



***LIVING IN A CORRUPTED STATE
OUTCOMES OF CRIMINAL TRANSITION: THE
BULGARIAN CASE***

Prof. Krastyo Petkov

UNWE, Sofia, 2013

kr.petkov@unwe.eu

THE MAIN POINTS

- **Not simply corruption, but corrupted state (state captured by corrupted networks);**
- **Corruption during transition- the core of the problem**
- **Corruption, generated by:**
 - **Economic factors;**
 - **Social reasons;**
 - **Moral degradation;**



Three Phases of the Corruption Process in Bulgaria

First faze: Identification (after 1990);

Second faze: Reflections (after 1998): CRD and Transparency International Reports;

Third faze: Policy measures (mainly after EU affiliation- 2007): Annual Monitoring Reports of the EC for BG and RO;

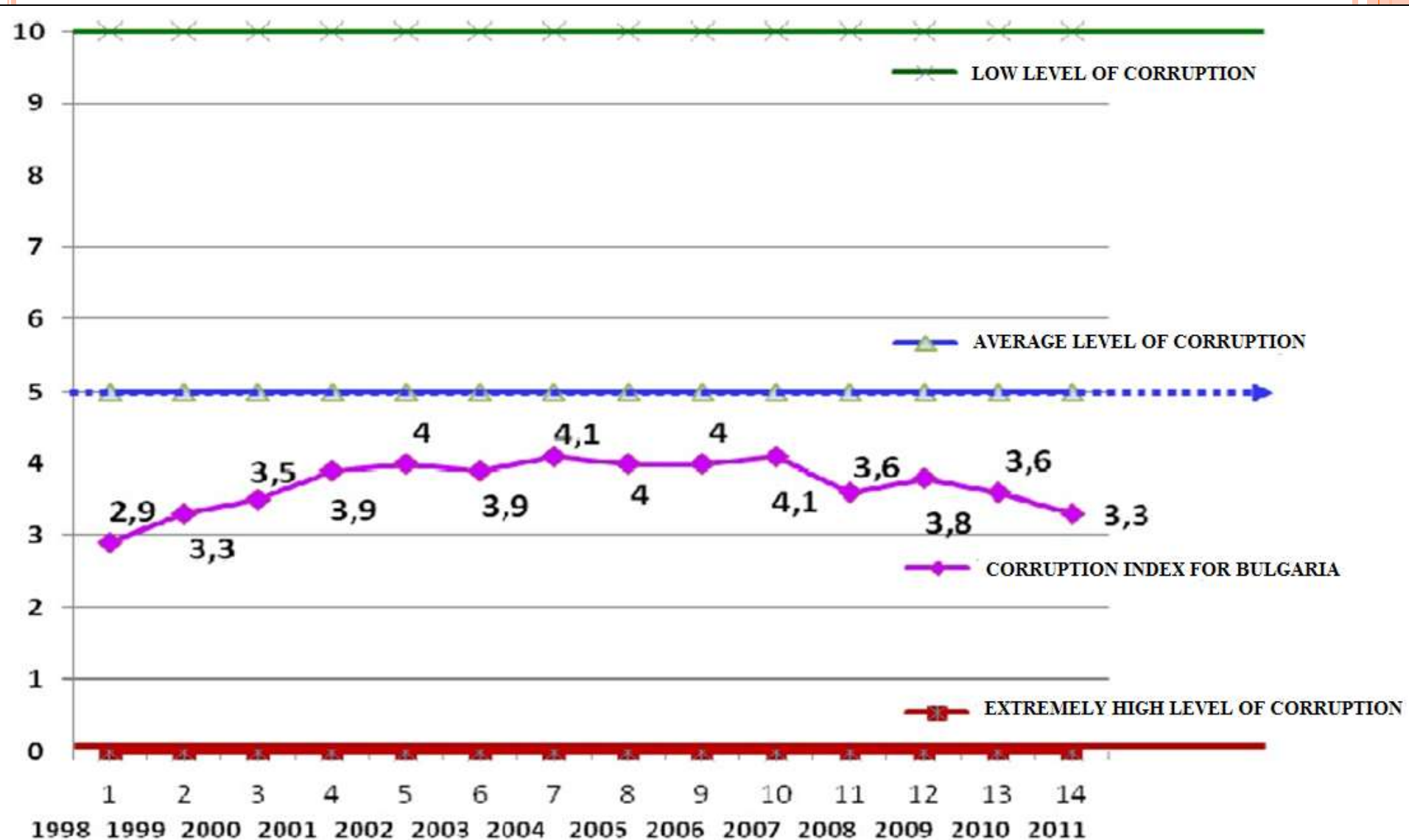
Some intermediate evaluations:

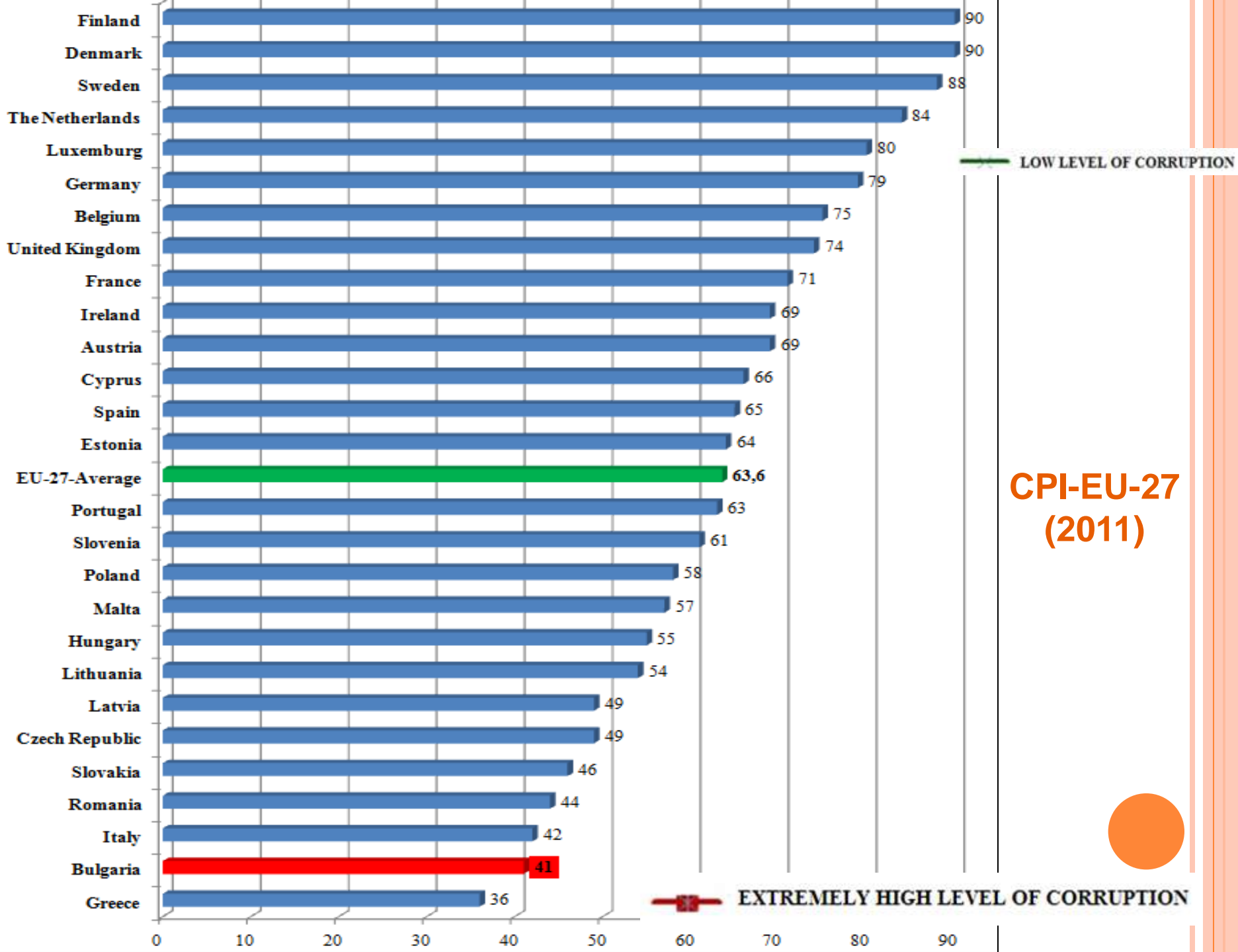
- Delayed responses of the state and social partners;*
 - Weak/ passive civil society;*
 - Lack of free media;*
-

As a result:  **“sudden” civil revolt**
(February – March 2013);

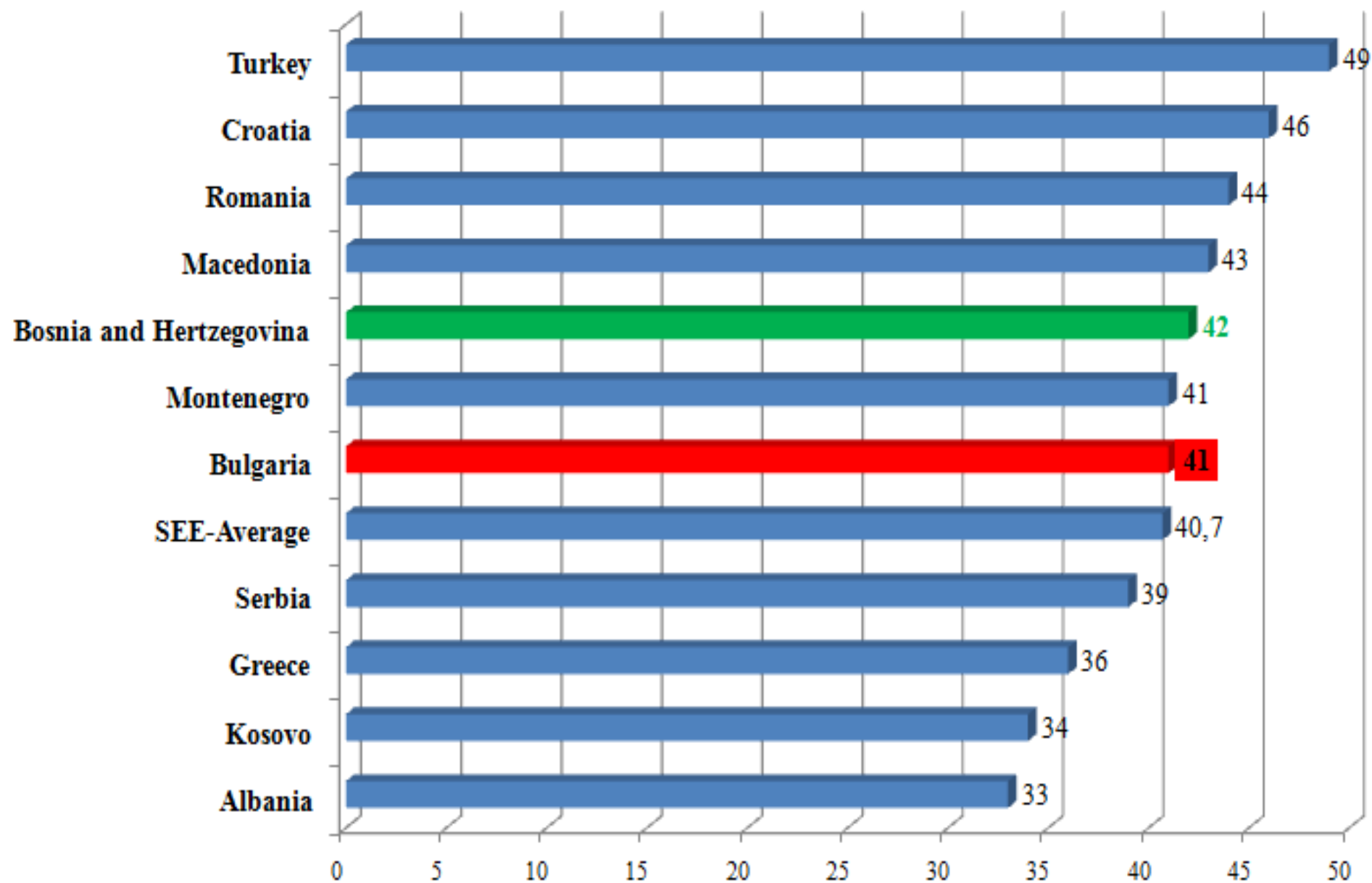


CORRUPTION PERCEPTION INDEX /CPI/ (BG:1998-2011)

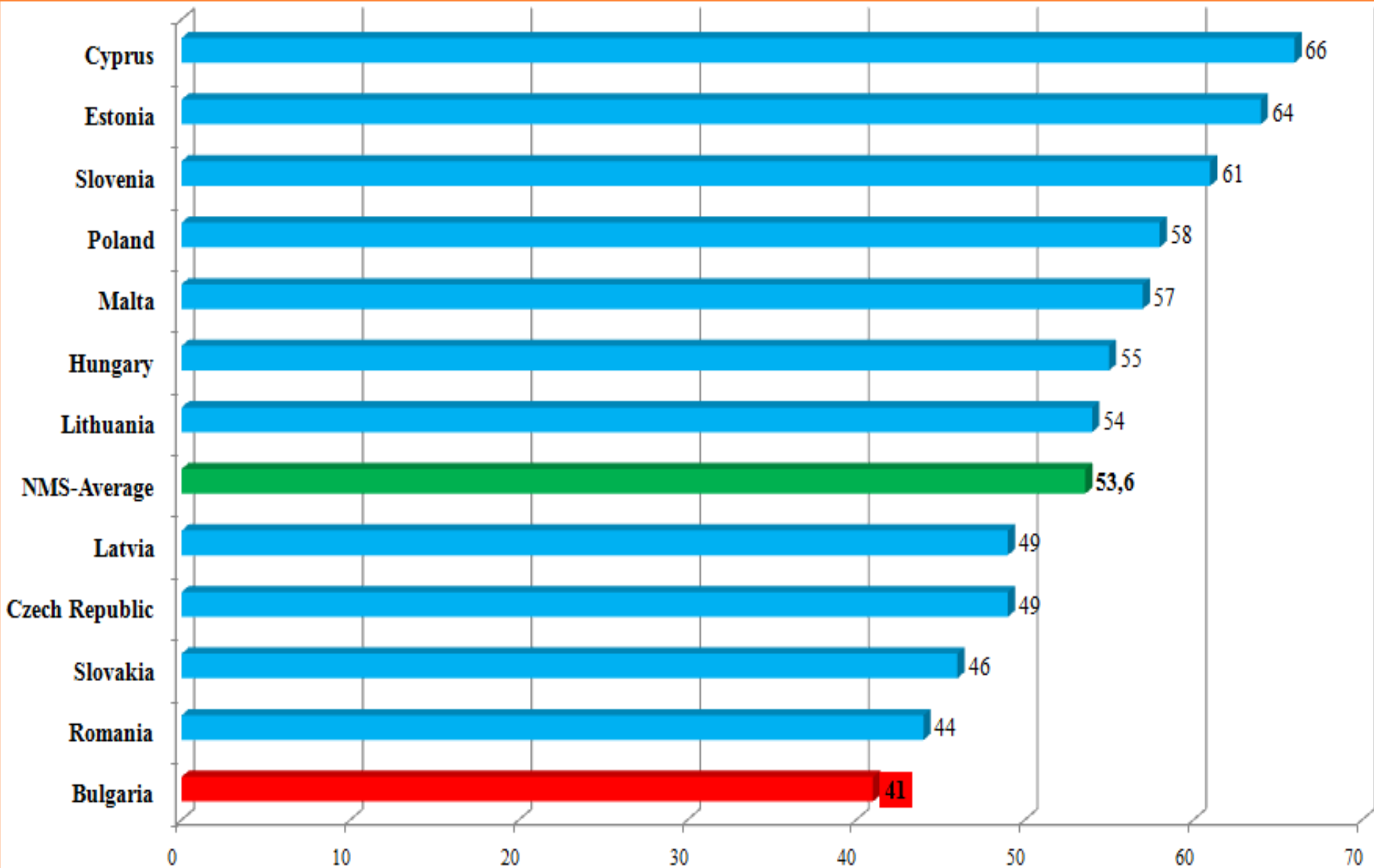




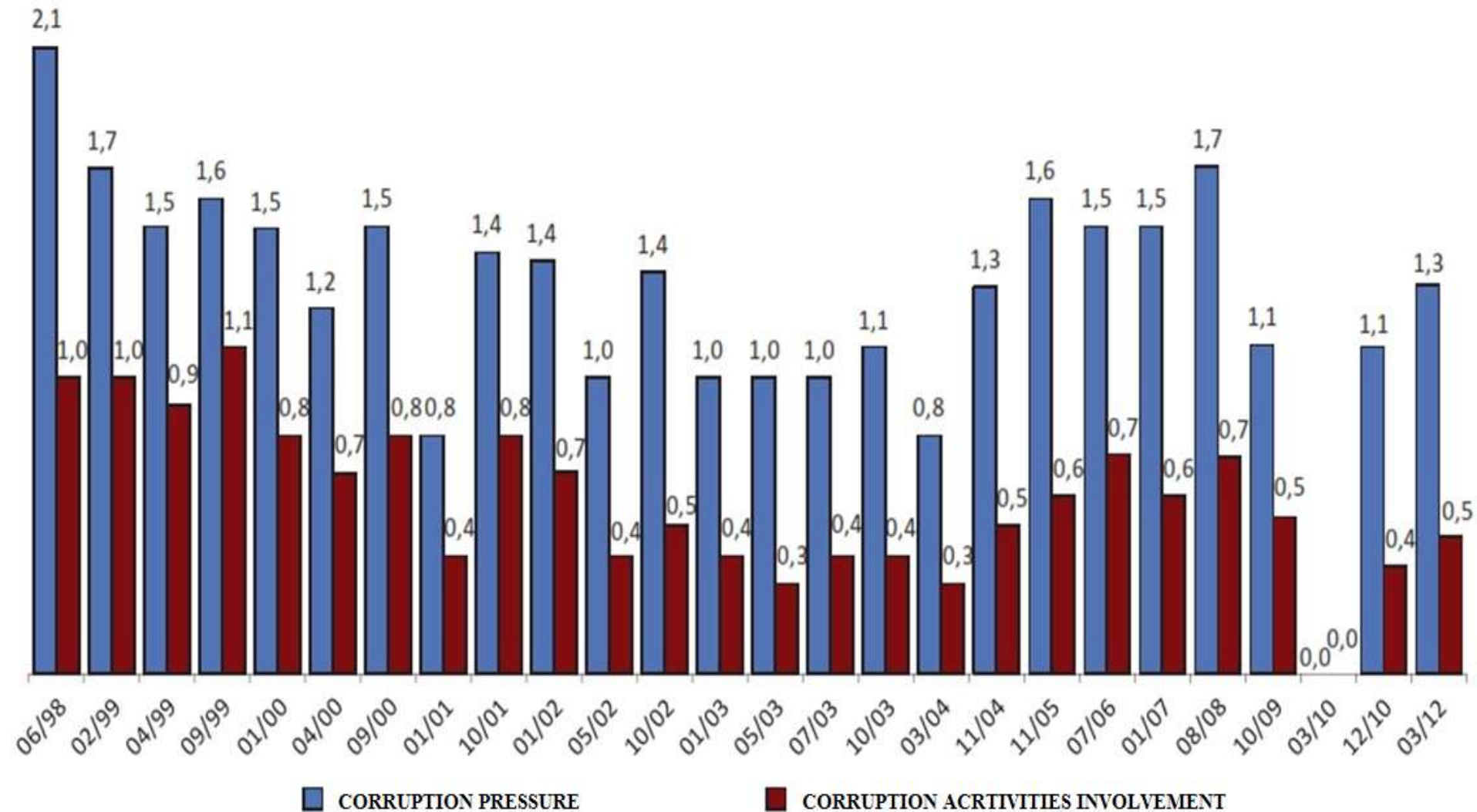
CPI- SOUTH EAST EUROPE (2011)



CPI- NEW MEMBER STATES [NMS-12] (2011)

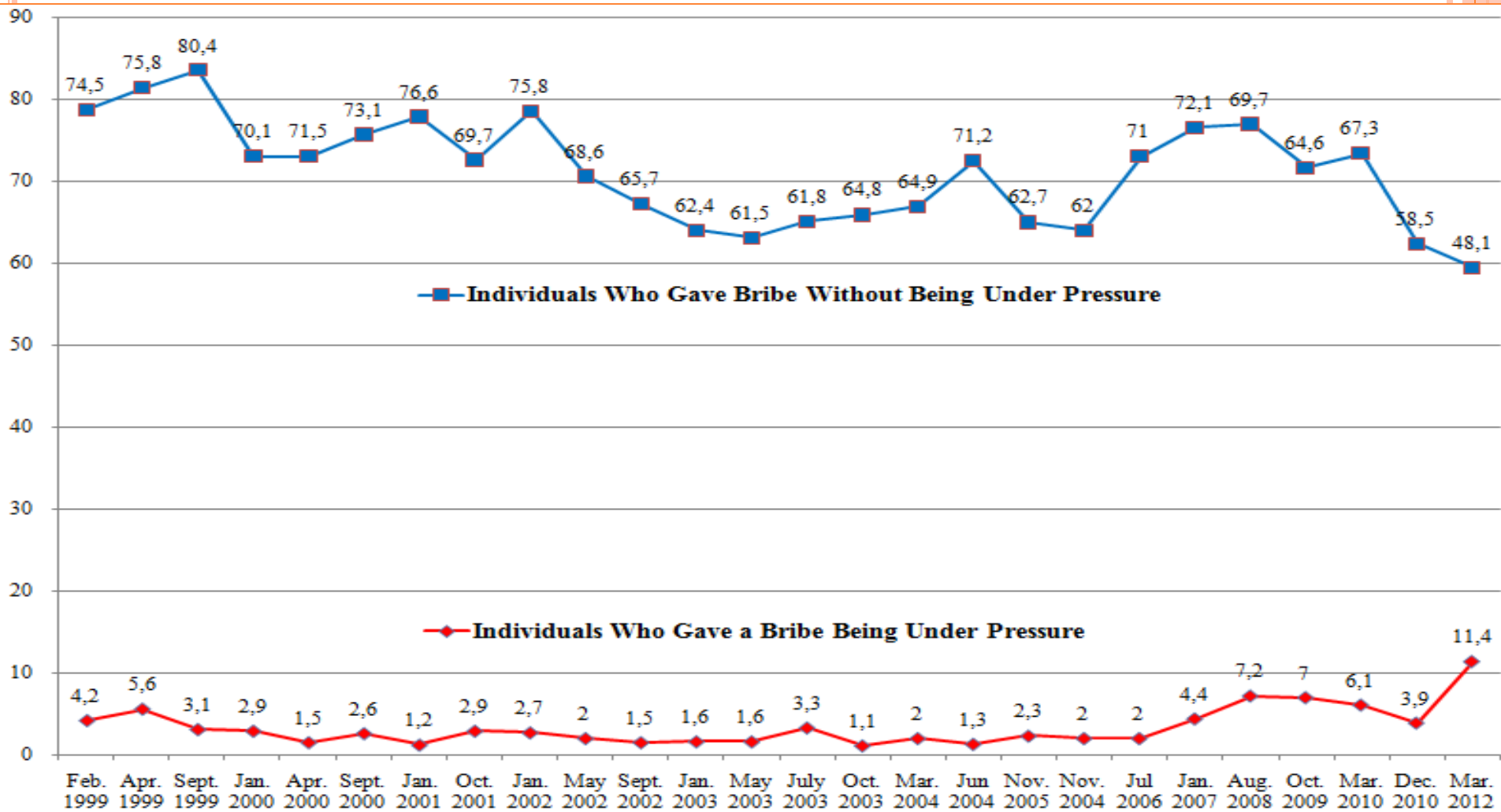


CORRUPTION PRESSURE & CORRUPTION ACTIVITIES INVOLVEMENT



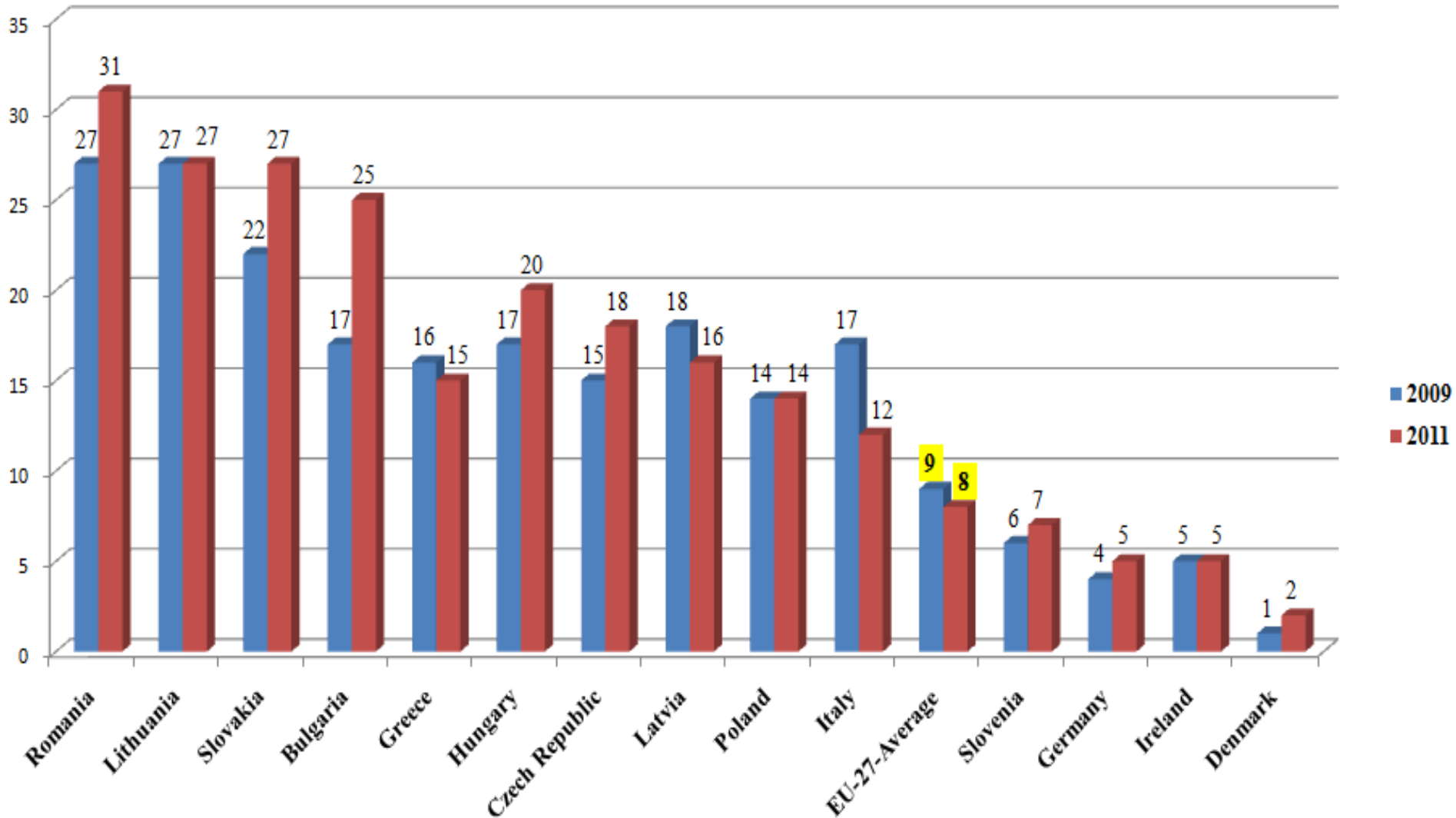
Source: System for Corruption Monitoring, Center for the Study of Democracy /CSD/ (Bulgaria), Vitosha Research,(Bulgaria)

CORRUPTION BEHAVIOR AMONG INDIVIDUALS WHO HAVE CONTACTED THE ADMINISTRATION IN CASES OF PRESENCE OR ABSENCE OF CORRUPTION PRESSURE



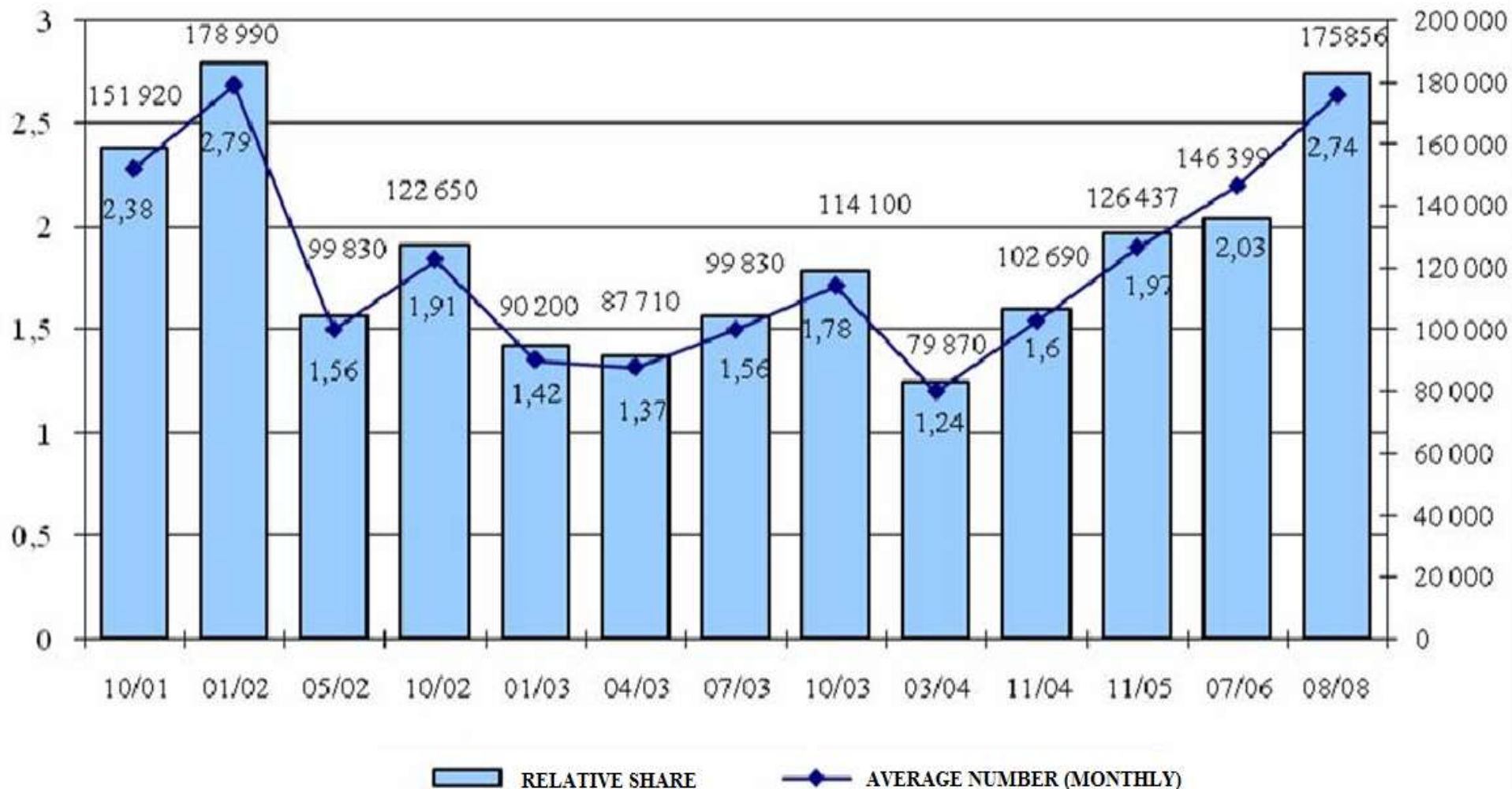
Source: System for Corruption Monitoring, Center for the Study of Democracy /CSD/ (Bulgaria), Vitosha Research,(Bulgaria)

CORRUPTION PRESSURE IN THE EUROPEAN UNION



Source: Eurobarometer 76.1 (September, 2011); Eurobarometer 72.2 (September, 2009)

Relative Share and Average Number (Monthly) of Known Corrupted Transactions



Source: Vitosha Research (Bulgaria), Center for the Study of Democracy /CSD/ (Bulgaria), System for Corruption Monitoring (Bulgaria)

Bulgarian Corruption Case: The Main Dimensions (2011)

- **Top down process;**
- **Political corruption overshadows administrative one;**
- **From corrupted individuals to corruption networks;**
- **Transformation of isolated corruption practices into social/cultural norms;**
- **Corruption networks capture the state institutions, including justice;**



Some Intermediate Conclusions

- **1. New and old member states are among most corrupted;**
- **2. EU affiliation and monitoring mechanism do not help automatically;**
- **3. Corruption has its national profile, but is not rooted in the people's mentality – culture, traditions, lifestyle etc.;**
- **Conclusion: Economic and social reforms (neoliberal transition model) is the main generator of continuous corruption and its negative effects**

***See next slides**



NEGATIVE EFFECTS

- **Low income effect:** underpayment policy and poverty generate corruption (examples: Doctors; State servants);
- **Privatization/ deregulation effect:** speculative market segments- public services; banking etc.
- **Criminalization effect:** state captured by mafia structures; usage of state institutions, legislature and power elite by corrupted networks;
- -----
- **As a result: corruption/criminal social environment was created**



Trade Union Responses: Points for Discussion

- **Trade unions are not in a power position to fight effectively corruption alone. But:**
 - **1. Criticism is not enough;**
 - **2. Passive attitude is a losing tactics;**
 - **3. Anti-corruption alliance with civil society may bring some success;**
 - **4. In cases like the Bulgarian one, total change in the state system is needed in order to brake out corrupted networks;**



Thank You !

Any Questions ?

Prof. Krastyo Petkov

