICAL PROCESS REGULATION**

Making plans for an anti-corruption campaign should center on the lacking or unspecified legal procedures which enable the development of the stated forms of political corruption.

### **4.1 Part one**

The first part of the accomplishment of an effective anti-corruption strategy concerning the political process is related to the abolition of the state monopoly power over society. This process could be effective in cases when:

- Regular restrictive measures of state participation in the economy are imposed;
- The state possibilities to exceed its rights when intervening in the private life of an individual, without control, are restricted;
- Alternatives to the state-imposed strategy for planning and success in life are formed and established;
- Real "depolitisation" and "departy-isation" of the strategy for success in life is put into effect.

### **4.2. Part two**

The second part of the accomplishment of an effective anti-corruption strategy should be found in a total qualitative reform in an administration and party-politics sphere detached from the state.

In this respect, considerable progress has been already achieved in the promotion of the idea of forming political cabinets (that is, creating a solid line between political appointees and career employees in government ministries) to lead and identify the political presence in the state power. This would result in a break of party dependency established with the state bureaucratic hierarchy. The next steps are related to:

- A law on state officials separating and depoliticising the administration in the long term. Even the admittance of a single party commitment questions the professional qualification of any administrator;
- Formation of a state administration on the basis of competitive procedures that will guarantee its effective future work;
- New classification of administrative posts and sustaining of energetic personnel and informational resources;
- Adequate payment of the administration and reformulated procedures for its sanctions.

#### **4.3. Part three**

It is necessary for the third part of the strategy to regulate the relations between political subjects, as well as to eliminate the possibilities for the “privatisation” of public power by politically empowered structures and persons. In this respect, efforts should be directed towards:

- Adopting new rules and regulations on the activities of political parties and organisations, to eliminate the possibility for the political and public space to be influenced by social groups with obscure aims and interests;
- Adopting a law on lobbying and its legalisation as a public activity, based on clearly defined rules and performed by concrete political subjects;
- Regulating the party financing regime and to regulate precisely the possibilities for its performance. Thus, the possibility for illegally empowered political figures to exert pressure over external structures could be eliminated. The second effect in this respect could be found in the exertion of a system of total control over the party finances by an independent state entity;
- Regulating gifts for party structures to improve transparency;
- Reformulating the rights of political figures to eliminate the possibility of their participation in activities not within the publicly announced range.

#### **4.4. Part four**

The fourth part of the anti-corruption strategy is related to the establishment of the control mechanisms of monitoring and sanctions. This part is related to:

- Forming civil coalitions for control over the political process and over the public institutions’ activities. Important partners in these coalitions are the independent media, as informational centres for generating transparency and control over political and public procedures;
- Regulating separately the non-governmental organisations’ activities and to restrict the possibilities for creating networks of “warm” relations with political subjects;

- Introducing procedures of political process transparency by active involvement of civil institutions that are independent from party structures and hierarchy;
- Regulating the civil expertise status and the role of the non-governmental organisations in the control over the political process when exerting public power.