

THE TRUST IN INSTITUTIONS OCTOBER'2013

ANALYSIS AND PROGNOSIS OF (DIS)TRUST IN INSTITUTIONS



This report is a laboratory analysis of (dis)trust in institution as a factor of insecurity in the country; it does not provide any positive or negative assessment of the existing distrust, but rather analyses it only from the perspective of insecurity in the country. In drafting the report, all measures have been taken to ensure that the information is objective and accurate, and all data, analyses and opinions are based on referenced sources, in the stated manner and scope.

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The risk of distrust is high for all political institutions and equally this is the reason why they do not undertake resolute action to set out an overarching perspective for the development of the country and accomplish reforms. Governance creates risk by stepping up institutional pressure in order to buy time with a policy of "small social steps".

Public opinion polls demonstrate that the cabinet of Oresharski is viewed as a transitory one; distrust in his cabinet satisfies the historical risk criterion for crisis. In terms of trust/distrust ratio, this cabinet stands where the cabinet of Lukanov, or even worse, the cabinet of Borisov stood before they tendered their resignations.

The expected results from a National Assembly vote "now" give reasons to the parliamentary parties and coalitions to avoid early elections. An additional argument is the overall uncertainty of results and of the trends in voter sentiments and fears, which become increasingly unfavorable.

The fear of parliamentary parties that they may end up in weaker positions in the aftermath of early elections, disguised behind the claim that such elections would end up in ultimate stalemate, is stronger than the fear of permanent loss of public trust. This cements the existing state of distrust in institutions even when it indicates that it can escalate to a crisis of the public legitimacy of all political institutions in the country.

Political institutions regenerate and maintain a state of increasing distrust in them.

Good governance is the core driver and structural basis of trust
Ian Delhey and Kenneth Newton¹



Introduction

This report presents an analysis of (dis)trust in institutions² as a major source of public (in)security. Extension and consolidation of public trust in institutions is a strategic objective of good governance. Accordingly, trust is a function of the nature of governance and determines its (in)stability; it forms the underpinnings of governance, namely its public legitimacy.

Trust³ defines the structure of expectations and consequently the willingness to undertake concrete steps aimed at participation or non-participation in public processes. Trust in political institutions or in the societal environment in general can evolve in consolidated support or fall apart to disapproval of specific actions of the institutions. Public distrust is always a potential risk to the objectives of institutions. The three government crises in our country were caused by disapproval and mass protests.

The present report aims to evaluate: a) The potential of governance as defined through its trust resource; b) the balance of powers between ruling and opposition actors on the basis of public trust in them. The report also seeks to predict the composition, in terms of political parties, of the National Assembly (NA) if elections were held "now". The main risk, directly related with public trust levels, is the systemic risk of crisis⁴ of the public legitimacy of political institutions in Bulgaria.

The analysis includes systematization of the risks for which the Laboratory determines tolerable risk levels in respect to ruling parties, the Council of Ministers, the National Assembly and the President. In this analysis, trust in political institutions is assessed on the basis of: sociological data, statistical descriptors of trust on the part of consumers and businesses as well as the trust expressed in the institutions by external sources.

The analysis covers a period of six months – from the pre-election polls published during the week before the early parliamentary elections carried out on 12 May 2013 until the end of October 2013. This period makes it possible to trace out certain trends and pinpoint certain events that have substantially changed the levels of trust in political institutions.

Insofar as the analysis is based on sociological studies (mainly in the form of public opinion polls relating to the period in which the polls were taken) and samples that are representative of the adult (≥ 18 years old) population in the country, this report will not regard differences of 3% or less as significant ones. Responsibility for the credibility of this information rests only with the sociological agencies and the media that have published the results of their studies in the period under consideration.

Trust in the political parties represented in the National Assembly

Risk context⁵ and dynamics of the trust in political parties (May - October 2013)

All sociological studies conducted during the past ten years demonstrate extremely low values of stated trust in political institutions. With these negative values Bulgaria is one of the frontrunners in Europe⁶. International benchmarking studies as well as national studies during this period demonstrate that Bulgarian citizens express greater trust in international political institutions than in the national ones. According to the data, during the past decade the majority of Bulgarians question the quality of the democratic and legal order in the country⁷.

The traditionally low trust in political institutions has not led to direct consequences related with their existence. Political institutions do not risk suspension of their functioning because of the low public trust in them. At the same time, the consequences of a continuous period of low public legitimacy has a lasting impact on other spheres: more than 70% of adult Bulgarian citizens believe that laws in Bulgaria are applied selectively, and more than 80% define everything happening in our country during the recent years as unfair⁸.

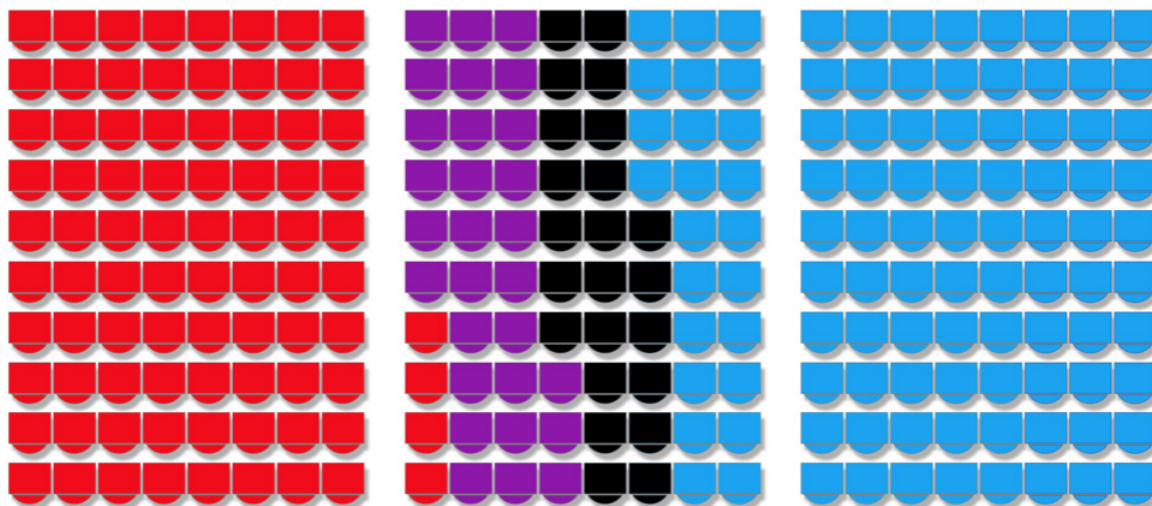
Low public trust propels secondary risks related to the stability of the political system as a whole. In an environment of low public trust, one can observe a specific form of regression from already achieved legal norms and governance practices. In the absence of sufficient public support, the body of governance defines objectives that are only related with its survival and deflects from its responsibility to formulate tall objectives for societal development.

The resignation of GERB's cabinet under the pressure of civil protests in the beginning of 2013 and GERB's refusal to form a second cabinet in the framework of the 41st Ordinary National Assembly (ONA) have strengthened the negative sentiments towards all political parties. Yet in the first months of 2013 the results of sociological studies revealed that the loss of support for the formerly ruling party GERB has not evolved in support for any clearly defined political alternative.

Citizens' strong criticism of all political parties that have participated in the governance of the country during the past years has encouraged expectations for a holistic change of governance and even a change of the political system. Against this backdrop, the political parties opted to withdraw from public debate rather than be blamed for trying to gain control and direct the civil protests. This choice largely predetermines their chances of regaining public trust, should they continue with this line of action.

The election campaign for the early parliamentary vote⁹ resulted in downfall of turnout¹⁰. The voters sent in the NA the following parliamentary factions:

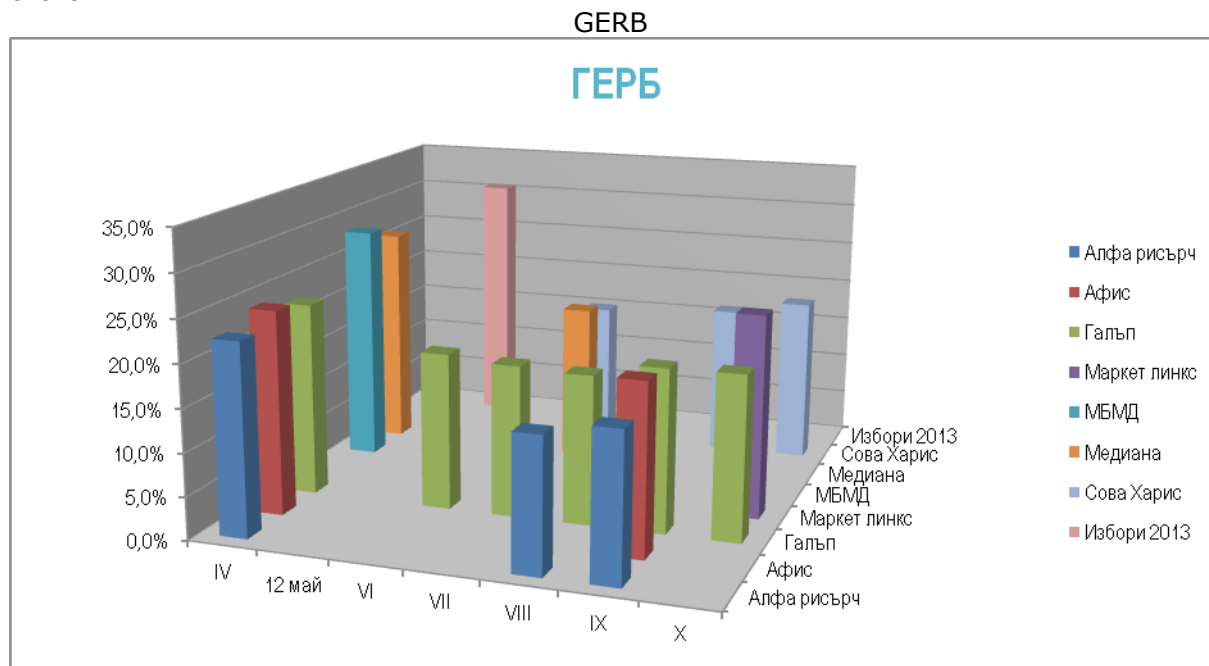
КБ - 84 **ДПС - 29**
ГЕРБ - 97 **АТАКА - 23**



Red seats: KB (Coalition for Bulgaria); blue seats: GERB (Citizens for European Development of Bulgaria); purple seats: DPS (Movement for Rights and Freedoms); black seats: ATAKA (Attack)

Dynamics of trust in the parties

The registered values of trust in political party GERB¹¹ after the elections are presented in the next chart.

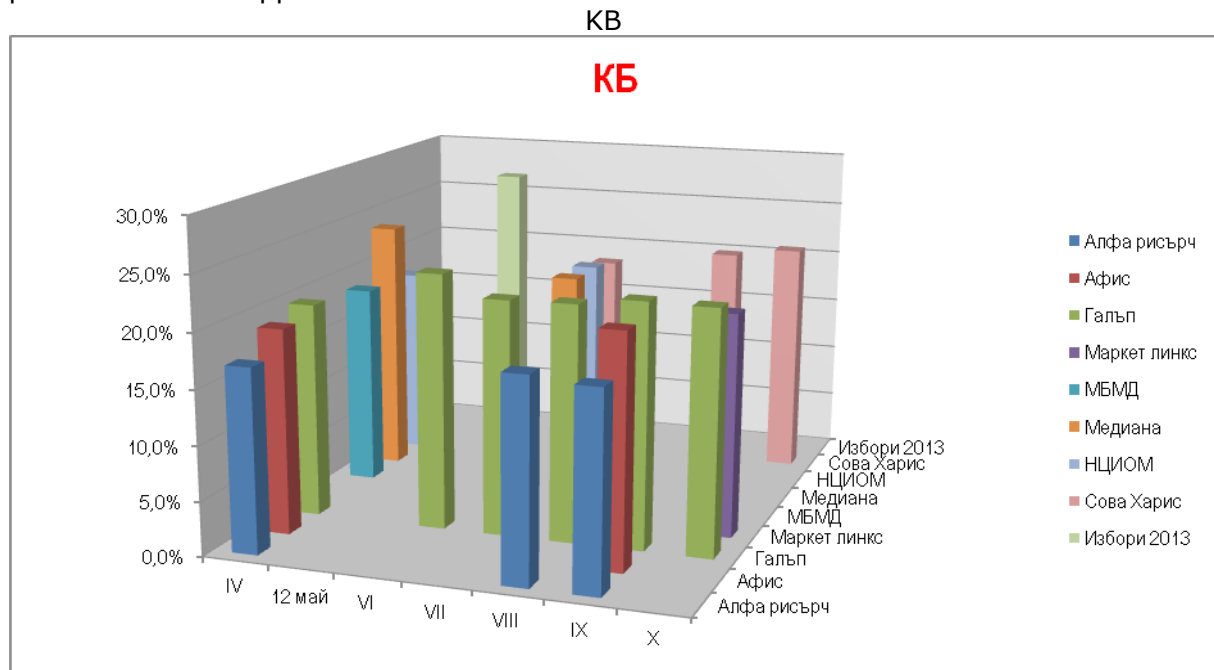


List of agencies, top to bottom and front to back: Alpha Research, Afis, Gallup, Market Links, MBMD, Mediana, Sova Harris, Izbori 2013 (Elections 2013).

There is tendency to relative downslide in the support for GERB, however it stabilizes in the 17% - 19% range. In the conditions of the election campaign the party managed to mobilize additional

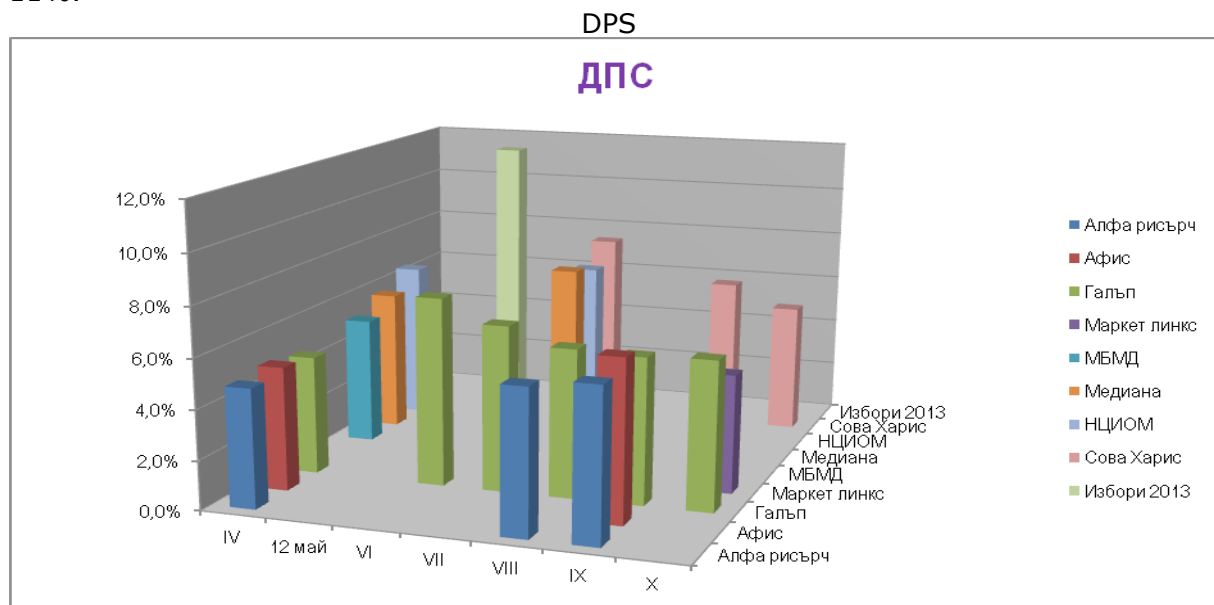
support of around 5%. These values are significantly lower than the traditional public trust enjoyed by GERB after 2008, when it used to gravitate around the 40% handle with a clear peak in August 2009, when the party formed an all-GERB government and attracted 60% support.

The dynamics of the trust in KB/BSP¹² differs from that in GERB. During the past fifteen years, irrespective of who its coalition partners are, BSP maintains sustainable influence among 17% to 19% of the adult population in the country. At the same time, despite the registered fluctuation in the support for KB/BSP, there is no reliable data to substantiate a tendency towards lasting expansion of public trust and support.



List of agencies, top to bottom and front to back: Alpha Research, Afis, Gallup, Market Links, MBMD, Mediana, NCPOR (National Centre of Public Opinion Research), Sova Harris, Izbory 2013 (Elections 2013).

Trust in DPS¹³ has been stable during the recent years, in the framework of 5% to 7% of all adult Bulgarian citizens. This party is the biggest winner of the actual turnout, reaching a result above 11%.

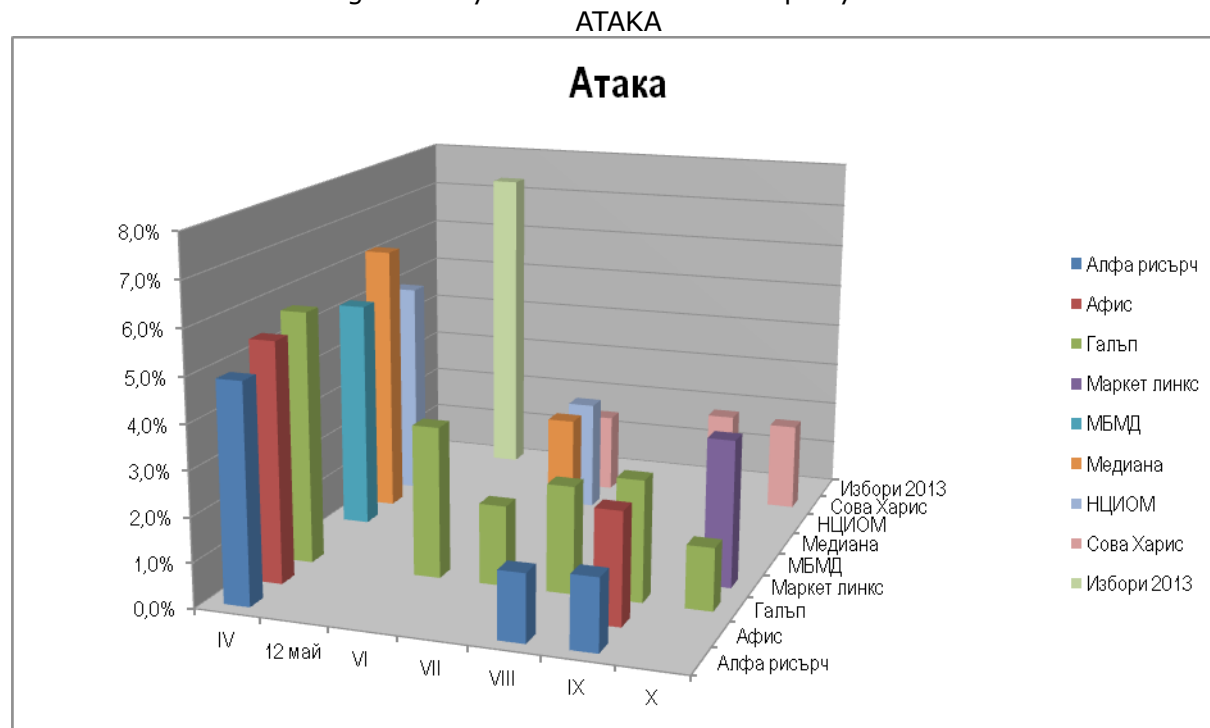


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NCPOR (National Centre of Public Opinion Research), Sova Harris, Izbori 2013 (Elections 2013).

After the elections DPS has preserved the existing rate of public trust and support. This is not a guarantee that the party will maintain its present seats in the NA resulting from the reallocation of votes due to the vast number of ballots cast for parties and coalitions that did not make it to Parliament.

The results demonstrate greater dynamics of trust in the party Ataka¹⁴.



List of agencies, top to bottom and front to back: Alpha Research, Afis, Gallup, Market Links, MBMD, Mediana, NCPOR (National Centre of Public Opinion Research), Sova Harris, Izbori 2013 (Elections 2013).

This party has been enjoying steady support in the 10%+ region during the recent years, however a serious decline of trust has been registered since the beginning of 2013. It was overcome as a result of the mobilization caused by the protest wave in February and March, and the party entered the pre-election period with a steady support of 5 to 6 percent. However, immediately after the constitution of the 41st ONA and Ataka's positioning in it, the levels of public trust in the party have plummeted to settle in the 2 to 3 per cent bracket during the next months.

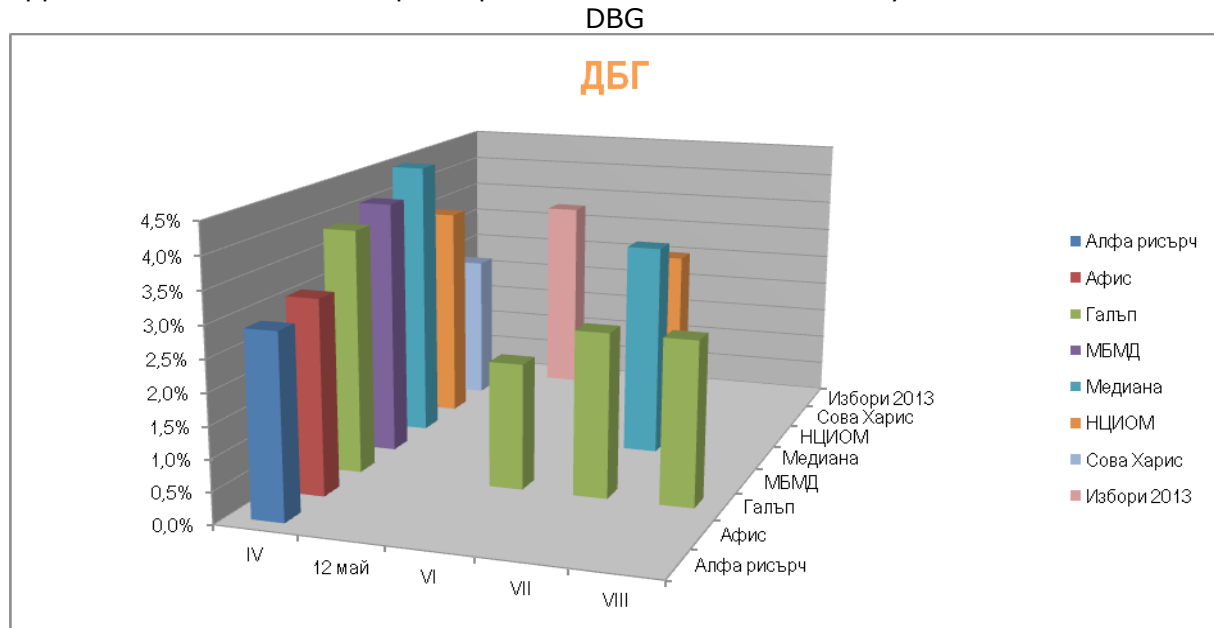
The presented results demonstrate that in the period after the early parliamentary elections neither political faction has managed to expand and stabilize the level of support achieved by it at the elections proper. There is a clear tendency of "outflow" of public trust in them.

In these conditions, the parliamentary parties and coalitions have chosen different types of risk management policies¹⁵ to manage of risk of losing trust. Being the coalition that was awarded the mandate to form the government, KB/BSP opted to promote the cabinet as a technocratic one, while DPS declared that it supports it without being part of the collation. The parties in the ruling union, albeit to a certain extent, have taken an arms-length position vis-à-vis the cabinet trying to mitigate the consequences from a clearly expressed support as a factor which may lead to lower values of public trust in them and in the cabinet. KB/BCP and DPS are trying to ignore the protests of citizenry.

Trust in the parties and movements not represented in the National Assembly

Movement "Bulgaria of Citizens" (DBG)¹⁶ is the only new political formation that has managed to

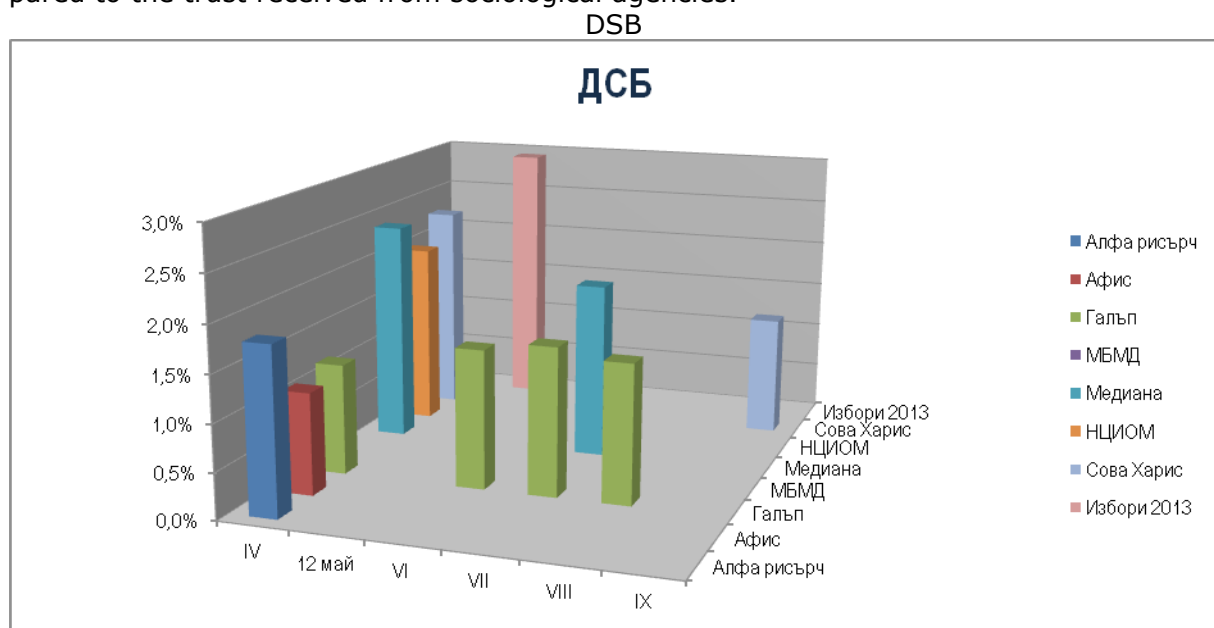
approach the 4% barrier for participation in the National Assembly.



List of agencies, top to bottom and front to back: Alpha Research, Afis, Gallup, Market Links, MBMD, Mediana, NCPOR (National Centre of Public Opinion Research), Sova Harris, Izbori 2013 (Elections 2013).

Public trust in this party somewhat cooled down in the period between its foundation and the early parliamentary elections. The initial support for the party suggested that it would almost certainly enter the 42nd ONA, but the results in the course of the campaign demonstrated an extent of hesitation of trust in and support for DBG. After the elections, during the period June – August, public trust in the party has stabilized in the region of 2 to 3 percent.

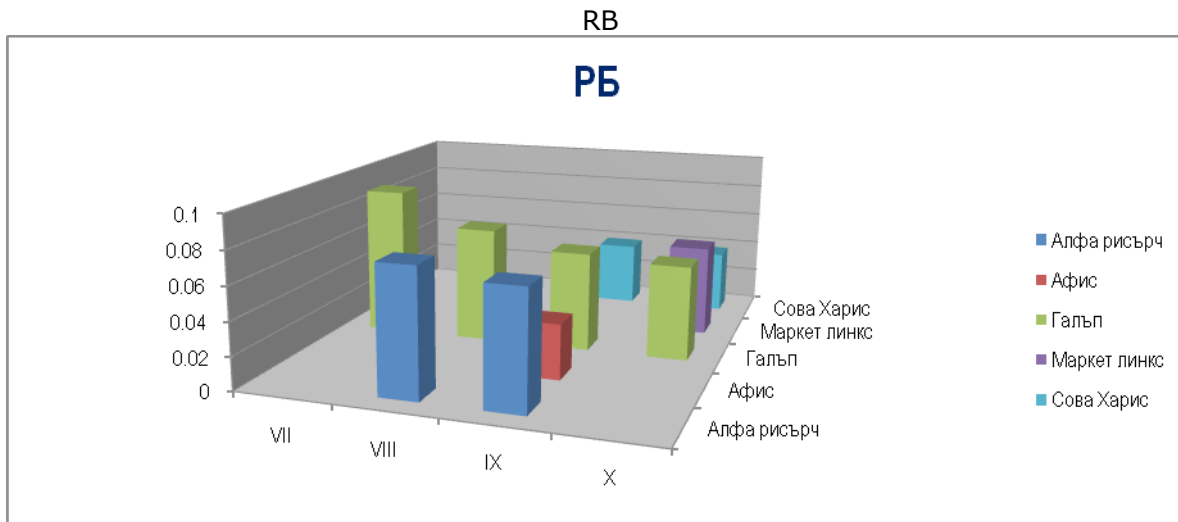
Democrats for Strong Bulgaria (DSB)¹⁷ achieved significantly higher results in the elections compared to the trust received from sociological agencies.



List of agencies, top to bottom and front to back: Alpha Research, Afis, Gallup, MBMD, Mediana, NCPOR (National Centre of Public Opinion Research), Sova Harris, Izbori 2013 (Elections 2013).

The results for DSB demonstrate that the party maintains the trust reported by sociological agencies before the elections – in the range of 1.5% of all Bulgarian citizens.

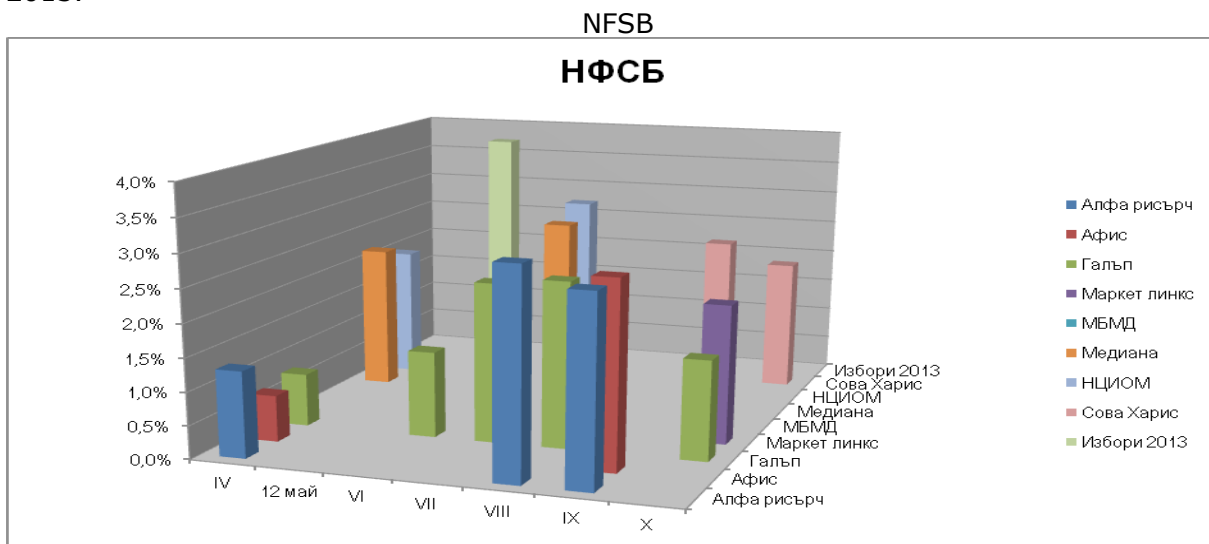
The dynamics of public trust in the political platform Reformist Block (RB)¹⁸ varies substantially from the tendencies seen with the other political formations. Emerging in the wake of elections, this platform gathered off-the-gate support of 7 to 9 percent, which subsequently pulled back to stabilize at lower levels¹⁹.



List of agencies, top to bottom and front to back: Alpha Research, Afis, Gallup, Market Links, Sova Harris.

The Reformist Block elicits the most significant disparities between data provided by various sociological opinion polls. An amplitude of 4 to 7 percent can not be attributed only to differences in the periods covered by the polls and the methodologies used. Part of these differences are due to the approaches of various agencies as they formulate their questions differently, either including the RB as a self-standing entity or listing the parties included in the Block.

The National Front for Salvation of Bulgaria (NFSB)²⁰ exhibits sustainable growth, according to the data from the sociological agencies, well exceeding the 1.0 to 1.5 support range reported in April 2013.



List of agencies, top to bottom and front to back: Alpha Research, Afis, Gallup, Market Links, MBMD, Mediana, NCPOR (National Centre of Public Opinion Research), Sova Harris, Izbori 2013 (Elections 2013).

After the elections, the support for NFSB stabilizes and grinds higher to reach the 2 to 3 percent interval. There is strong correlation between the results for Ataka and NFSB – declines in support for Ataka are partially matched by rises in the support for NFSB.

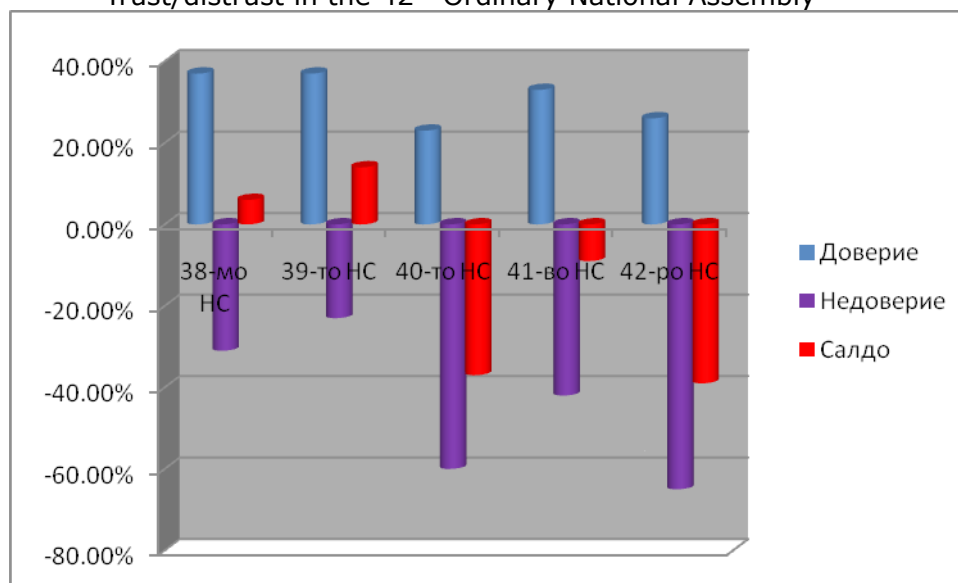
The non-parliamentary parties that gathered 1 to 4 percent of the votes in the early parliamentary elections²¹ choose various risk management policies to manage the risk of losing recognition. Deprived from parliamentary representation, which particularly affects the political formations that have been part of previous National Assemblies, they are losing trust, which in turn restricts their options on lasting basis. In this environment, some parties seek to actively position themselves vis-à-vis the ruling majority, while keeping an arms-length distance from the parliamentary opposition.

Besides the parties that could not hurdle the 4-percent barrier, the recent months have seen active structuring of new formations – the platform “Bulgaria Without Censorship” and the party BASTA. According to one sociological agency, Sova Harris, the first gathers initial approval in the range of 4.8 percent, and the latter attracts 1.5 per cent.

Trust in the National Assembly, the Council of Ministers and the President

The 42nd ONA began its term with the highest values of distrust and lowest values of trust compared to the previous four Assemblies, according to data of NCPOR (National Centre of Public Opinion Research)²².

Trust/distrust in the 42nd Ordinary National Assembly



Left to right: 38th, 39th, 40th, 41st and 42nd National Assembly. Blue bars: trust, purple bars: distrust, red bars: balance

The critically high values of (dis)trust in the National Assembly crystallize from the overwhelming tendencies of distrust in political institutions. Observations during these recent months reveal a steady tendency towards further loss of trust in the Parliament; Alpha Research reports 11% trust in September. The fact that it represents as little as 30% of Bulgarian voters contributes to this result, but does not explain it in full. The low levels of public trust also stem from disapproval of what the MPs are doing and from the deepening perception of instability and loss of perspective in the governance of the country.

The leadership of the National Assembly undertook measures to counter the risk of blockage of one of the most important functions of MPs, parliamentary control. Albeit with some delay, the objective of these measures is to offset some of the time lost by extraordinary sittings of the Parliament. A significant part of the negative effects of the (dis)trust in the National Assembly is related with the attitude to the cabinet led by the premier Plamen Oresharski.

Almost from the very beginning of its mandate, the cabinet triggered massive protests which continue to the present day. Trust in the cabinet remains at about the starting levels, however distrust continues to pile up, which precipitates extreme instability of public its and their potential to elicit abrupt changes. The results of Alpha Research survey conducted in September demonstrate growing rates of government disapproval at the expense of "no opinion" answers given in the previous months. Furthermore, the understanding that the government serves corporate rather than public interests becomes increasingly entrenched.

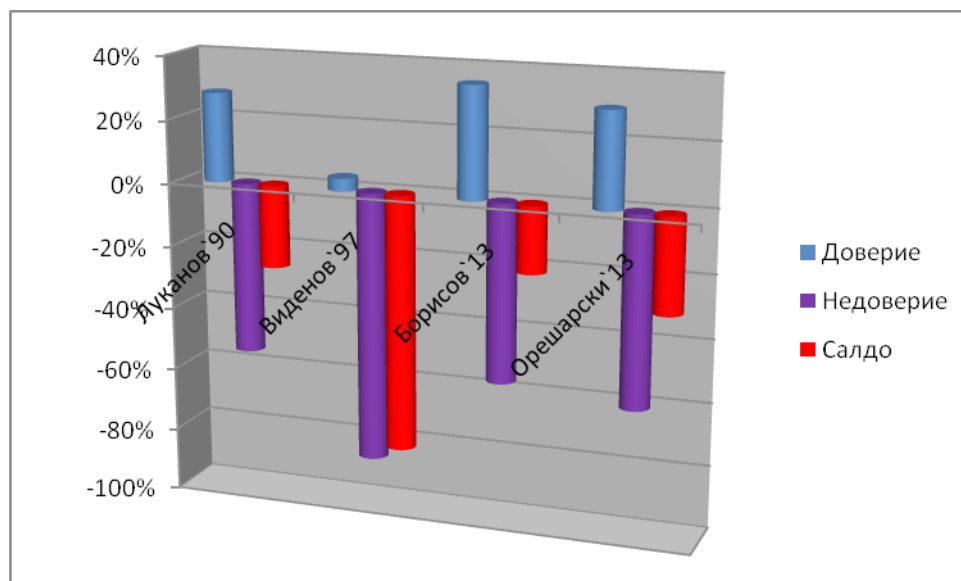
The narrowed social base of the government²³ and the absence of tendencies towards expansion of public trust define the governance risks. In this environment, the government can accomplish only a limited subset of its predefined objectives. This determines the scope of likely losses and damages²⁴, which the government may incur in the coming months.

Benchmarking to previous periods can help identify the boundaries, beyond which there is risk of critical loss of trust and early termination of mandate.

The historical criterion of risk for government crisis

On the basis of Sova Harris data²⁵, this section compares the trust and distrust in the cabinet of Oresharski with previous cabinets that resigned in the wake of massive indignation lauded from the street: those of Andrey Lukanov, J. Videnov and B. Borisov.

This benchmarking demonstrates that the situation of the present cabinet is tantamount to that of Lukanov in 1990 and even worse that the situation of Borisov in February 2013.



Left to right: Lukanov '90, Videnov '97, Borisov '13, Oresharski '13. Blue bars: trust, purple bars: distrust, red bars: balance

According to these data, public distrust becomes pervasive across public sentiments right before a government tenders resignation. Distrust of 55 to 60 per cent is critically high regardless of the preservation of certain levels of trust.

The current distrust in the government of Oresharski does not differ substantially from that of Borisov's cabinet, according to surveys in September 2013 the disapproval/approval ratio is 30:60 as per Gallup International, while Alpha Research gauges the trust level in the region of 24%.

35 to 40 percent of all Bulgarian citizens call for prompt resignation of the cabinet and setting a date for new elections²⁶, despite the potential option of forming a new government in the framework of

the present National Assembly.

Support for elections "now"

"Подкрепа за избори "сега"

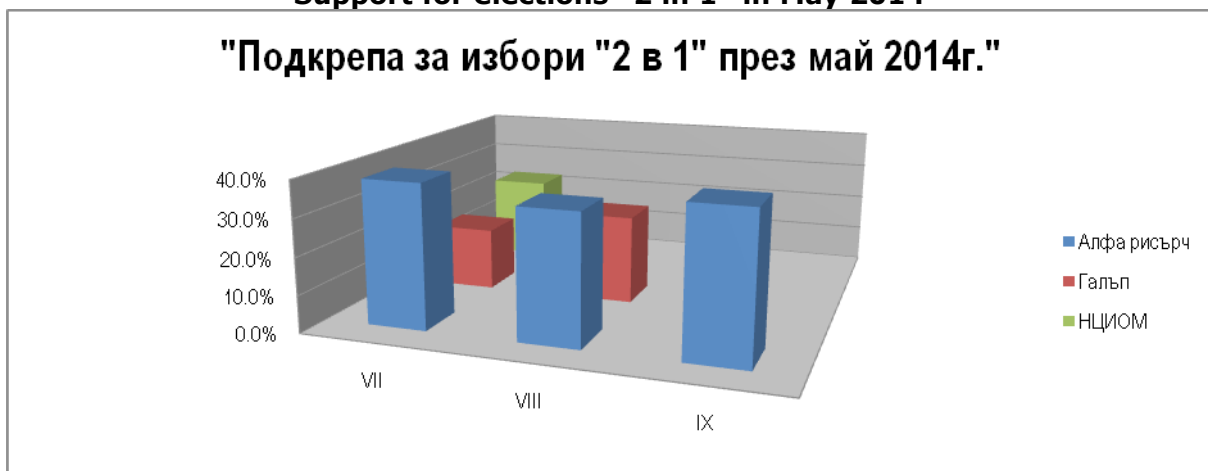


Blue bars: Alpha Research, red bars: Gallup, green bar: NCPOR

The understanding that it is practically impossible to organize early parliamentary elections immediately, combined with sustained high levels of distrust in the government, define the general context of the opinions that support parallel elections for European Parliament and National Assembly in May 2014²⁷.

Support for elections "2 in 1" in May 2014

"Подкрепа за избори "2 в 1" през май 2014г."



Blue bars: Alpha Research, red bars: Gallup, green bar: NCPOR

Such a position enjoys sustainable approval according to the results of Alpha Research, but appreciably less approval according to Gallup International. Possible explanations of this stubborn disparity of results may be different formulations of the questions or methodological difficulties. In one and the same period, Gallup reports that more people are becoming supportive of this perspective, while the other sociological agency has gauged a decrease on this account.

Supportive of a full term in office of Oresharski's cabinet²⁸ are 20% to 30% of all Bulgarian citizens, however this support remains contained in the electoral groups of Coalition for Bulgaria and DPS.

Support for government to serve its full term

"Подкрепа за пълен мандат на кабинета"



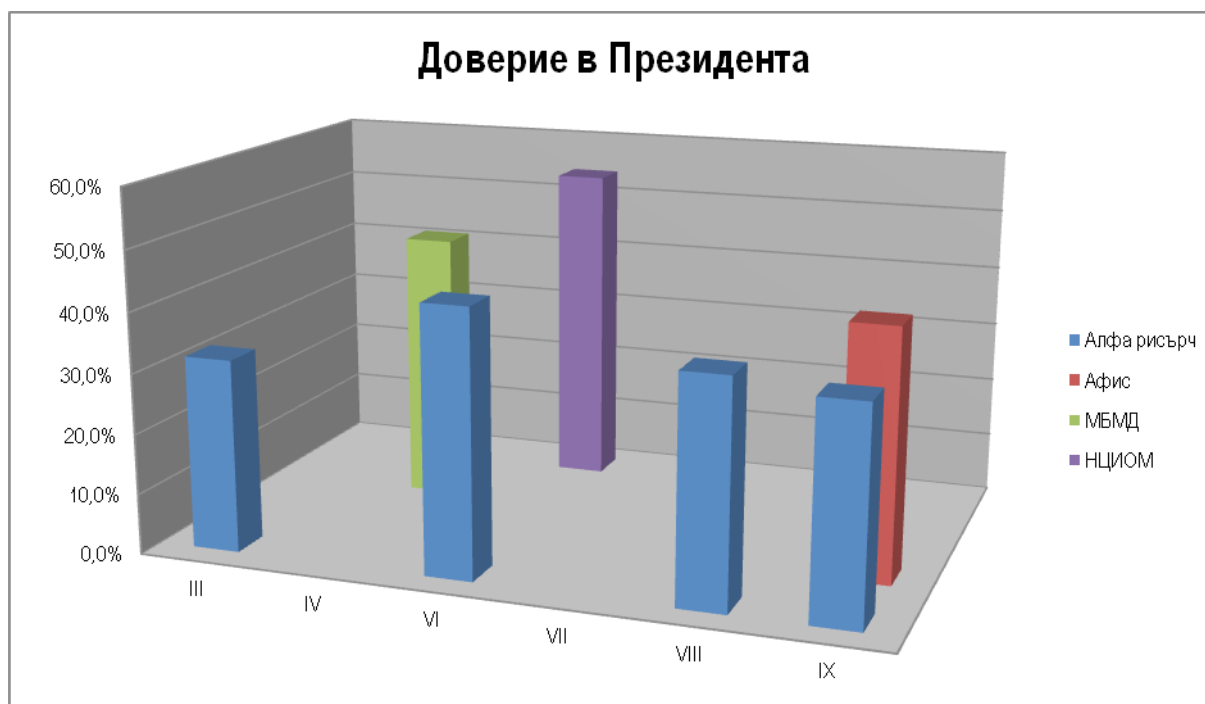
Blue bars: Alpha Research, red bars: Gallup, green bar: NCPOR

Risk management policy applied to manage the risk of loss of trust

The risk management policy which both the ruling majority and the government seem to prefer is to neglect the damages from the loss of public legitimacy with the argumentation that the present body of governance is lawfully elected. Trying to fade the distrust-based calls for resignation by arguing that the body of governance is lawful does not counter the risk in sustainable and efficient manner in these conditions. The claim that early elections will enable the President to form a new caretaker government (which will actually be a GERB government) is a form of managing the risk of loss of trust by strengthening the standoff between institutions.

Trust in the **President of the Republic**²⁹ complements the overall picture of trust in political institutions. The President remains the only political institution, which continues to sit on relatively high public trust. The results during the period under consideration reveal certain dynamics – from stabilization of the support for the President during the term of the caretaker government, on to increase of trust levels in mid-June 2013 and then to stabilization of public trust during the past three months at around 35%.

Trust in the President



Blue bars: Alpha Research, red bar: Afis, green bar: MDMD, purple bar: NCPIOM

At the same time, the results demonstrate lower values of distrust in the presidential institution, thus placing it in leading position among all other political institutions in terms of approval/disapproval ratio during the period under consideration.

The President's risk management policy is characterized by increasing the pro-activeness of his institution. The effort to formulate an agenda different from the one imposed by the periodic attacks against the President maintains the publicity and visibility of the institution and provides good basis for stabilization of the public trust in it. At the same time, at least for the time being, the levels of (dis)trust do not allow the President to reach consensus around common priorities.

The dynamics of political processes in 2013, the continuous and intensive protests have led to a specific phenomenon: the formation of a public of opinion, which perceives the protest as a kind of political institution. This is determined by the sentiments to the official political institutions and, without being perceived as their alternative, makes it possible to establish the actual level of (dis)trust in the official institutions.

In the TV programme Referendum of the Bulgarian National Television (BNT) on 16 July 2013³⁰, the eventuality that the political parties represented in Parliament reach consent and thus calm down the situation in the country was supported by 58.1% of respondents across the country and by 46.7% of those polled by Alpha Research in Sofia. This last survey was really the one to clearly outline sustainable distribution in June and July 2013: 34.1% of the respondents in June and 34.5% of the respondents in July believe that we do not need a new government or early elections. This is the rate of support for the existing configuration of political parties represented in the National Assembly.

Similar sustainability, independent of the dynamics of political events, is also seen with the support for other scenarios: those calling for immediate resignation of the government and holding early elections right now were 35.3% in June and 37.7% in July. The two centers of gravity in the evaluation of this situation have comparable weights and, in addition to the split in society, depict a specific gridlock of the political process – the two positions are stable, but confined, without space for dialogue in between. At the same time, according to the data, 55.7% of the respondents believe that eventual consent reached between the parties in Parliament would not calm down the situation in

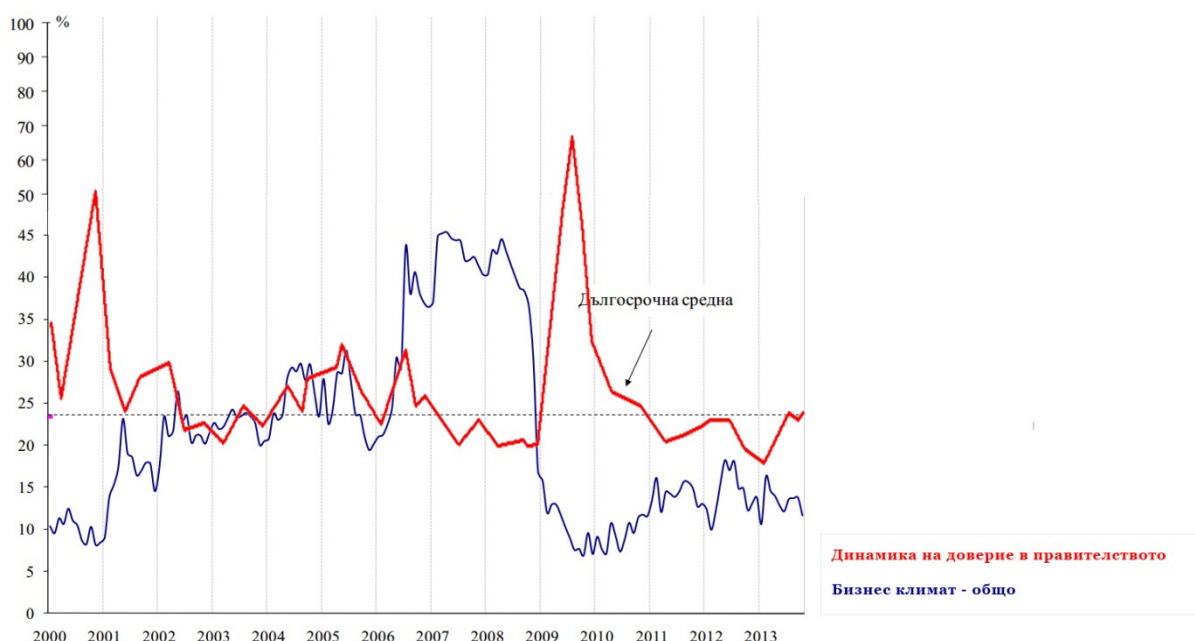
the country.

In the beginning of the new political season, before the first motion for non-confidence vote and the government's report for its first 100 days, the results of another Alpha Research survey presented at another BNT Referendum programme demonstrate that 56.7% of the respondents expect more confrontation and deepening of the political crisis, while 42.0% look forward to more consensus and joined efforts around national priorities³¹. The chance that the political parties may reach agreement in areas of crucial importance for the country is assessed as a realistic one by 46.0% of the respondents, while 51.6% of all participants in the poll believe that there is no such chance.

Trust on the part of businesses, consumers and investors, external evaluations

Against a backdrop of 14 years, the results from the survey indicate that the business community has had limited trust in the two last governments.

Trust in the government/business climate³²



Red line: Dynamics of trust in the government; blue line: general business climate; dotted line: long-term average

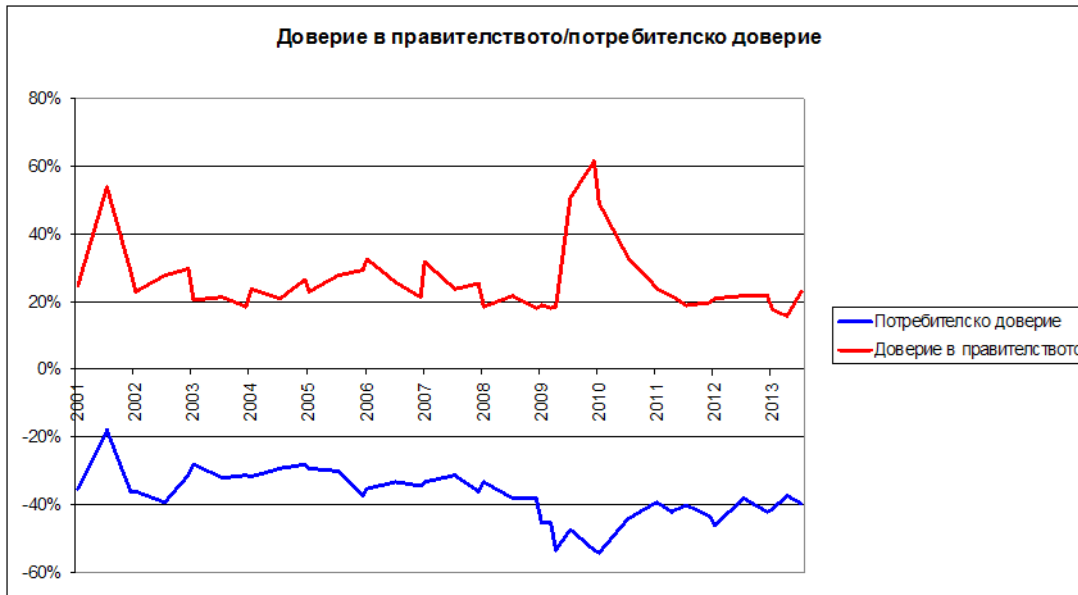
In two instances – in 2009 and 2013, the business community defied the voters' choice and responded conversely with heightened distrust. This reflects its expectations in respect to the capacity of the executive branch of power to hoist the economy out of the crisis that commenced in 2008. Political instability is perceived as a barrier to economic and investment activity.

After the government managed to get over the first significant crisis, one can observe partial stabilization of business expectations. The values registered in the summer months of 2013 do not fluctuate materially, but still remain below the summer climate in 2011 and 2012. In October the general business climate deteriorated by 2.1 points and perhaps further seasonal deterioration is in store. The leading indicator, namely the composite indicator "industrial business climate", is down 4.6 points versus September. At the time of this writing manufacturing activity is viewed as slightly improved, however the expectations for the next three months are less favorable.

Business will not be an active factor for economic development during the next few months and probably by the middle of next year as well.

Similar is the situation with consumer confidence³³.

Trust in the government/consumer confidence



Red line: Consumer confidence; blue line: trust in government;

The slump in consumer confidence during the crisis was in sharp contrast with the hefty trust in the government of B. Borisov and did not respond to the election of Pl. Oresharski's government. Consumer confidence is unable to recapture the levels reached by it in the beginning / middle of the previous decade. Household non-confidence tends to elevate on seasonal basis during winter months. This gives grounds to formulate the following prognosis:

Consumer distrust will continue to be a factor which suppresses demand and hurdles economic growth in the coming months and by the middle of 2014.

The lengthy period of economic crisis in the country has dragged Direct Foreign Investments (DFI) down to levels not seen since the beginning of this century. The tendency in 2013 is unfavorable. According to data of the Bulgarian National Bank, DFI in the country in the period January-August 2013 were EUR 772.5 million (1.9% of GDP) against EUR 1.59 billion (4% of GDP) during the same period of the previous year (YoY basis). The decline is nearly 50%.

In terms of competitiveness, Bulgaria has gained some minor traction among 148 countries, according to the Annual report of the World Economic Forum. Our country remains a laggard in a number of areas: weak trust in institutions, overregulation, corruption, disconnect between business and education, according to the Centre of Economic Development, which is a partner of the World Economic Forum.

Another major barrier is political instability. By the Competitiveness Index, Bulgaria is in lagging position in respect to quality of institutions (107th), judicial system (123rd) and building regulation (105th). The state of business continues to be evaluated negatively – by this indicator Bulgaria comes at 106th position. However, the country holds a much higher, 30th position, by macroeconomic stability.³⁴

In the Doing Business worldwide ranking of the World Bank, Bulgaria retains its 58th position from last year among 189 countries included in this monitoring survey. This survey measures the regulatory framework for small and medium enterprises. Priority is placed on the conditions for starting a business, access to credit and tax payment facilities.³⁵

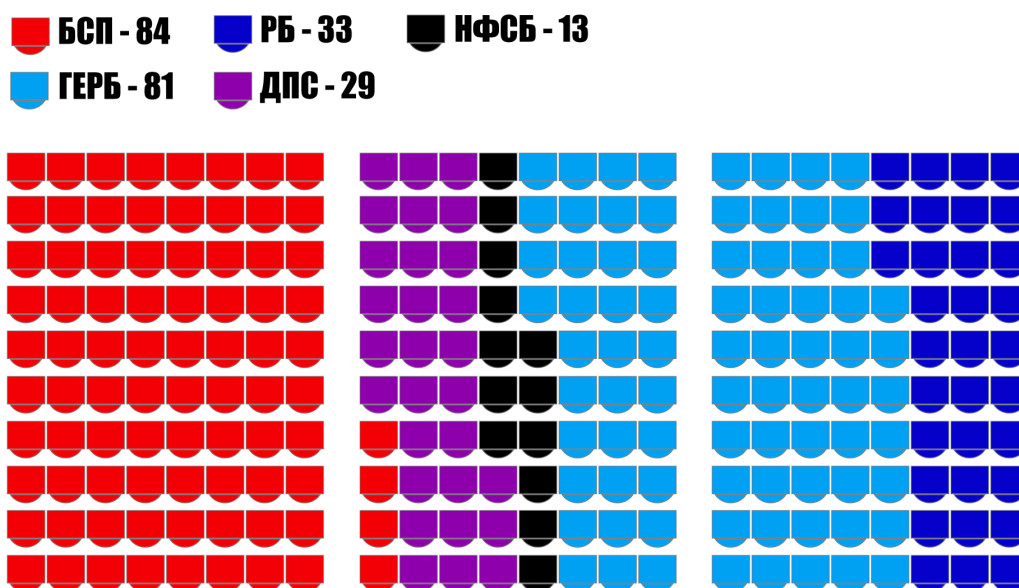
A dominant tendency between June and the end of the period covered by this observation is the low collection of [government] revenue and rise of expenditure. The update of the 2013 budget is failing to decisively overcome the negative tendencies. Both tax and non-tax revenues seem to be behind the targets. VAT revenue surpasses the September 2012 level by BGN 228.8 million, but the target was BGN 555 million. Revenue from personal income tax is BGN 29.5 million higher YoY, however personal taxation was expected to yield BGN 230.2 million more compared to last year.³⁶ The continual period of low trust in the public institutions has had a lasting impact not only on investment activity, but also on the collection of public receivables.

Polls on the composition of the National Assembly if elections were held „now“.

During the period covered by this observation, the public domain was dominated by the notion that early elections would not lead to significant reshuffling of the parties represented in the National Assembly. The results from sociological surveys depict a different picture, which continues to undergo dynamic transformations.

Our prognosis is based on the following assumptions: 1) It is adjusted to 6,868,455 registered voters in Bulgaria; and 2) the turnout rate is taken equal to the one on 12 May 2013, namely 51.33%.

Thus, the allocation of seats in a hypothetic parliament, if the elections were held “now”, according to Alpha Research data for September³⁷, would be the following one:



Red seats: BSP (Bulgarian Socialist Party); blue seats: GERB (Citizens for European Development of Bulgaria); purple seats: DPS (Movement for Rights and Freedoms); dark blue seats: RB (Reformist Block); black seats: NFSB (National Front for Salvation of Bulgaria).

Despite the sustained low levels of public trust in political institutions and political parties, reliable indications of consolidation of the support for new parties and movements are still lacking. One likely exception in this regard is the political project “Bulgaria Without Censorship”, which, according to surveys of only one sociological agency, Sova Harris, sees an initial level of political support in the range of 4,8 %. The same survey also reports that the party BASTA would attract around 1.5% of the ballots of all registered Bulgarian voters.

While KB and DPS are likely to achieve similar results in eventual early elections, the prognosis is

for a new political constellation rather than for preservation of the existing one. The changes can be systematized as follows:

- The number of parties represented in Parliament would increase from 4 at present to 5, wherein Ataka will not be present and the Reformist Block and NFSB will enter the Parliament instead;
- KB will keep its present 84 seats and two political parties will be represented by less MPs: GERB will have 81 seats instead of 97 now and DPS will have 29 instead of the present 36 seats;
- Similar to the present situation, the eventual next Parliament will appoint a coalition government composed of more than two parties;
- Neither the present ruling parties nor their present opposition would win majority in the NA. An unpredictable party, associated with the extreme European right-wing formations, namely NFSB, would take the present role of Ataka; actually there may be even two such parties if the existing sentiment persists.

The evolution of the current political debate on themes concerning extension of moratorium on purchase of land by European citizens and the illegal immigrants enhances the political mobilization of votes for nationalist formations. According to estimates, the aggregate nationalist vote is between 16 and 18 per cent of all registered Bulgarian voters. Should this tendency continue, Ataka and NFSB could be represented in the next National Assembly.

The profile of the voters on whom the various political parties can rely in the next parliamentary elections would determine the likely unions and coalitions in the NA. The outcome of the elections held on 12 May 2013 suggests two types interaction: cooperation or acute confrontation between parties that represent electoral bodies of similar profiles. The existing political constellation does not support the formation of sustainable unions and collations that would build their relationships on the basis of complimentary characteristics of their voters.

There has been traditional collaboration between BSP and DPS as parties that tend to represent older voters of lower educational levels living in smaller communities. In the event that both Ataka and NFSB enter the 43rd ONA, one can expect acute confrontation between them, although they represent Bulgarian voters of virtually identical profiles. GERB and RB are in similar situation – while they represent similar types of voters, any union or post-electoral coalition between them would lead to significant loss of trust in the two formations alike.

In these conditions, the next majority would be based on a coalition, which most likely would have to include more than two political formations.

These expectations regarding the future NA provide sufficiently convincing arguments to each and every party and coalition in this Parliament to actually avoid early elections, despite its public statements. These arguments of theirs are further strengthened by the overall uncertainty of outcomes and by observed increasingly unfavorable tendencies in voters' sentiments and fears.

The fear of parliamentary parties that they may end up in weaker positions in the aftermath of early elections, disguised by the claim that such elections would end up in ultimate stalemate, is stronger than the fear of permanent loss of public trust. This cements the existing state of distrust in institutions even when it indicates that it can escalate to a crisis of the public legitimacy of all political institutions in the country. Thus, the political institutions regenerate and maintain a state of increasing distrust in them.



References

¹ Delhey, J. and K. Newton. 2004. „Social Trust: Global Pattern or Nordic Exceptionalism?” In: WZB Discussion Paper, June 2004, Bestell-Nr./Order No.: SP I 2004.

² „Political institutions” in this case are parliamentary and potential parliamentary parties (coalitions), the National Assembly, the Council of Ministers and the President.

³ According to some authors, trust is regarded as: factor of economic growth; basis of social capital or key precondition for implementation of good governance principles.

⁴ „Crisis” is a systemic breach of risk criteria, materialized risks leading to major damage and cascade of new risks ISO 31000/2009.

⁵ „Risk context” means establishing circumstances – defining the external and internal parameters to be taken into account when managing risk, and setting the scope and risk criteria for the risk management policy. In establishing the context the organisation should be able to choose its response in respect to objectives, impacts, likelihoods and consequences. ISO 31000/2009.

⁶ Similar results are reported by international benchmarking surveys such as European Social Survey (ESS), European Value Survey (EVS), World Value Survey (WVS), etc.; these also include separate representative surveys of Bulgaria.

⁷ A typical example in this respect are the results of the European Value Survey, the comparison made by Pepka Boyadjieva between the outcomes in 1999 and 2008, In “Trust – the invisible axis of society”, published in Politiki magazine, issue 3/2009.

http://politiki.bg/?cy=135&lang=1&oi=223273&om=readInternal&op_id=463

⁸ As per “Legal mindset of Bulgarian society”, a periodic survey conducted from 1999 to 2012 by the National Centre of Public Opinion Research.

⁹ For the first time since the previous elections in 2001, 2005 and 2009, these parliamentary elections did not see the presence of a new political entity that manages to attract significant support during the months preceding the elections. The only new formation, Movement “Bulgaria of Citizens” (MBC) seemed to have sufficient support to hurdle the 4 % barrier during the weeks before the elections, but in the end of the day was unable to do so.

¹⁰ „... In the very beginning of the campaign 58% of the registered voters, that is nearly 6 million Bulgarians, said they were prepared to take part in the elections. The scandals with wiretapping and leaked records made with special intelligence devices did not boost the protest vote, but made part of the voters waiver, mainly in the broad periphery around GERB and former right-wing supporters. As a result, in the end of the campaign 54-56 per cent of the respondents said they are firmly willing to vote.” In “Electoral sentiment at the final stage of the election campaign”, Alpha Research Agency for Dnevnik Daily,

http://alpharesearch.bg/bg/socialni_izsledvania/socialni_publicacii/elektoralni-naglasni-na-finala-na-predizbornata-kampaniya.792.html

¹¹Table №1

Month	Alpha Research	Afis	Gallup	Market Links	MBMD	Mediana	Sova Harris	Izbori 2013
IV	22,5%	24,0%	22,8%		28,3%	26,4%		
12 May								30,535%

Month	Alpha Research	Afis	Gallup	Market Links	MBMD	Mediana	Sova Harris	Izbori 2013
VI			18,4%					
VII			17,8%			18,6%	16,9%	
VIII	15,6%		17,5%					
IX	17,1%	19,9%	19,1%				17,9%	
X			19,2%	23,8%			19,5%	

¹²Table №2

Month	Alpha Research	Afis	Gallup	Market Links	MBMD	Mediana	NCPOR	Sova Harris	Izbori 2013
IV	16,9%	18,9%	19,8%		18,7%	23,7%	17,9%		
12 May									26,609%
VI			23,5%						
VII			21,6%			20,0%	20,0%	19,3%	
VIII	18,4%		21,7%						
IX	17,9%	21,2%	22,4%					20,9%	
X			22,3%	20,5%				21,7%	

¹³Table №3

Month	Alpha Research	Afis	Gallup	Market Links	MBMD	Mediana	NCPOR	Sova Harris	Izbori 2013
IV	4,8%	5,0%	4,8%		5,2%	5,8%	6,5%		
12 May									11,306%
VI			7,6%						
VII			6,7%			7,4%	7,0%	7,8%	
VIII	5,8%		6,0%						
IX	6,1%	6,5%	5,9%					6,2%	
X			6,0%	4,8%				5,3%	

¹⁴Table №4

Month	Alpha Research	Afis	Gallup	Market Links	MBMD	Mediana	NCPOR	Sova Harris	Izbori 2013
IV	4,9%	5,4%	5,7%		5,2%	6,2%	5,0%		
12 May									7,297%
VI			3,4%						
VII			1,8%			2,5%	2,5%	1,8%	
VIII	1,5%		2,4%						
IX	1,6%	2,5%	2,7%					2,1%	
X			1,4%	3,3%				2,0%	

¹⁵ „Risk management policy“ is statement of the overall intentions and direction of an organization related to risk management. ISO 31000/2009

16 Table №5

Month	Alpha Research	Afis	Gallup	MBMD	Mediana	NCPOR	Sova Harris	Izbori 2013
IV	2,9%	3,1%	3,9%		2,4%	2,0%	2,3%	
12 Май								2,926%
VI			1,5%					
VII			1,6%		1,9%			
VIII			1,5%				1,3%	

17 Table №6

Month	Alpha Research	Afis	Gallup	MBMD	Mediana	NCPOR	Sova Harris	Izbori 2013
IV	1,8%	1,1%	1,2%		2,4%	2,0%	2,3%	
12 Май								2,926%
VI			1,5%					
VII			1,6%		1,9%			
VIII			1,5%					
IX							1,3%	

18 Part of the agencies, Alpha Research and Sova Harris, regard RB as a single political entity. Mediana and NCPOR report separate data for DSB and MBC. Gallup presents both aggregated and disaggregated data.

19 Table №7

Month	Alpha Research	Afis	Gallup	Market Links	Sova Harris
VII			9,0%		
VIII	7,6%		7,0%		
IX	7,0%	3,3%	6,0%		3,9%
X			5,7%	5,5%	3,8%

20 Table №8

Месец	Алфa рисърч	Афис	Галъп	Маркет линкс	МБМД	Медиана	НЦИОМ	Сова Харис	Избори 2013
IV	1,3%	0,7%	0,8%			2,2%	2,0%		
12 Май									3,703%
VI			1,3%						
VII			2,4%			2,8%	3,0%	1,8%	
VIII	3,1%		2,5%						
IX	2,8%	2,8%						2,3%	
X			1,5%	2,1%				2,0%	

21 According to the final data of the Central Electoral Commission, nine political formations achieved between 1% and 4% in the early parliamentary in 2013: NFSB – 3,703 %, Freedom and Dignity Centre – 1,626 %; UDF – 1,374 %; OLJ – 1,670 %; VMRO-BND – 1,886 %; Leader – 1,736 %; DSB-BDF – 2,926 %; MBC – 3,252 %; Vox Populi – 1,339 %. A total 691,138 voters cast their ballots for these formations.

²² Source: national representative survey of NCPOR – 3-10 July 2013.

http://www.parliament.bg/pub/NCIOM/20130715014554Obshtestveno-politicheski_Naglas_i_July-2013.pdf

²³ „... The protests as such consolidate the support for the government, however it remains confined in two electoral groups. This narrowed social base of governance is exactly the factor which leaves very limited margin for action and leeway to solve the inevitably arising problems and implement long-term policies.” In “Public sentiment on the eve of 100 days of Oresharski cabinet”, 19 – 27 August 2013, 0813 Press Release Alpha Research.

http://alpharesearch.bg/bg/socialni_izsledvania/socialni_publicacii/obshtestveni-naglas-i-v-navecherieto-na-100-te-dni-na-kabineta-oresharski.802.html

²⁴ „Losses or damages” are the unwanted consequences. ISO 31000/2009.

²⁵ “What happened in Bulgaria? An account of Bulgaria’s transition and a little thereafter”, Andrey Raichev and Kancho Stoychev, Sofia 2008

²⁶ Table № 9

Month	Alpha Research	Gallup	NCPOR
VII	43,0%	38,0%	38,0%
VIII	41,0%	32,0%	
IX	38,0%		

²⁷ Table №10

Month	Alpha Research	Gallup	NCPOR
VII	38,8%	17,0%	23,0%
VIII	34,8%	24,0%	
IX	39,0%		

²⁸ Table № 11

Month	Alpha Research	Gallup	NCPOR
VII	20,3%	22,0%	35,0%
VIII	19,0%	23,0%	
IX	23,0%	30,0%	

²⁹ Table №12

Month	Alpha Research	Afis	MBMD	NCPOR
III	32,0%			
IV			45,0%	
VI	44,0%			54,0%
VII				
VIII	37,0%			
IX	35,0%	41,4%		

³⁰ Referendum on BNT, 16 July 2013, survey of Alpha Research Agency
http://bnt.bg/bg/productions/74/edition/33353/referendum_16_uli_2013_syglasieto_mejdu_partiite_v_parlamenta_shte_ustpokoiv_obstanovkata_v_stranata

³¹ Referendum on BNT, 17 September 2013, survey of Alpha Research Agency
http://bnt.bg/bg/productions/74/edition/34312/referendum_17_septemvri_2013_vyzmojen_li_e_politicheski_konsensus_i_kakv_shte_e_efektyt_ot_vota_na_nedoverie_kym_kabineta

³² Data source: National Statistical Institute (NSI).

³³ Data source: NSI.

³⁴ „Political instability is a barrier to business“, Standart Daily, 4 September 2013.
<http://www.segabg.com/article.php?id=672469>
<http://paper.standartnews.com/bg/article.php?d=2013-09-04&article=464013>

³⁵ Information published on 20 October 2013:
<http://www.mediapool.bg/bulgaria-e-na-58-myasto-v-sveta-v-klasatsiya-za-biznesklimat-news212869.html>

³⁶ „Revenues to the budget behind targets despite update“, Sega Daily
<http://www.segabg.com/article.php?id=672469>

³⁷ Alpha Research – September

	KB	GERB	RB	DPS	NFSB	Ataka
September	17,9%	17,1%	7%	6,1%	2,8%	1,6%

³⁸ These results were aired by TV7 on 6 September 2013, wherein Sova Harris said the survey was taken before Nikolay Barekov officially announced his intent to enter politics.

³⁹ „Social-demographic profile of voters in the parliamentary elections 2013“, Alpha Research Agency, 13 May 2013. http://alpharesearch.bg/bg/socialni_izsledvania/socialni_publicakcii/socialno-demograf-ski-profil-na-glasuvalite-v-parlamentarnite-izbori-2013.794.html