

## **Elusive Identity: Duality and Missed Opportunities in Bulgarian Foreign Policy in the Black Sea Region**

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### **Executive summary**

Bulgaria lacks a coherent, if any, foreign policy in the region of the Black Sea. As a littoral Black Sea country, a former part of the Soviet power system and a current member state on the European Union's Eastern flank, Bulgaria has all the prerequisites for a more active economic and political engagement with the countries in this part of the world. However, for various reasons, this potential has been greatly underused. Bulgaria is in search of its own identity: on the one hand, it is formally part of the Western family of nations (confirmed with its 2004 NATO and 2007 EU accessions), which has been evident in numerous foreign policy choices; on the other hand, the historical legacy of its relations with Russia, the vassal position during the Soviet years and the current total dependence on energy resources from Moscow have driven Bulgarian leadership to take foreign policy decisions vis-à-vis the Black Sea area hardly in line with its own or EU interests and conforming more to a desire not to be in Russia's way. This

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behaviour has resulted in a growing number of missed opportunities for strengthening Bulgaria's political, economic and cultural ties with the Black Sea countries, especially given the presence of compact Bulgarian minorities in some of them (Moldova and Ukraine), the traditionally good relations with others (Georgia and Armenia) and the potential for developing vitally important energy relations with Azerbaijan. With the turbulent developments in Crimea and Eastern Ukraine throughout 2014 and the re-emerging importance of the Black Sea region on the international arena, Bulgaria should: 1) adopt a strategic blueprint for a coherent and consistent foreign policy in the Black Sea region, to be followed by alternating governments; 2) work toward a solid economic base for an effective foreign policy, first by decreasing energy dependence on Russia; 3) work with Central and Eastern European states within the EU for a unified EU approach to the Eastern Neighbourhood; 4) step up trade and economic ties with individual Black Sea countries; 5) establish mechanisms for sharing of good practices in political and economic transition; 6) step up cultural and educational co-operation.

## **Introduction and overview of Bulgarian policies in the Black Sea region**

The idea of the Black Sea region (the Black Sea littoral states plus Armenia, Azerbaijan, Greece and Moldova) as a compact region with its own historical, cultural or economic characteristics is open to debate but nonetheless gained popularity in the 1990s, when Russia was self-absorbed and undergoing painful reforms, Turkey was increasingly looking to stepping up ties with the Turkic world in the Caucasus and Central Asia and the United States was devoted to guaranteeing European security via new energy routes along the ancient Silk Road. The Black Sea region was more of a

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construct which aimed to fill in some vacuums and justify power play along various vectors. With the redirection of the United States' attention to the Middle East after the September 11 2001 terrorist attacks and the "pivot to Asia" under US President Barack Obama, the Black Sea as a spot on the map of global affairs lost its appeal. Not for long: after the resurgence of Russia during the Putin years and its assertion of influence over the ex-Soviet space (the 2008 Georgian and 2014 Crimean and Eastern Ukrainian invasions and the establishment of the so-called Eurasian Union), the Black Sea region has again become relevant on the international stage.

It is in this context that Bulgarian foreign policy towards the Black Sea region, after the re-establishment of full sovereignty with the fall of the communist regime in 1989, should be viewed. And in general, this policy has been non-existent at worst and inconsistent at best. For one, Bulgaria has barely employed the concept, and has had in practice, a regional policy towards other parts of the world, probably in line with the tradition of Soviet diplomacy; it has relied predominantly on developing bilateral relations. Also, even policies towards individual states in the Black Sea region, including Russia, have not been consistent or in line with some form of strategic blueprint that outlives successive governments and is more or less observed by all institutions in the land. And thirdly, the Russian factor, with its perceived historical, cultural and economic dimensions, has had a defining, or put more precisely, inhibiting, role in the shaping and workings of Bulgarian policy in the ex-Soviet space, including the countries of the Black Sea region.

A quick chronological account of foreign relations in the Black Sea region after 1989 helps to illustrate the complexity of Bulgaria's current policies. In the early 1990s, the predominant

moods in Bulgarian foreign policy were shaped by four basic characteristics: 1) an assumption that Bulgaria is a “bridge” between Russia and the West and should keep its unique geopolitical position by keeping neutrality vis-à-vis strategic alliances; 2) a belief that Bulgaria has already established energy relations, economic ties and markets in Russia and the ex-USSR and no new partners, like the West, are advisable; 3) a belief that in dealing with the ex-USSR, “we deal with Russia first, then Russia deals with the others”; 4) and a fact on the ground: the presence of individuals who had a key role in Bulgarian institutions and in shaping Bulgaria’s public opinion on foreign policy, but who at the same time had vested interests: former State Security officers and members of the communist establishment with strong business and political ties to Russia<sup>2</sup>. This entire construction, however, started to gradually crumble, triggered by several key events: 1) the fall of the second Andrey Lukanov government of the Bulgarian Socialist (ex-Communist) Party, BSP, in late 1990 allegedly caused by the failure of the then-Soviet Union to help financially; under Lukanov’s two tenures, Bulgaria had to introduce a rationing system for the population and call for a moratorium on foreign debt payments; 2) Russia’s ceasing to accept rubles in its foreign trade exchange with Bulgaria and the shift to hard currency at the time of the collapse of the ruble zone in 1992-93; and 3) the severe financial and economic crisis of 1996-97 under the socialist government of Zhan Videnov, which proved to the Bulgarian public that the ‘Eastern’ societal model, epitomised by BSP and the Soviet Union/Russia, was simply not working and an alternative model was needed<sup>3</sup>. Thus in 1996-1997 a nominally pro-Western political elite was formed after mass street protests, represented by the newly-elected President Petar Stoyanov and the United

<sup>2</sup> Interview with former Chief of the Political Cabinet, Ministry of Foreign Affairs, Republic of Bulgaria, Sofia, 21 July 2014.

<sup>3</sup> *Ibid.*

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Democratic Forces (UDF) government of Prime Minister Ivan Kostov. Bulgaria formally applied for NATO and EU membership, reforms were seriously embarked on and the country moved toward the Western family of nations, or made its “choice of civilisation,” as President Stoyanov put it. But the new posture was far from unambiguous: while the Kostov government proved to be a reliable ally of the West – it joined the Western coalition on Kosovo by granting NATO aircraft access to its airspace and started cracking down on Russian spies active in Bulgaria – it also sold strategic assets of the Bulgarian economy in the then accelerated privatisation to Russian companies (for example, the sole Neftochim oil refinery to Lukoil). It signed an opaque gas supply contract with Russia’s monopoly Gazprom in 1998, though it presented it as a success<sup>4</sup>. Thus a dichotomy in the policy of Western-oriented Bulgaria towards Russia started to emerge even back then. Bulgaria joined NATO in 2004 and the EU in 2007, but these formal treaties did not change the country’s policy towards the Black Sea region fundamentally: it was cautious, lacking in substance, inconsistent, with sporadic episodes of declarative awakening such as on Georgia in 2008 and Ukraine in 2014<sup>5</sup>.

In terms of relations with individual countries over the past couple of decades, Russia has of course been the key counterpart, both in trade and political relations, based on historical and economic (energy) realities. Turkey has lately emerged as an equally important partner of Bulgaria in the region, due to its proximity, growing economic power and historical (Ottoman) legacy. Relations with Turkey, however, have been more pragmatic and not a victim of ideology and power balances like those with Russia,

<sup>4</sup> See Petko Bocharov, “Bulgaria: Bakardjiev Basks in Moscow Triumph”, Radio Free Europe/Radio Liberty, 9 March 1998. Available at: <http://www.rferl.org/content/article/1088266.html>

<sup>5</sup> Interview with former Chief of the Political Cabinet, MFA.

despite the presence of a compact Turkish minority in Bulgaria. Bulgarian policy toward Romania has been either absent or inert, often characterised by the phenomenon of the “negative mirror image” – whatever bad is seen in oneself is projected on to the other side<sup>6</sup>. Bulgaria and Romania have always been treated as a tandem regarding EU membership and reforms, resulting in an unhealthy competition and envy in bilateral relations. An example was the long-delayed construction of a second bridge over the Danube between the two countries, impossible without EU mediation<sup>7</sup>. Ties, however, have been improving, with increasing numbers of Romanian tourists visiting Bulgaria and Bulgarians from the North of the country working temporarily in Bucharest. Bulgaria has had traditionally good but somewhat shallow and declarative relations with Ukraine and Moldova, where compact Bulgarian minorities live; economic relations with Ukraine before the crisis of 2014 were significant. Ties with the South Caucasus countries, Armenia, Azerbaijan and Georgia, have been generally friendly but cautious and based on reciprocity in order not to intrude on the gentle balances dictated by the frozen conflicts of Nagorno-Karabakh, Abkhazia and South Ossetia<sup>8</sup>.

Bulgaria has also engaged in multilateral formats in the Black Sea region. It was a founding member of the Turkey-led Organisation of Black Sea Economic Cooperation (BSEC) and joined the 2004 Turkish military initiative Black Sea Harmony. However, Bulgaria has generally viewed Turkish multilateral projects in the region suspiciously<sup>9</sup>. One positive element of Bulgaria’s multi-

<sup>6</sup> Interview with independent expert on foreign policy and security in the Black Sea region (Expert 1), Sofia. 25 July 2014.

<sup>7</sup> See Nick Thorpe, “New bridge opening on River Danube”, BBC News, 14 June 2013. Available at: <http://www.bbc.com/news/world-europe-22903569>

<sup>8</sup> Interview with former Chief of the Political Cabinet, MFA.

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lateral engagement with the region is its service as a NATO contact country. As the Defence Ministry boasts, “Bulgaria, as the contact embassy for NATO in the period 2004–2008, actively contributed to the deepening of the political dialogue with Georgia and the strengthening of the Euro-Atlantic orientation of the country. Bulgaria, together with other NATO allies, is an active participant in the South Caucasus Clearing House mechanism providing expert and technical assistance for defence reform in the countries of the South Caucasus”<sup>10</sup>. However, Bulgaria did not capitalise on this experience afterwards<sup>11</sup>.

And last but not least, Bulgarian civil society organisations have established a very positive and reliable co-operation record with counterparts from all Black Sea countries, giving the so-called Track II diplomacy a significant role in bilateral and multilateral relations. Regrettably, NGO interactions have decreased in intensity in recent years, largely due to the dwindling official state support for civil society development and co-operation<sup>12</sup>.

## **Shortcomings of Bulgarian foreign policy in the Black Sea Region**

### *Identified problems*

#### *Lack of a consistent approach*

One fundamental issue about Bulgaria’s approach toward the Black Sea region is its inconsistency, its ad hoc nature and the

<sup>9</sup> *Ibid.*

<sup>10</sup> Ministry of Defence, “Bulgaria in NATO”. Available at: [http://www.mod.bg/en/cooperation\\_NATO.html](http://www.mod.bg/en/cooperation_NATO.html)

<sup>11</sup> Interview with independent foreign policy expert (Expert 2), Sofia, 2 September 2014.

<sup>12</sup> *Ibid.*

absence of any kind of blueprint. On the one hand, Bulgarian foreign policy has no tradition of regionalism – constructing a regional approach to groups of countries which represent a geographic or economic entity or pattern, stand for similar values or pursue similar interests: groups that can potentially be targets of a common approach by Bulgaria. Of course, larger groupings exist in the form of departments in the foreign ministry, such as “Eastern Europe and Central Asia” or “Asia, Australia and Oceania”, but these are too broad to represent a target of a truly regional nature. On the other hand, even bilateral relations in the Black Sea area have not been based on some form of thought-out strategy or strategic outline: they have changed from government to government and had an ad hoc nature, defined by the individual priorities of the various foreign ministers rather than by some national policy line. There are objective and subjective reasons for this (see sections below), but this lack of consistency is perhaps the most defining element of Bulgarian policy toward the Black Sea area. As a former official from the policy-making apparatus in the MFA said, “Bulgarian policy towards the region is based on official positions. But a position is only an element of foreign policy... There is no plan or strategy because the carriers of our policy are incidental. This is no Sweden or Poland even. Here, one foreign minister can be active in this direction, but his predecessor or successor will as a rule be just the opposite”<sup>13</sup>.

One group of reasons for this incoherence and changeability is endogenous. Depending on what parties are in power, the position of Bulgaria shifts more toward the Western or toward the Russian view respectively. Centre-right parties in power such as the UDF or the Citizens for European Development of Bulgaria (GERB) have been more allied with pro-Western perceptions of the Black

<sup>13</sup> Interview with former Chief of the Political Cabinet, MFA.



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Sea region, whereas the BSP tends to be more attentive to the positions and interests of Russia. Another group of reasons is exogenic: Bulgaria complies with the balance of power in the Black Sea region that exists (and fluctuates) among the European Union, Russia, Turkey and, to some extent, the United States. “Bulgarian foreign policy is inert and tries not to contradict European or Russian foreign policy. Most of the time it is dominated by corporate and geopolitical interests which are against the Bulgarian national interest: Russian lobbying for energy influence, Turkish lobbying for communities and regions, etc. Bulgaria is also a victim of Russian expansion – not only towards the ex-USSR but also towards the EU’s eastern periphery, its attempts to destabilise it”<sup>14</sup>. This is closely related to the second major issue in Bulgarian foreign policy in the Black Sea: its dualism vis-à-vis the West and Russia.

#### *Duality of priorities - EU/NATO and Russia*

Bulgaria is bound by its NATO (2004) and EU (2007) membership treaties and has been a reliable Western partner before and after joining those organisations. However, its historically close relations with Russia after gaining autonomy from the Ottoman Empire, the vassal position towards Moscow during the Soviet years and the energy dependence and informal business ties connecting powerful circles in the two countries since 1989, render Russia an influential factor with which all Bulgarian governments have more or less complied. This is not to say that Bulgaria has had to choose between two opposing policy options whenever the official lines of the West and Moscow diverge: rather, Bulgaria has implemented its obligations under EU and NATO, while at the same time engaging in contradictory actions

<sup>14</sup> Interview with Expert 1.

that may be interpreted as complying with Russian interests. This infuses Bulgarian foreign policy with an odd duality, which sometimes has confused both its Western allies and Russian counterparts. Specifically in the Black Sea area – a geographic region which Russia has tried to portray as one within its “sphere of interests” – this duality has led to a host of missed opportunities regarding relations with individual countries there.

The defining dichotomy in Bulgarian identity and hence foreign policy is: NATO and EU membership on the one hand, yet heavy dependence on Russia on the other. This dependence is expressed in the areas of energy (Bulgaria imports 90-100% of its natural gas from Russia; its sole oil refinery is owned by Russian giant Lukoil; and it imports and exports waste nuclear fuel for its Kozloduy NPP from and to Russia<sup>15</sup>); defence (Bulgaria is highly dependent on spare parts and maintenance of its military equipment, most of it Russian-made, on Russia<sup>16</sup>); and tourism (Russian tourists are the most numerous and relatively well-off foreign tourists on the Bulgarian Black Sea coast, with increasing numbers of them buying real estate to settle in the country for a longer period of time<sup>17</sup>). This dichotomy has had numerous manifestations in policies towards the Black Sea region and Russia

<sup>15</sup> See “US urges Bulgaria to end energy dependence on Russia”, *Reuters*, 9 February 2012. Available at: <http://www.reuters.com/article/2012/02/09/bulgaria-us-energy-idUSL5E8D97120120209>

<sup>16</sup> See Nick Thorpe, “Bulgaria’s military warned of Soviet-era ‘catastrophe’”, *BBC News*, 14 October 2014. Available at: <http://www.bbc.com/news/world-europe-29593405>

<sup>17</sup> See Ministry of Economy and Energy, “The number of Russian tourists in Bulgaria continues to grow permanently”, Press release, 16 March 2013. Available at:

<http://www.mi.government.bg/en/news/the-number-of-the-russian-tourists-in-bulgaria-continues-to-grow-permanently-1112.html>

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over the past decades. First, as mentioned above, it can be observed in the domestic political scene, with centre-right parties taking a clear pro-NATO and the EU position, and the BSP leaning toward milder, more Russia-friendly stances. Divisions exist even *within* the parties: GERB, for example, has teetered between a position in favour of building a second nuclear plant at Belene (a Russian project highly dubious in terms of profitability and feasibility, that would lead to even higher dependence on Russia in the energy sector) and against it, before finally dropping the project in March 2012<sup>18</sup>; and the BSP's most recent foreign minister Kristian Vigenin (2013-14), acting unlike a BSP representative, visited Kyiv after the ouster of Viktor Yanukovych, expressing his support for the new government, only to be "welcomed" with severe criticism by his fellow party members in Sofia on his return from the visit<sup>19</sup>.

Second, the division line, particularly in the past couple of years and in view of the developments in Ukraine, is visible also *within* and *between* institutions. Foreign Minister Nickolay Mladenov (2010-13), Vigenin's predecessor, stood in contrast to Vigenin in terms of substance and form of the policy conducted: apart from being active to an unprecedented degree both towards the EU's Eastern and Southern Neighbourhoods, centre-right Mladenov embarked on a thorough clean-up of the MFA of former com-

<sup>18</sup> Angel Krasimirov, "Bulgaria abandons Belene nuclear plant plans", *Reuters*, 28 March 2012. Available at: <http://www.reuters.com/article/2012/03/28/bulgaria-nuclear-idUSL6E8ES7A420120328>

<sup>19</sup> See Clive Leviev-Sawyer, "Controversy over foreign minister's visit to Ukraine highlights Bulgaria's policy complexities", *The Sofia Globe*, 6 March 2014. Available at: <http://sofiaglobe.com/2014/03/06/controversy-over-foreign-ministers-visit-to-ukraine-highlights-bulgarias-policy-complexities/>

munist State Security agents as a way to rebuild trust in Bulgaria by its Western partners<sup>20</sup>. His predecessor Ivailo Kalfin (2005-09) and successor Vigenin, however, generally followed a line that was accommodating to Russia and its Black Sea interests, illustrating how duality has existed *in time* within Bulgaria's major institution responsible for foreign policy. As of late, duality exists *between* institutions, too. While the presidency, represented by Rosen Plevneliev, has been a stronghold of EU and NATO values in Bulgaria, the parliament has failed to adopt a declaration on condemning developments in Crimea because of lack of unanimity (parties such as the nominally ultra-'nationalist' but de facto pro-Russian Ataka pledged to boycott such a declaration)<sup>21</sup>. A clear declaration on Ukraine, however, was produced by the Consultative Council on National Security – an advisory body under the President comprising all political party leaders and heads of the relevant institutions (interior minister, head of intelligence, etc.)<sup>22</sup>. Ataka's leader did not subscribe to the declaration, but no unanimity was required here anyway.

<sup>20</sup> See Clive Leviev-Sawyer, "Interview: Bulgarian FM Mladenov on Awakenings and transitions", *The Sofia Globe*, 3 July 2012. Available at: <http://sofiaglobe.com/2012/07/03/interview-bulgarian-fm-mladenov-on-awakenings-and-transitions/>; "Bulgaria's Top Diplomat: 2011 Will Be the Year of Eastern Europe in EU", *Novinite.com*, 12 January 2011. Available at: <http://www.novinite.com/articles/124087/Bulgaria's+Top+Diplomat%3A+2011+Will+Be+the+Year+of+Eastern+Europe+in+EU#sthash.SGIIf37K.dpuf>; "Bulgaria Halfway to Banning Ex Spies from Serving as Ambassadors", *Novinite.com*, 23 June 2011. Available at: <http://www.novinite.com/articles/129560/Bulgaria+Halfway+to+Banning+Ex+Spies+from+Serving+as+Ambassadors>

<sup>21</sup> Dimitar Dimitrov, "Bulgarian Parliament without stance on Ukraine issue", *Standart News*, 14 March 2014. Available at: [http://www.standartnews.com/english/read/bulgarian\\_parliament\\_without\\_stance\\_on\\_ukraine\\_issue-3016.html](http://www.standartnews.com/english/read/bulgarian_parliament_without_stance_on_ukraine_issue-3016.html)

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And third, the dualism in Bulgarian foreign policy towards Russia and the Black Sea region is best observed on particular issues arising on the foreign policy agenda, such as ones concerning Russia's South Stream gas pipeline project or the 2014 crisis in Ukraine<sup>23</sup>. On the former, initially Bulgaria acted inexplicably and in contradictory fashion from the perspective of its EU allies: despite the obvious, and stated on numerous occasions by the European Commission (EC), non-compliance of the South Stream project with internal EU rules on competition and energy, Bulgaria has proceeded with construction preparation (under pressure from Russia), despite prospects of heavy fines that could be imposed by the EC for violation of those rules<sup>24</sup>. It even went as far as to try to change its legislation in order to exempt South Stream from the common EU laws – unsuccessfully<sup>25</sup>. Eventually, with the onset of the second Borissov government, Bulgaria vocally denounced the implementation of the project citing non-compliance with EU rules as the main

<sup>22</sup> President of the Republic of Bulgaria, "Statement made by President Rosen Plevneliev after the extraordinary meeting of the Consultative Council for National Security", Press release, 24 March 2014. Available at: <http://www.president.bg/news1820/statement-made-by-president-rosen-plevneliev-after-the-extraordinary-meeting-of-the-consultative-council-for-national-security.html&lang=en>

<sup>23</sup> The South Stream, estimated to cost the imposing \$31 billion, is to transport Russian gas under the Black Sea via Bulgaria, Serbia and Hungary to Austria, with possible branches to Bosnia, Croatia and Italy. The project would effectively allow Russian gas to circumvent Ukraine on its path to Western Europe. It would also further increase dependence on Russian energy supplies for Eastern European countries striving for diversification.

<sup>24</sup> "Bulgaria says it has 'frozen' South Stream, but pipes continue to arrive", *EurActiv*, 21 August 2014. Available at: <http://www.euractiv.com/sections/energy/bulgaria-says-it-has-frozen-south-stream-pipes-keep-arriving-307893>

argument, expressing its readiness to resume it as soon as it complies with EU legislation<sup>26</sup>. Despite the belatedness of this principled position and the negative reaction from Moscow, which aims to launch the so-called Turkish Stream in an open attempt to challenge Bulgarian obstructionism, the government's decision has harvested support and attention from Brussels<sup>27</sup>. In the aftermath of the South Stream cancellation turmoil, the Bulgarian government has tried to promote the idea of Bulgaria as an EU energy hub – with building infrastructure and capacity for redistributing gas to a common European network from a variety of importers as the key entry point of energy resources to the European energy market<sup>28</sup>. These plans coincide with the role delegated to South East Europe and respectively Bulgaria according to the EC Communication on the Energy Union<sup>29</sup>. With regard to the crisis in Ukraine, Bulgaria's position has been ambiguous, too. As mentioned above, the then-foreign minister Vigenin visited Kyiv after the flight of Yanukovych in

<sup>25</sup> “Amendments to the Bulgarian Energy Act Pushed by Gazprom, Evidence Suggests”, *Publics.bg*, 9 May 2014. Available at: <http://www.publics.bg/en/news/11140/>

<sup>26</sup> “PM Borissov: Bulgarian government hasn't changed its position about South Stream”, *Bulgarian News Agency*, 8 December 2014. Available at: <http://www.bta.bg/en/c/DF/id/970665>

<sup>27</sup> “Russia Drops South Stream Gas Pipeline Plan”, *BBC News*, 1 December 2015. Available at: <http://www.bbc.com/news/world-europe-3028357>

<sup>28</sup> “Bulgaria Lobbies Brussels on Gas Hub Project”, *Euobserver*, 12 January 2015. Available at: <https://euobserver.com/beyond-brussels/12716>

<sup>29</sup> “Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee, the Committee of the Regions and the European Investment Bank: A Framework Strategy for a Resilient energy Union with a Forward-Looking Climate Change Policy”, *European Commission*, 25 February 2015. Available at: [http://ec.europa.eu/priorities/energy-union/docs/energyunion\\_en.pdf](http://ec.europa.eu/priorities/energy-union/docs/energyunion_en.pdf)

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an unexpected move designed to demonstrate some Bulgarian activity on Ukraine. However, after the powerful scolding Vigenin received from his party (BSP), he declared Bulgaria was in fact against sanctions on Russia<sup>30</sup>. Again, with the fall of the BSP-led Oresharski government, the Bulgarian position was reversed with the new foreign minister adhering to the common EU position and expressing criticism of Russian aggression<sup>31</sup>. Still, all these inconsistencies and dualism have done no good to Bulgaria's overall policies towards the region and have contributed to missed opportunities.

#### *Missed opportunities*

Bulgaria's foreign policy line in the early 1990s, to deal with Russia first when it wants to engage with the ex-USSR countries, and the inconsistent policies of the past decade or so in the Black Sea region, have led to the missing of a host of opportunities to intensify diplomatic and especially economic relations with the countries there. As one foreign policy and security expert said, "The fixation on Russia has made Bulgaria miss the opportunity for a full-fledged economic co-operation with Ukraine – a nation of 45 million which is to become a true factor in the Black Sea region"<sup>32</sup>. In Moldova, there exists a certain trust in Bulgaria as a potential partner in EU integration and economic development which no other EU country can boast: for

<sup>30</sup> "Bulgaria opposes immediate EU sanctions on Russia", *EurActiv*, 17 March 2014. Available at: <http://www.euractiv.com/global-europe/bulgarian-minister-instructed-av-news-534171>

<sup>31</sup> "Bulgarian Foreign Minister: Russian aggression can lead to a new Cold War", *The Sofia Globe*, 13 November 2014. Available at: <http://sofiaglobe.com/2014/11/13/bulgarian-foreign-minister-russian-aggression-can-lead-to-a-new-cold-war>

<sup>32</sup> Interview with Expert 1.

one, the Bulgarian minority in Moldova has proven itself as a loyal state-building and economic factor, which certainly contributes to the image of Bulgaria and Bulgarian businesses in Moldova as a whole; and second, Bulgaria is not viewed with the suspicion with which Romania or Ukraine are viewed, at least by some segments of Moldovan society<sup>33</sup>. These openings for more active Bulgarian foreign policy in Moldova and more active business engagement of its companies have, regrettably, been squandered so far. Bulgarian companies have also been invited to be more active in Azerbaijan<sup>34</sup>, and the traditionally good relations with Armenia (partly based on the existence of a fully integrated Armenian minority in Bulgaria) have not been capitalised on. Although relations with Turkey have been pragmatic and fruitful, especially in terms of trade and investment, Bulgaria has not made adequate use of the fact that it is one of Turkey's two EU neighbours, arguably the "better" one, given the historical suspicion in Ankara's relations with Greece. This would translate into a more active Bulgarian role within the EU vis-à-vis Turkey's membership aspirations and overall ties with the bloc. Also, not all highways of interaction between the two countries are smooth. For example, road transport regulations between Bulgaria and Turkey are still harsh, causing frequent fallouts between shipping companies and authorities and even blockages of the border<sup>35</sup>; and more importantly, there is no progress as regards the construction of a natural gas intercon-

<sup>33</sup> Personal observations after informal conversations with representatives of Moldova's civil society. Collected during a visit to Chisinau, 22-24 May 2014.

<sup>34</sup> Aynur Jafarova, "Bulgarian premier visits Azerbaijan", *AzerNews.az*, 20 February 2014. Available at: <http://www.azernews.az/azerbaijan/64609.html>

<sup>35</sup> Burcu Purtul Uçar, "Bulgaria-Turkey border gates blocked by trucks", *Hürriyet Daily News*, 11 October 2013. Available at:



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nector, which would make possible Bulgarian access to the Turkish gas system and further on to the gas coming from the Caspian via the Trans-Anatolian Pipeline<sup>36</sup>. And last but not least, the accumulated trust and the exchange of good practices in the relations between Bulgarian and Black Sea civil society organisations seems to be left to fade, as contacts have been gradually on the wane over the past decade due to decreasing funding and official government engagement.

### *Causes*

The causes for the shortcomings in Bulgaria's foreign policy in the Black Sea region can be roughly grouped into: legacy of Soviet diplomacy; lack of an economic base; Russian influence: dependence on Russian energy supplies and corruption; and lack of a coherent EU approach.

#### *Legacy of Soviet diplomacy*

The operational and technical cause of Bulgaria's inability to form a consistent policy towards the region is the legacy of Soviet diplomacy practiced for the entire period of the country's existence within the Soviet bloc. As one former policy-maker in the foreign ministry said, "The term 'regional policy' does not exist in Bulgarian foreign policy. There may be objective

<http://www.hurriyetdailynews.com/bulgaria-turkey-border-gates-blocked-by-trucks.aspx?pageID=238&nID=56062&NewsCatID=345>

<sup>36</sup> Vladislava Peeva, "Газовите връзки със съседите се бавят и няма да намалят зависимостта ни от Русия [Gas interconnectors with neighbours delayed, not to reduce dependence on Russia]", *Mediapool.bg*, 12 September 2013. Available at:

<http://www.mediapool.bg/gazovite-vrazki-sas-sasedite-se-bavyat-i-nyama-da-namalyat-zavisimostta-ni-ot-rusiya-news211020.html>

and cultural reasons for that, but most of all this is result of the Soviet tradition in Bulgarian diplomacy: Soviet diplomacy is bilateral, not multilateral. Even formations such as the Warsaw Pact were not authentic but came as a reaction to multilateral efforts like NATO. A huge portion of Bulgaria's foreign policy establishment, those above 50 years of age, graduated in Moscow – it's a culture. So, we had to create entirely new teams to work with the EU and NATO for example – the MGIMO [Russia's top educational institution on international relations] school cannot produce such cadres"<sup>37</sup>. The Soviet legacy has had concrete expressions in current policy actions, though not necessarily connected with regionalism. For example, foreign minister Vigenin refused to award the ambassador of France with the highest state honours (the Stara Planina Order) upon H.E. Philippe Autié's departure at the end of his term of office, as has been the practice with all outgoing envoys; the reason: the ambassador joined informally a civic protest in the summer of 2013 against the BSP-led government of which Vigenin was part – a protest that was the largest popular action for democracy, transparency and public accountability that had taken place in Bulgaria since 1997<sup>38</sup>. Also, in August 2014 the Bulgarian authorities detained a well-known Russian opposition figure at Moscow's request with a demand for extradition. The Bulgarian court, however, acted in contrast to the law enforcement institutions and released Nikolay Koblyakov in October 2014 and refused to extradite him to Russia<sup>39</sup>.

<sup>37</sup> Interview with former Chief of the Political Cabinet, MFA.

<sup>38</sup> "Bulgarian government denies traditional honour for outgoing French ambassador after his statement on protests", *The Sofia Globe*, 3 September 2013. Available at: <http://sofiaglobe.com/2013/09/03/bulgarian-government-denies-traditional-honour-for-outgoing-french-ambassador-after-his-statement-on-protests/>

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##### *Lack of an economic base*

Lack of economic base here means the absence of an adequate basis of economic achievement (growth) and interactions (openness of the economy, trade and investment), on which a more pragmatic and efficient foreign policy can be built. Bulgaria is the poorest EU member state in terms of gross domestic product levels per capita and most of its foreign trade is done with the EU. Where there is substantial trade with Black Sea countries, it is with huge deficits: energy imports make the trade balance with Russia extremely tilted in Moscow's favour, and trade relations with the booming and export-oriented Turkish economy are also imbalanced. While richer and economically more self-sufficient countries such as Germany, Sweden, or even Poland, can afford a more visible and clearly outlined Eastern policy, from which their businesses can benefit, poorer countries find it harder to commit those resources. This position of being a victim to economic realities is most conspicuous in Bulgaria's relations with Russia, of course (see section below). "Bulgaria cannot make any foreign policy that is inconsistent with its economic base; if it wants European foreign policy, it has to have a European base of the economy. This means above all independence from Russia – not limiting itself with concerns about what would Russia think in every attempted move"<sup>40</sup>.

<sup>39</sup> "Bulgarian Court Refuses to Extradite Putin Opponent to Russia", *The Moscow Times*, 21 October 2014. Available at:

<http://www.themoscowtimes.com/news/article/bulgarian-court-refuses-to-extradite-putin-opponent-to-russia/509816.html>

<sup>40</sup> Interview with former Chief of the Political Cabinet, MFA.

*Russian influence: dependence on Russian energy supplies and corruption*

As already mentioned, inability or unwillingness to stand up to Russian influence is one of the key factors resulting in Bulgarian policy in the Black Sea region being less than prominent. The Russian influence takes two key forms which are interlinked: retaining Bulgarian energy dependence on Russian sources thwarting attempts at diversification; and infiltration of the institutions via corruption of decision-makers and public officials for the sake of business interests. A manifestation of the former is the negligible progress made by Bulgaria since the last Russo-Ukrainian gas crisis (2009) in securing alternative gas supply sources via development of own resources or construction of interconnectors with neighbouring countries – above all Greece and Romania, but also Turkey and Serbia<sup>41</sup>. Examples of the latter are the proposed parliamentary bill by two BSP MPs to exclude South Stream from EU legislation<sup>42</sup> and the last-minute decision by the Bulgarian Energy Holding to take a multimillion euro loan from Gazprom for South Stream, despite the official suspension of the project by the government months before<sup>43</sup>. As a foreign policy and security analyst in Sofia commented, “There is an extremely powerful Russian lobby. The co-operation between former Bulgarian and Soviet state security apparatuses has transformed into business co-operation now... Bulgaria’s weak institutions are thus influenced by lobbyist and corporate interests. Russia cannot be

<sup>41</sup> See Peeva, *op.cit.*

<sup>42</sup> See “Amendments to the Bulgarian Energy Act Pushed by Gazprom”, *op.cit.*

<sup>43</sup> “Газпром: Дадохме заем на България за „Южен поток“. Тайно [Gazprom: We gave Bulgaria loan for South Stream. Secretly]”, *Club Z*, 12 September 2014. Available at: [http://clubz.bg/8105-gazprom\\_dadohme\\_zaem\\_na\\_bylgariq\\_za\\_iujen\\_potok\\_tajno](http://clubz.bg/8105-gazprom_dadohme_zaem_na_bylgariq_za_iujen_potok_tajno)

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blamed for pursuing its interests: it is just finding a propitious environment in Bulgaria, and corrupting it is easy. In Bulgarian institutions, there is less and less loyalty to the national interest and to the country”<sup>44</sup>.

#### *Lack of a coherent EU approach*

While an autonomous and visible national Bulgarian policy in the Black Sea region has been absent or hardly achievable, one could exist as part of a targeted, coherent policy of the powerful and prosperous supranational organisation of which the country is a member, the EU. But the bloc is far from boasting such policy, and not only with regard to the Black Sea area. Some arguably successful attempts have been made such as the formulation of the European Neighbourhood Policy (ENP), the Black Sea Synergy and the Eastern Partnership (EaP). But those were mostly the result of efforts of individual member states, who have displayed heightened interest in the region: Poland, Sweden and to an extent Germany. And with the crisis in Ukraine the success of these policies has been brought into question. The fundamental problem is that not all EU member states have the same stake in a more active Eastern policy: it is logical to conclude that Estonia or Romania have a bigger interest in a stable and prosperous neighbourhood in the East than Ireland or Portugal, for example. As one expert in Sofia put it, “There is no such thing as EU policy towards the region. It is made up of individual propositions of member states, which are interested in concrete outcomes: Poland and Sweden for the EaP and Germany for the Black Sea Synergy. Romania has also shown interest in becoming a bigger factor. But big member states generally are not interested in stepping up the ENP because of their mutually beneficial relations

<sup>44</sup> Interview with Expert 1.

with Russia – business or energy”<sup>45</sup>. Another problem, specifically linked to the EaP, is that it was built on the assumption that it would be more powerful and effective in dealing with the neighbourhood than, alternatively, using Eastern European member states as propellers of the policy themselves: “EaP tries to ‘jump over’ Eastern member states and land in the EaP countries, where it aims to create a friendly, democratic space. But this kind of geopolitics cannot be effective – you must place the compass on the map and gradually start moving it eastward. No strategic depth can be ensured otherwise... Regionalism in the EU is lacking: while in the North it exists in some form (the Nordic grouping of nations, or the nations around Germany in Central Europe, or even Poland and the Baltic states), such a regional formation is non-existent among Bulgaria, Romania and Greece, for example”<sup>46</sup>.

### **Recommendations for policy actions and directions**

Based on the above analysis of the shortcomings of Bulgarian foreign policy in the Black Sea region and their causes, the following recommendations can be made:

#### ***Adopt a coherent and consistent approach to the Black Sea region as a basis for a future regional strategy***

Bulgaria should devise a foreign policy framework – a blueprint – which can later transform into a more distinct strategy towards Russia and the Black Sea region that would be endorsed by all key institutions and be pursued by successive governments. It will inevitably have nuances, depending on which po-

<sup>45</sup> *Ibid.*

<sup>46</sup> Interview with former Chief of the Political Cabinet, MFA.

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litical party is in power, but it should not go outside a certain set of rules and priorities. This will ensure continuity and efficiency and make the country a more reliable EU and NATO ally, especially in the context of the crisis in Ukraine; very importantly, it will also make Bulgaria a more assertive partner in relations with Russia and the other Black Sea countries. Based on this initial framework, an official regional policy should be constructed in the Black Sea area, in line with Bulgaria's security, economic and energy priorities. The existing policies involving simple symmetries ('If there is an official visit to Baku, there should be one to Yerevan, too, in the same trip') should develop into a regional approach whose fundamental fabric will be the bond between economic and foreign policy<sup>47</sup>. The new consistent approach will also comprise unwavering support for territorial integrity, statehood and democratic emancipation in the region, including an active role in the rebuilding of Ukraine; intensified relations with Black Sea countries who have explicitly stated aims and priorities coinciding with Bulgaria's Euro-Atlantic values; and relations with Russia that are pragmatic and unburdened with ideology, based, however, on effectively reduced energy dependence and clearly identified by both sides, and not swept under the rug, spheres of coincidence and conflict of interests.

#### ***Change the economic base and diversify energy supply***

Bulgaria should develop an economic base on which a substantive, solid and realistic foreign policy can be constructed towards the Black Sea region. This base will include stable economic growth, openness of Bulgarian companies for trade and investment abroad and utilisation of traditional ties with the Eastern

<sup>47</sup> *Ibid.*

neighbours. However, the most important element of this new economic foundation for foreign policy would be a reduced energy dependence on Russia via diversification of natural gas supply. As noted above, diversification has not been progressing with the planned speed ever since the 2009 Russian-Ukrainian gas row. A positive prospect in this direction is the planned construction and launch in 2020 of the Trans-Adriatic Pipeline (TAP) from the Turkish-Greek border to Italy, which is to bring via a branch (and an interconnector with Greece) some 1.0 billion cubic metres of Caspian gas to Bulgaria annually<sup>48</sup>. But some concrete steps towards reduction of dependence on Russia are needed, such as: 1) an increase in the capacity of gas storage facilities; 2) completion of the gas interconnectors with Greece, Turkey, Romania and Serbia; 3) development of the already discovered own resources in the Black Sea shelf; 4) removal of the existing moratorium on shale gas exploration (officially proved resources of shale gas can be used as leverage in talks on gas prices with Moscow, even if no shale gas is actually being extracted); 5) co-operation with Greece and Croatia on the construction (backed by EU funds) of LNG terminals near Kavala (Northern Greece) and on the Krk island in the Northern Adriatic. Diversification can happen in other sectors, too: for example, the tendency in Bulgarian tourism in recent years has been to rely excessively on attracting tourists from Russia<sup>49</sup>; a new strategy should be to target traditional but currently waning markets such as Britain, Germany, Austria, the Czech Republic, Poland, Slovakia, and Hungary.

<sup>48</sup> See Jannis Papadimitriou, "TAP pipeline offers Europe new gas supply", *Deutsche Welle*, 5 October 2014. Available at: <http://www.dw.de/tap-pipeline-offers-europe-new-gas-supply/a-17974204>

<sup>49</sup> See Ministry of Economy and Energy.



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#### ***Work with Eastern European member states within the EU***

Bulgaria should join forces with other EU member states, especially those from Central and Eastern Europe, to become a motor for a more unified and active EU policy towards the Eastern neighbours in the Black Sea region. The approach – and the policies implemented – by foreign minister Mladenov (2010-13) can serve as an example for successful initial steps towards a co-ordinated EU policy based on “clusters”, or “triangles” in which Bulgaria plays an essential part. Mladenov engaged in active diplomacy, jointly with his counterparts from Poland, Radoslaw Sikorski, and Sweden, Carl Bildt, to promote more intense ties of the EU with the EaP countries. Mladenov, Sikorski and Bildt went on joint trips to Armenia, Azerbaijan and Georgia, which were highly appreciated by their Caucasian colleagues<sup>50</sup>. (In the same vein, a joint visit was made by Bildt, Sikorski and British foreign minister William Hague to Moldova<sup>51</sup>. The best recent example of a successful joint effort by ‘clusters’ of member states was, of course, the mediation mission to Kyiv in February 2014 by Sikorski and his German and French colleagues Frank-Walter Steinmeier and Laurent Fabius<sup>52</sup>. The latter two instances obviously did not include Bulgaria but are good examples of the structure of a successful new approach.) Bulgaria, as a former Soviet bloc country historically and culturally close to the Black Sea

<sup>50</sup> Ministry of Foreign Affairs, “Nickolay Mladenov’s tour of the South Caucasus”, Press release, 13 December 2012. Available at: <http://www.mfa.bg/en/events/73/4/601/index.html>

<sup>51</sup> Ministry of Foreign Affairs of Sweden, “Carl Bildt to visit Moldova”, Press release, 18 February 2013. Available at: <http://www.regeringen.se/sb/d/713/a/209405>

<sup>52</sup> “Deal’ reached in Kyiv, EU diplomats urge caution”, *Deutsche Welle*, 21 February 2014. Available at: <http://www.dw.de/deal-reached-in-kyiv-eu-diplomats-urge-caution/a-17448526>

region states and currently a EU member state strategically situated on its Eastern flank, should be one of the main generators of ideas for EU policies towards the region, to be implemented in association with (for lack of sufficient own national resources) member states such as Romania, Greece, Poland, the Baltics, Germany, Slovakia, the Czech Republic, and Hungary. More specifically, Sofia can push for thematic coalitions of Central and Eastern European and other interested EU member states for: support for territorial integrity, stability, democracy and development in the Black Sea region; more open EU market for EaP countries; an accelerated visa liberalisation process for Georgia, Ukraine, Armenia and Azerbaijan to follow in the successful steps of Moldova; more funding for civil society in the region and for NGOs in EU member states which have successful record of co-operation with organisations in the region. “European regionalism in the East should finally start happening, like it does in Scandinavia, Germany and Central Europe, and France and the Southwest. Until regionalism takes place here, no strong policy from individual countries can thrive. Regionalism in the North is working because cohesion there is stronger. In other words, there is no way the individualism of separate countries can be stronger than their regionalism. You can’t expect Bulgaria to be on its own a bright ray of light of Europeanism projecting towards the East, no way”<sup>53</sup>.

Apart from the format, the essence of the EU’s policy towards the Eastern Neighbourhood should change. The current ENP rests on the premise of “good intentions” – every side to the process in the region has a fundamental interest in cooperation, and most countries want to take advantage of the huge capacity of the EU by engaging positively with it. Unfortunately, this

<sup>53</sup> Interview with former Chief of the Political Cabinet, MFA.

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proved to be essentially wrong, even if it might not have been the case in the early 2000s. “European security is no more what it used to be. With the crises in Georgia and especially Ukraine, all ten articles of the Helsinki Final Act have been violated. A basic rethink is needed in order to make better use of the EU’s resources vis-à-vis the Black Sea region”<sup>54</sup>. Bulgaria, as a strategically situated member state, should play an active part in this rethinking. “EU member states may want to have an adequate position or strategy towards the region, now that we are in the post-Crimea era, but they either do not have sufficient interest or capacity to formulate them – or both. Countries such as Bulgaria, Romania and Poland can do the job”<sup>55</sup>.

And last but not least, Bulgaria can try to represent the positions of particular EaP countries within the EU, after acquiring sufficient knowledge and experience in co-operating with them. These countries will naturally be the ones displaying more ambition for endorsing the European model – Moldova, Georgia and Ukraine. But for that to happen, Bulgaria has to demonstrate to its EU partners that it can fill any policy proposal with essence: input based on capacity and expertise<sup>56</sup>.

#### ***Step up trade and economic ties with individual Black Sea countries***

A policy line complementary to building a stable economic base for foreign policy is stepping up trade and investment ties with the Eastern Neighbours. As already noted by a former policy-maker in Bulgaria’s MFA, the key to a successful approach is close integration of foreign policy and economics: “The private sector

<sup>54</sup> *Ibid.*

<sup>55</sup> Interview with Expert 1.

<sup>56</sup> Interview with former Chief of the Political Cabinet, MFA.

is already ahead of the foreign policy apparatus in contacts with the ex-USSR countries: there are Bulgarian investments even beyond the Black Sea in Kazakhstan and Uzbekistan. This thread should be followed”<sup>57</sup>. The state should promote exports of strong Bulgarian companies to the region (chemicals, electricity, etc.) and participation of Bulgarian companies in public tenders, especially in sectors where there is an established tradition and expertise (construction of power transmission lines, motorways, etc.). Ambassadors should serve as salesmen for Bulgarian output and know-how, similar to the foreign policy pursued by EU countries like Germany and even Slovenia (in the former Yugoslav states). A good recent example of a private enterprise clearly promoting Bulgarian interests in the region (of the type that should receive official state support) is the re-launch of the ferry line to Georgia across the Black Sea<sup>58</sup>.

### ***Share good practices in political and economic transition***

Bulgaria should capitalise on its unique position as a former communist country that was part of the Soviet bloc and a current EU member state that has gone through all the difficult reforms to become eligible for membership. In practice, this would mean a more targeted and intense effort at sharing the good practices (and failures) of transition with countries from the Black Sea region. As a former foreign ministry official puts it, “From my personal experience, this specific matter has been very well taken by our post-Soviet colleagues: first, because Bulgarians do not allow themselves to talk from a superior, mentoring position; and

<sup>57</sup> *Ibid.*

<sup>58</sup> “Investment Company Restarts Bulgaria – Georgia Ferry Line”, *Novinite.com*, 11 June 2014. Available at:  
<http://www.novinite.com/articles/161210/Investment+Company+Restart+s+Bulgaria+%E2%80%93+Georgia+Ferry+Line>

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second, because we have had so many bad experiences, that our counterparts can spot in every word we say a similar case in their own practice, a repetition. All this practice should be somehow transformed into a mechanism for aid and consultation, on million topics: political parties, security, military-civil relations, civil society, etc.<sup>59</sup> A very important point, mentioned above, is the official support for Track II diplomacy, or co-operation and sharing of good practices between and among civil society organisations in Bulgaria and the Black Sea countries.

#### ***Step up cultural ties on the basis of common legacy and Bulgarian minorities***

Bulgaria should use its unique position vis-à-vis some countries in the Black Sea region based on shared minorities: Bulgarian minorities live in Moldova and Ukraine, and an Armenian minority is very well integrated in Bulgaria. This should translate into stepping up educational, scientific and cultural co-operation between Bulgaria and those countries. For example, the Bulgarian government should increase scholarships for Bulgarians from Taraclia or Odessa wishing to study in Sofia or for Bulgarians from Bulgaria-proper interested in specialising in Chisinau or Kyiv. Affiliate universities should be opened in the Black Sea capitals where there is interest in such kind of co-operation. This is a way in which real expertise is formed about specific regions which can be employed by the foreign policy apparatus at a later stage.

<sup>59</sup> Interview with former Chief of the Political Cabinet, MFA.