

## EXECUTIVE SUMMARY

Although Bulgaria has avoided the violent conflict suffered by her Balkan neighbors, it continues to face the challenge of integrating minority groups amidst the problems of limited socio-economic development. USAID has recognized the potential for worrisome trends to develop into civil and violent unrest, and commissioned Conflict Management Group and the Center for the Study of Democracy to analyze the potential for intra-state and inter-state conflict for Bulgaria and opportunities for conflict prevention. The main objective of the assessment is to identify current and potential sources of conflict and instability in the country.

### **Historical Trends**

The focus of conflict has shifted over the last decade. At the beginning of the transition to market economy and democracy, political and more traditional ethno-national conflicts dominated. The driving force of the conflicts in this period was the desire to remove the Bulgarian Communist Party from power, reform the institutions of the totalitarian state, and restrict the influence of the old political elite. Concurrently, a growing conflict related to the Turkish minority in Bulgaria intensified, with the “Bulgarization” of the Muslim population and expulsion of a large number of Turks from Bulgaria. This potentially dangerous ethno-national conflict was settled peacefully by political means following the ouster of the Communist party and restoration of Turkish names.

In the mid-1990s, the center of gravity was displaced from political to socio-economic conflicts. Dramatic economic changes in Bulgaria – the loss of traditional markets, the liberalization of prices and devaluation of the lev, the “draining” of state enterprises, the collapse of the financial system, delayed and distorted privatization, the liquidation of agricultural cooperatives and restitution of private ownership of farm property – have had dramatic social consequences. These include high unemployment (21.4% in 2001), increased poverty, intense social stratification, decline in access and quality of social services (education, health care, social and cultural activities, etc.) and marginalisation of large parts of the population, especially minorities, who bore the main burden of the economic transition. As socio-economic inequalities increased and the political elite emerged from the past decade of transition privileged by the institutions of state power, the public became increasingly distrustful and alienated from the authorities.

This dramatic deterioration of the socio-economic situation of Bulgarians has led to the emergence of new kinds of conflicts: industrial conflicts (emerging from the closure or restructuring of large industrial enterprises), social unrest and protest, center-periphery conflicts. With the shift to socio-economically based conflicts and the reduction of tensions with the Turkish minority, tension has increased between the Roma and Bulgarian population. This is likely to be one of the main sources of social stress in the country in the coming years.

### **Limited Vulnerability to Ethno-National Conflict**

At the same time, while Bulgaria’s Balkan neighbors were being torn apart by ethnically-based civil war, Bulgaria managed to avoid severe ethnic and civil unrest. Even at the

height of conflict in Kosovo and Macedonia, there was limited “spill-over” effect. Although tensions were reported to have increased greatly, and the popularity of some Bulgarian nationalist organizations (such as VMRO, Bulgarian National Radical Party), there were no dramatic or long-lasting effects. There are several differences between Bulgaria and its neighbors that help to explain the limited escalation of conflict in Bulgaria:

- ***Cultural capital.*** Bulgarians see themselves as tolerant and value the principle of co-existence. This does not mean that there is in fact no discrimination, prejudice, or indeed nationalism, but it has resulted in a passive nationalism tempered by an unwillingness to engage in a confrontational manner with volatile issues of ethnicity and culture. The one attempt to force the Turkish population to change names is widely acknowledged as a disaster, and was quickly rectified following a change of government.
- ***Lack of Nationalist Leaders.*** Bulgarians’ identification of their culture with tolerance and co-existence naturally leads to limited support for nationalist “ethnic entrepreneurs” such as those seen in ex-Yugoslavia. While Bulgaria has isolated pockets of nationalist activity that have tried to influence political developments but, to date, have proven inconsequential. The VMRO, (located in the southwest region near the Macedonia border but operating nationwide) has attempted to secure enough votes to qualify for a seat in parliament but the likelihood of such a movement continuing to gain strength is slim, especially if the Tetovo-based conflict in Macedonia calms down. The general Bulgarian public rejects such radical nationalism and does not consider such small groups as serious threats but symbols of socio-economic problems.
- ***Lack of Religious Influence.*** While ethnic or cultural based conflicts in other Balkan countries were affected by religious and confessional leaders, the religious communities remain disengaged from the political stage. While the Orthodox synod is currently divided within and agitated by the proselytizing nature of Protestant churches operating in Bulgaria, each religious community has maintained minimal contact. Some confessions (mainly Protestant) provide social services to the needy, and these services remain strictly humanitarian in nature. Since 1989 the leading muftis of the Muslim faith have led the effort to rebuild the mosques and schools destroyed during the expulsion, but have not expanded their activities beyond these initial initiatives.
- ***The growth and role of the MRF as a “mediating” factor in conflict concerning minority Turkish population*** has been an important factor preventing conflict. The Movement for Rights and Freedom, the Turkish political party, provides an effective voice for the Turkish community in government, thus ensuring a Turkish influence on government policies – especially those that might affect them. The moderating role of the MRF is reinforced by the moderate attitude of the Turkish government and the existence of good relations between Turkey and Bulgaria.

- ***Crisis negotiations*** – the pattern of negotiating solutions in socio-economic conflicts through last-minute negotiations on specific presenting issues (electricity, social service payments) – have prevented intensification, prolongation and spread of conflicts that have arisen. However, although this method may defuse the immediate conflict, it does not address any of the more systemic issues and in the long-term may not be an effective mitigating factor.

### **Trends in Conflicts: Scenarios**

Certain patterns of conflict have been repeated throughout the post-1989 history of Bulgaria, and offer some insights into potential areas and shapes of conflict in the future.

#### ***The importance of the national/central factor***

First, while there have been a number of localized conflicts, often triggered by the closure of unprofitable enterprises, these conflicts did not lead to a national crisis. Developments in the last twelve years demonstrate that, although many conflicts of varied intensity and nature have occurred throughout the country, the only city where conflicts of national importance emerged was Sofia, the capital. In Sofia, socio-economic conflicts have become also political conflicts driven by a limited number of “activist groups,” including students studying in the capital, transport workers, and trade unions (whose influence, however, has declined with the decline in public confidence that resulted from their involvement in political party fighting).

One can expect a similar pattern to continue into the future; while there is still a risk of localized conflict due to closure of industrial enterprises, these conflicts are not likely to turn into problems of national importance unless protests move to Sofia and/or coincide with political crises that engage conflict actors, such as students, at the center. Nonetheless, these conflicts continue to “smolder” and could become overt if sparked by a crisis in Sofia. The one exception may be the impending closure of the “Kozloduy” nuclear power station, which has prompted the mobilization of significant social groups, including the power exporters’ lobby, and nationalist organizations within the country.

Bulgaria remains still a very centralized country – politically, financially and economically, and that regional conflicts have been isolated in time and place and not able to “spill over” from one area or region to another. However, if conditions continue to worsen, and further decentralization is achieved, one could see the emergence of significant conflicts outside the capital.

#### ***Recurring patterns of disappointed expectations and alienation***

Second, a recurring pattern of high public expectations of government and its ability and willingness to deal with socio-economic and political problems facing Bulgaria, followed by disappointment and loss of government credibility, then economic crisis (sparked by an event, such as banking failure, IMF negotiations, etc.) leading to political crisis and overt conflict with the government can be identified in Bulgaria. Some people have noted that these cycles seem to be occurring in a shorter time frame, suggesting that the great disenchantment of the public with the government of Simeon II is likely to create space for greater conflict in the near future.

### ***Patterns of ethnic conflict***

Although Bulgaria has avoided ethnic conflict to date and is not likely to experience the kind of ethno-nationalist conflict seen in other Balkan countries, Bulgaria still may remain vulnerable to ethnic conflict:

*The Turkish and Muslim minorities in Bulgaria.* With regard to the Turkish minority, the Turkish community continues to be heavily dependent on tobacco, is likely to experience socio-economic unrest associated with delayed payments for the tobacco harvest and closure of industrial plants. While not a catalyzing factor, it does leave the Turkish population vulnerable to mobilization for conflict. Specifically, if the MRF were to get less than 4% representation, or if Dogan were to disappear from the scene, the moderate nature of the MRF and its ability to “mediate” ethno-political conflict between Turkish and Bulgarian populations in Bulgaria might change.

*The Roma minority.* With regard to the Roma population, there is an increasing pattern of mass, spontaneous protests against economic and social policies of the government. A different pattern of conflict to that with the Turkish minority, or in the region, it nonetheless can emerge as violent conflict, and very disruptive to democratization and economic recovery in Bulgaria. The most acute conflicts could be expected in the biggest cities with compact Roma populations: Sofia (Fakulteta), Plovdiv (Stolipinovo), Burgas (Meden Rudnik), Sliven (Nadejda), Lom. These generally are triggered by delays in payments of social assistance, or now increasingly over failure to pay for basic services (such as electricity).

The conventional ways of dealing with these conflicts through crisis negotiation and “pay offs” has been to some degree successful in “letting out steam” -- preventing the intensification and spread of conflict. The diverse nature of the “Roma” community also has prevented the emergence of an effective mobilizing agent, and has thus prevented sustained, widespread confrontation. However, the failure of the government (at national, regional and local levels) to deal with the underlying systemic issues driving Roma marginalization may over time lead to greater violence, as increasing criminality becomes “ethnicized,” Bulgarian resentment of Roma targeting for social assistance grows.

If Roma are unable to organize as a strong political voice, these conflicts are likely to be frequent and violent, but short-lived – resulting in major social unrest. If Roma communities are able to improve their cooperation, this could take on a more organized inter-group conflict pattern.

### **Vulnerable Groups and their Capacity for Conflict Behavior**

There is some, although not complete, overlap between the most vulnerable groups in Bulgarian society and those most active in conflict behavior.

*Roma.* The most serious danger of sharp conflict is with the Roma population, which is one of the most vulnerable populations in Bulgaria. The marginal state of the

Roma and the accumulation of a number of social, economic, political and socio-psychological factors create a real risk of “hungry” riots and outbreak of uncontrolled violence. As the most unskilled and uneducated workforce, Roma are the first to be affected by lay-offs. Unemployment among Roma in 2001 was 65%, over 5 times greater than in the Bulgarian population), and a considerable number (between two-thirds and three-quarters) of Roma suffer from long-term unemployment. In addition, the education level of Roma is constantly declining (in some of the most marginalized neighborhoods, about 70% of Roma children had either not started or had dropped out of school in early grades), and healthcare has been deteriorating. At the same time, Roma are isolated geographically, living in ghettos. They suffer from widespread and intensifying prejudice and discrimination, both from government authorities and the population at large, and are all but excluded from governance. Due to the diversity of the Roma community, there is no organized Roma voice advocating for Roma interests,

*Bulgarian Turks.* Although they do not suffer the same level of political exclusion as Roma, Bulgarian Turks are heavily dependent on a weak tobacco industry for their livelihoods, supplemented by remittances from family members who have gone to Turkey to work. A change in these conditions could increase the vulnerability of the Turkish population and increase the likelihood of conflict behavior, particularly if coupled with a decrease in the influence of the MRF.

*Unemployed, Pensioners, Women, Youth, Children.* These groups are very vulnerable because of their level of poverty and the degree to which Bulgaria’s socio-economic decline has disproportionately affected them. In many instances, these groups find themselves in the same desperate situation as many Roma, and this can lead to tensions between Roma and Bulgarians who resent any “special treatment” accorded to the Roma. Because of their heterogeneous and scattered nature, these groups have a lower potential to mobilize for their interests.

## **Conflict Agents**

The main conflict actors – those with the will, organization and capacity to mobilize protest activity – are student activist groups, public transport workers, media and trade unions. However, over the last twelve years, a decrease in influence and of some of these actors can be identified, leading to the emergence of a pattern of mass, spontaneous protests against government policies rather than organized confrontation.

Student activist groups were central to the political conflict in the early years of transition, but their level of activity and organization has declined in the late 1990s as they became more preoccupied with socio-economic concerns, and “brain drain” has depleted their ranks. Nonetheless, they are likely to be the most active group in prolonged and stable future political conflicts. Transport workers – driven by urban transport drivers, taxi drivers and railway workers – are another explosive factor, are very active and influential; urban traffic stoppage and blocking in Sofia had a strong impact on the outcomes of the two political shifts in November 1990 and February 1997. Special attention should be directed in the short term to the Bulgarian State Railway, which is in

grave financial condition and employs 37,000 people. Protest activity by railway workers could have national implications.

Trade unions, a very active and important actor in the early 1990s, have been tainted by their association with the political parties. While they are likely to play a role as catalyst in tensions, as they try to recover their previous influence, it is not clear whether they will be able to regain the trust they have lost in the last three to four years.

Finally, while there are extremist nationalist groups in the country (VMRO,; Bulgarian National Radical party, OMO Ilinden), there are no indications that important new political players (extreme right or left) will appear in the near future. However, there is a danger that spontaneous and violent clashes could explode, triggered by some criminal incidents or government decisions. Youth are a particularly vulnerable, and as a result, a particularly dangerous group in this context – both well-educated youth unable to find jobs or go abroad, and increasingly less educated and unemployed youth living in poverty. Skinheads and other marginalized groups could be used in these clashes, but their number is not very significant and could hardly play an independent role.

### **Root Causes and Aggravating Factors**

These patterns of conflict have been driven by a number of causes representing issues that need to be addressed in order to reduce conflict vulnerability. None of these identified causes is in itself sufficient to produce conflict, but together create a volatile situation ripe for escalation through activities of a “conflict agent” or trigger events.

1. Serious economic scarcity and increasing stratification of society through privatization and other economic liberalization policies implementation have resulted in increased competition among different groups, especially (though not exclusively) with the Roma who have been the hardest hit by the economic reform process. The liberalization of the economy and privatization of property and businesses has led to severe income inequality, high unemployment, and deterioration of education and social services for large parts of the Bulgarian population. This has also resulted in the gradual disappearance of middle class – a potential “mediating agent” softening the polarization between rich and poor.
2. Increased marginalization and ghettoization of a significant minority population – Roma -- who suffer from most of the economic ills plaguing Bulgaria today: unemployment, reliance on diminishing social services, lack of education, poor health care, *inter alia*.
3. Political polarization in elite political landscape (among political parties). The shift in type of conflict in recent years does not mean that political divisions and polarization has lessened, both in intensity and importance. It was only temporarily alleviated at election time with the entry of the Movement Simeon II into the political arena. Nonetheless, internal UDF divisions continue to be strong, and the UDF-BSP has not changed significantly. Polarization and lack of

ability to come together on major decisions affecting Bulgaria's welfare is not confined to the political parties; interviewees commented repeatedly on the inability of government (ministries, central government and local government, as well as political parties) to work together to solve Bulgaria's problems.

4. Lack of accountability of the government, including alienation and lack of participation of people (not just minorities) in governance. People have no voice due to incomplete decentralization, corruption, lack of transparency, and a resistance as well as lack of skill in government (at local, regional and national levels) to reach out to and involve citizens. At the same time, however, civil society is weak and not yet able to organize effectively to hold the government accountable.
5. Limited capacity for conflict management. Institutions such as the judiciary, police/law enforcement, government institutions on specific issues (National Council on Ethnic and Demographic Issues, Tripartite Commission) do not function effectively or responsively, and government generally is not able to respond in a systematic way to policy problems; crisis negotiation and dealmaking prevails. While this may "put out the fire" in the short term, it leaves the underlying issues driving the conflicts unresolved. In addition, physical separation among ethnic communities (Roma, Turks, Bulgarians) in cities leaves few opportunities for development of cross-community networks and relationships. Communication channels and dialogue is limited not only across ethno-communal lines, but due to the absence of meaningful processes for participation in governance, also between the government and the people.

### **Conclusions concerning conflict vulnerability**

Bulgaria is unlikely to suffer the kind of ethno-political conflict that has been experienced by its neighbors, even if tensions should increase again in neighboring countries. The conflict with Bulgarian Turks, which reached its peak in the early 1990s, has effectively been resolved, even if feelings of mistrust linger, and with the MRF assuming an important role in Bulgarian politics, and good relations existing between Bulgaria and Turkey the likelihood of further violent conflict is small.

At the same time, the underlying causes of potential conflict in Bulgaria have not fundamentally been addressed, leaving Bulgaria vulnerable to a different kind of conflict:

- Frequent and at times widespread spontaneous, violent protests in poor, marginalized Roma communities. With increasing competition for scarce jobs, and increasing criminality associated with poverty, clashes between Roma on the one hand and Bulgarians and Turks on the other can be expected.
- Increasingly frequent and intense political conflict at the center, fueled by the participation of major conflict actors: students, transport workers, labor unions supported by unemployed and disenfranchised people who have suffered from economic reforms

- Localized conflicts emerging from industrial failures or closures, government failures to provide sufficient social assistance or social services

While these conflicts are not likely to lead to civil war, as has been the case in neighboring countries, they can lead to violence, destruction and pose a formidable obstacle to Bulgaria's economic and political recovery. It is thus important that the main underlying causes of conflict vulnerability – socio-economic, political participation, and conflict management capacity – be addressed.

### **Monitoring Indicators**

The indicators proposed in this assessment are based on the comprehensive, and well-tested, list of main indicators utilized in the Early Warning Reports prepared by CSD for UNDP with the support of USAID. These indicators include socio-economic (income levels, unemployment, access to health care), governance (public trust levels in government institutions) and personal security (crime) indicators. Several additional indicators have been added to reflect underlying root or proximate causes of conflict identified in the assessment, including: access to education, access to credit, channels for participation in government, exclusion of specific groups from governance, discrimination, distrust and lack of communication (ethnic distance, media portrayal of minorities), effectiveness of law enforcement and judicial systems, strength of civil society. It is recommended that in addition to quantitative monitoring based on these indicators, a qualitative analysis of the basic areas of conflict be undertaken: a) ethnic tensions; b) industrial conflict; and c) social and political conflict and protests.