

CAFÉ EUROPE

“EU membership within ten years”

Ivan Kostov and Bulgaria's turning point

Kristof Bender 19 February 2009



Ivan Kostov

“European membership was a symbol of our real orientation. Bulgaria would become, instead of being a satellite of the Soviet Union, a European country”, says Ivan Kostov, the former prime minister of Bulgaria. In 1997, against the background of a collapsed currency and economy, he announced that his country wanted to become an EU member within ten years.

Ivan Kostov was Bulgaria's most important reformist prime minister. He held office from 1997 to 2001. The trained economist, born in 1949, was an associate professor at the Sofia Technical University before he entered politics after the end of one-party rule. He was elected to parliament in June 1990 for a newly formed

anti-communist party, the Union of Democratic Forces (UDF), and became finance minister in two reformist-led governments from late 1990 to late 1992. In 1994, the former Bulgarian Communist, now Socialist, Party was back in power, winning an absolute majority. That year Kostov became leader of the UDF, the main opposition party.

Two years later, in winter 1996/97, the Bulgarian economy collapsed. There was hyper-inflation. The average monthly salary in December 1996 stood at US\$ 28. There were bread queues. Popular dissatisfaction with the socialist government reached an all-time high.

“Everybody became aware that there was a call for immediate, speedy reforms which should not be postponed anymore. But they [the socialists] were afraid. Because all the politicians knew that they would lose their popularity, if they implement such reforms. That’s normal, it’s like everywhere else in the world.

This led to the protests, which took place every day. We sort of invented those street protests, maybe we took the idea to a certain extent from Serbia [where in 1996 people had taken to the streets against the Milosevic-regime], to be implemented in a more radical manner in Bulgaria. And we went to the very end, until the government collapsed. It was quite a wild protest, people were seized by anger. And it was in the cold, because it was January.

It was on the verge of getting out of control. People were throwing stones at members of parliament, the police beat members of parliament who belonged to the opposition. There was violence. However, the immediate reason for the socialists giving back their mandate of trying to set up an interim government, was a national protest strike. This blocked the whole country. All the key means of transportation were cut off. Sofia was blocked, Varna, Plovdiv, all the big towns. We blocked the railways. At one place the police tried to fight us, 60 km away from Sofia – it’s a place called Dupnitsa, and the police were unable to control our people ... In the end, the barricades forced the Bulgarian Socialist Party to give up power.”

A care-taker government was established and elections were held in April 1997. These were won by a reform coalition, leading to a new government with Ivan Kostov as prime minister. Against the background of the crisis, Kostov declared soon after taking office in 1997 that one of the goals of his government was for Bulgaria to be a member of the EU within 10 years:

“From the strategic point of view, we had to propose some serious goal, a positive alternative, to the nation. European membership was a symbol of our real orientation. Bulgaria would no longer be a satellite of the Soviet Union but a European country. So, in this way, the European Union membership goal sent a very important message: we will not be like we used to be, we will be something very different.”

This ambitious goal, against the background of a recently collapsed currency and economy, raised many eyebrows.

“Actually, everybody agreed: the EU-candidacy of Bulgaria didn’t look serious in the eyes of Europeans [Bulgaria had applied for EU membership on 18 December 1995]. It was seen as a joke, you know, because of our disastrous position ... Bulgaria was mocked, as a country that was clearly not ready, but we were making an effort. I was not impressed by this, I didn’t pay any attention to these jokes.”

In July 1997, the Commission delivered its opinion on Bulgaria’s application. It recommended that Bulgaria should *not* be in the first group of countries to open negotiations (the Czech Republic, Estonia, Hungary, Poland and Slovenia). However, the European Council in Luxembourg in December 1997 emphasised that preparations to start accession negotiations also with Romania, Slovakia, Latvia, Lithuania and Bulgaria “will be speeded up”.

Being included in this list and seeing the accession process move forward for other former communist countries helped the Kostov government’s ambitious reform drive. It faced many challenges: to stabilise the economy and to bring inflation down, to privatise, attract FDI, stimulate economic growth, start the approximation with EU laws and practices. But the most difficult moment for Ivan Kostov came with the Kosovo crisis in June 1999. In the aftermath of the NATO bombardment of Serbia and ahead of the deployment of NATO forces to Kosovo, Russian soldiers based as peacekeepers in Bosnia and Herzegovina moved quickly through Serbia to occupy Pristina’s airport, resulting in a tense standoff. Kostov’s government took the decision of closing Bulgaria’s airspace to Russian aircraft. This meant that the Russian soldiers could not sustain their position at Pristina airport.

“If they would have landed in Pristina, no solution would be found afterwards. Any type of solution would be impossible.”

Had pro-Serbian Russian forces consolidated their control of the airport, the whole deployment of NATO troops would have been under threat. Due to Bulgaria's decision Russia had no other option than to peacefully retreat. However, the decision was very controversial in Bulgaria. A majority of citizens sympathised with orthodox Serbs and not with the – mainly Muslim – Kosovo Albanians.

“People couldn't understand why we sided with the Albanians. People couldn't realize why ... This was is very difficult to be communicated, but for us it was completely clear and there was no other way. We had to make this decision ...

In fact, Bulgaria had assisted the Albanian renaissance [the national awakening in the 19th century]. We printed their first textbooks in Sofia. The Albanian intelligentsia was educated in Bulgaria. We helped them in establishing their state [in 1912]... And some of us still felt a responsibility towards Albanians. Because what Milosevic permitted himself to do was a nightmare.

Still, the decision was very unpopular.”

The end of the Kosovo was followed by a bold European decision: at the December 1999 European Council in Helsinki EU leaders decided to open accession negotiations immediately also with Latvia, Lithuania, Romania, Slovakia ... and Bulgaria.

“It was a very difficult year, 1999. But when the decision came [in Helsinki in December] to start negotiations, we knew that we had deserved it. We knew that we merited it, that we had worked hard for it.”

Negotiations were officially opened in February 2000.

The latter half of Kostov's prime minister-ship was overshadowed by corruption allegations Some of Kostov's ministers resigned. Tough economic reforms brought rising unemployment, which reached 20 percent in 2001.

By the time of the next Bulgarian national elections in June 2001, accession negotiations were progressing. Of 31 negotiation areas (chapters), Bulgaria had finished nine, and another nine were under way. But social discontent was high. The UDF lost. Kostov resigned as party leader. In 2004 he left the UDF and established a new party, the

Democrats for a Strong Bulgaria. In the June 2005 parliamentary elections, his new party obtained 7 percent of the votes.

Kostov can take credit for putting Bulgaria firmly onto the path of EU accession. Subsequent Bulgarian governments continued along the path he had opened: the government led by the former King, Simeon Saxe-Coburg-Gotha from 2001 to 2005, as well as the government led by Socialist Party Leader Sergey Stanishev from 2005 to 2009. In March 2004 Bulgaria joined NATO. In January 2007 Bulgaria joined the European Union. ■