

80410:94

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PROGRAMME
of the
UNION OF DEMOCRATIC FORCES
1994-1998

WE KNOW YOUR PROBLEMS

*WE SHARE YOUR APPREHENSIONS
AND CONCERNS*

*WE CAN MAKE YOUR LIFE BETTER
AND MORE CERTAIN*

*THE UNION OF DEMOCRATIC FORCES NEEDS
YOUR*

*SUPPORT FOR
BUILDING A NEW BULGARIA*

VOTE
FOR THE UNION
OF DEMOCRATIC FORCES!

Dear compatriots,

You are disappointed that the Communist Party is again trying to come to power, that the promised reforms fail and that your life is becoming increasingly difficult and uncertain. Sometimes you have the feeling that all politicians seem to be the „same rot“, because a part of the people whom you elected began to act like the others who for nearly fifty years plundered and robbed you, living at your expense. It is true that many of the people whom you elected betrayed you, preferring the concern for their pockets to the concern for you.

You are disappointed and this is precisely the reason why **we are appealing to you to cast your vote in the coming parliamentary elections.** If you do not vote, every lost vote would actually play into the hands of the Communist Party. If you fail to vote, you will not eliminate the ones who disappointed you from power, and they will continue their plundering of the country.

The Union of Democratic Forces wishes to put an end to this devastation.

We know what we have to do. The plight of Bulgaria is grave, but not hopeless. The country is becoming poorer and poorer not on account of its lack of resources, but because it is being plundered; it is lagging behind not because it is doomed, but because it is being deliberately dragged back towards the communist abyss. In 1992, we came for the first time closer to those European countries that scored some success with the reform, but in 1993/1994 we were again stubbornly dragged back. The rule of the Bulgarian Socialist Party and the Movement for Rights and Freedoms burdened the country's budget with tens of billions spent for useless subsidies to the industry, with bad credits and many new obligations which even our children will be unable to repay.

No country can withstand such plundering. **The problems cannot be solved simply through power. They can be solved only through a strong and honest power. Only such power can introduce a steel financial discipline, win the war against the mafia, transfer bravely the ownership from the state and the communist cooperative farms to the citizens.**

○ This is the only way in which our main goals can be attained:

- **ORDER AND SECURITY**
- **SACRED AND INVIOABLE PRIVATE PROPERTY**
- **FINANCIAL STABILITY**
- **JOBS**
- **MONEY FOR SOCIAL NEEDS**

A GOOD GOVERNMENT IS ONLY A STRONG AND RESPONSIBLE GOVERNMENT

204 There are serious objections against the work of the democratic institutions. ✓

204 Parliament has demonstrated that it can easily turn into a haunting place for impostors who have forgotten their voters and the reason for which they have been elected, or who forget the political force they belong to. ✓ This is the reason for the futile discussions and arguments, as well as for the delay in introducing legislative changes. ✓

204 The government is inefficient when it is forced to suffer intolerable interventions on the part of Parliament. ✓ This hampers the work of any responsible cabinet, but has proved to be a splendid alibi for an irresponsible government, helping it delay its decisions with a view to satisfying predominantly private or group interests. ✓

301 The municipalities, the mayors and the local governments are under constant pressure to solve the immediate problems of the citizens, but they are deprived of sufficient prerogatives, their revenues are centralized and the budget is incapable of guaranteeing their expenditures. ✓ All this paralyzes the work of the local administration. ✓

304 Corruption is assuming threatening proportions at all levels of the administration. ✓

304 THE UNION OF DEMOCRATIC FORCES INSISTS ON STRONG, EFFICIENT AND HONEST INSTITUTIONS ✓

We undertake the responsibility:

- 204 1. To organize more efficiently the structure and the activities of the UDF Parliamentary Group so that each Member of Parliament will be bound to the political force that had elected him. ✓
- 204 2. To introduce changes in the Rules and Regulations of the National Assembly in order to:
 - 304 • prohibit the formation of new parliamentary groups consisting of MPs elected with the ballot of a concrete political force; ✓
 - 204 • guarantee the swift passage of the draft legislation through the specialized parliamentary committees and the expedient voting in the plenary hall; ✓
 - 304 • stop the unworthy game of voting with cards of other MPs; ✓
 - 204 • abolish the procedure of the secret vote - the actions of a Member of Parliament must be public, so that his voters would know what position he is defending; ✓
 - 204 • stipulate clearly the occasions on which Parliament may interfere in the Cabinet's activities. ✓
- 204 3. To establish a strong and honest executive power, subordinated only to the laws of the country, capable of prompt and responsible decisions, and of enforcing their unconditional implementation. ✓
- 204 4. To grant authority and prerogatives to the regional governors, so that they

can be responsible for observing the law and for enforcing the decisions of the central government in their respective regions. ✓ 204

5. To dismiss all persons occupying responsible posts in the administration, the country's economy and the nonproductive sphere, who had been discredited by conducting an active pro-communist policy. ✓ To be uncompromising even to those individuals in responsible positions, who betrayed the trust of the Union of Democratic Forces and evoked discontent among the public. ✓ 2052

6. To open the files on all individuals who are currently occupying or who wish to occupy leading positions in the legislative, judiciary and executive powers. ✓ 2052

7. To guarantee greater autonomy to the municipal authorities in solving their local problems. ✓ The state will exercise control only on the legitimacy of their actions. ✓ 301

8. To consolidate the prestige of the Mayors' institution. ✓ The Municipal Council is to control the Mayor's work, but without overlapping functions and without operative restrictions. ✓ 301

ORGANIZED CRIME AND THE TOTAL DISREGARD FOR THE LAW ARE THE MOST DANGEROUS PROBLEMS FOR BULGARIA ✓ 605

Crime soared with impunity: beatings, violence, rape, armed robbery and even murder in broad daylight. ✓ 605

The mafia succeeded in paralyzing the law enforcement bodies and has started acting undisturbed, permeating the organs of power as well. ✓ 605

Corruption has spread its tentacles all over the country and has become a real menace. ✓ Enormous profits resulted from the corruption and tolerance on the part of the executive concerning illicit transactions, thus contributing to the consolidation of the economic power of the mafia. ✓ 304

THE UNION OF DEMOCRATIC FORCES DECLARES A WAR AGAINST THE MAFIA AND AGAINST CORRUPTION ✓ 605

We assume the responsibility of applying force within the limits of the law, in order to guarantee the security of Bulgarian citizens, their property and revenues. ✓ 605

1. To impose stricter control in all its forms:
 - to prevent at the border the illicit entry into the country of foreign nationals; ✓ 605
 - to prosecute and sanction all customs violations, the illicit smuggling of goods and the corruption of customs officials; ✓ 605
 - to put a stop to the irresponsible attitude to property, the plundering and squandering of state property and of the banks, ✓ to increase the prerogatives of the tax revenue authorities in order to fight against the illicit economy and against tax evasion; ✓ 304

- 304 ● to put an end to violations of the foreign currency regime and to prevent uncontrolled export of capital; ✓
- 414 2. To adopt a law on bonds and securities, and the stock exchanges, and to exercise strict control over dealings in bonds and securities. ✓ To stop the widespread deception and robbing of the citizens. ✓
- 304 3. To introduce strict and independent auditing of the shareholding companies and to guarantee mandatory transparency of their principal financial statements. ✓ To withdraw the licences of financial controllers and expert-accountants who are concealing the real state of the companies. ✓
- 414 4. Through legal procedures to impose expropriation of the illegal income and of illegitimately acquired property from private individuals and companies. ✓
- 414 5. To consolidate the structure, the technical and financial capacity of the police, and to entrust to it the law enforcement in the sphere of the economy, as well as the measures against corruption in the state economic, financial, control and administrative bodies. ✓
- 304 6. To amend the Penal Code, the Penal Procedural Code and other laws with a view to improving the work of the courts of justice, the prosecution and the investigative authorities, and to create opportunities for self-defence on the part of individuals. ✓
- 605 7. To increase the penal sanctions against crimes involving a high social risk, such as: racketeering, kidnapping for ransom, armed robbery and theft of motor vehicles. ✓
- 605 8. To pass legislation on crimes committed in implementation of official duties. ✓
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4011 LAND MEANS SECURITY AND WEALTH FOR THE PEOPLE ✓

4011 Communism destroyed the Bulgarian village and disrupted the natural links of farmers with the land. ✓ The rebirth of agriculture is unthinkable without the restoration of that link. ✓ This is why, one of the first steps after the 1991 elections was to restore the land to its legitimate owners. ✓

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305 The pro-communist government of Professor Berov destroyed everything that the Union of Democratic Forces had achieved. ✓ The reform in agriculture stopped. ✓

305 The land is not being restituted. ✓ Farmers cannot give scope to their enterprising spirit. ✓ Machines are idle. ✓ Farm buildings have been plundered. ✓ In the villages thousands lost their means of livelihood in the past two years. ✓ The mediators in the purchasing of farm produce stole the lion's share of the profit of the producers. ✓ The fertile land is being expropriated by illegitimate communist cooperatives, which cannot cope with the tasks themselves, but prevent more enterprising individuals from trying. ✓ No land has been given to the landless and to those possessing very little land. ✓ The communists are trying to create a new class of dependent farmhands, in order to be able to control the rural areas. ✓

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305 Berov's pro-communist government did nothing to secure credits for small-scale farmers. ✓ It even refused to negotiate better terms for the exporters of farm produce. ✓

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THE REBIRTH OF FARMING AND AGRICULTURE IS IMPOSSIBLE WITHOUT SPEEDING UP THE RESTITUTION OF THE LAND TO ITS FORMER OWNERS AND WITHOUT PROTECTION OF THE LANDOWNERS ✓ 4015

We undertake the responsibility:

1. To restore promptly the land to all owners. ✓ 4015
 - through strict administrative measures and applying the Land Reform Bill within real boundaries or subject to agreement on the part of owners who had received a certificate from the Municipal Land Commissions; ✓ 4015
 - by providing sufficient funds for land reallocation, including for the procedures related to the real restitution of ownership; ✓ 4015
 - through direct control over the land commissions and liquidation councils. ✓ 4015
2. To create a market for the land and to pass a law on land leasing. ✓ 401
3. To pass a law on restoring private ownership over the forests. ✓ 4015
4. To give compensations and indemnities to Bulgarian refugees. ✓ 4011
5. To guarantee favourable conditions for distributing land to landless individuals and petty landowners. ✓ 4011
6. To create an Agricultural Credit Fund which is to provide low-interest credits to producers. ✓ 703
7. To introduce special tax reliefs for agriculture. ✓ 703
8. To give incentives to the manufacturing of farming machines, equipment, etc. ✓ 703
9. To offer state guarantees for the purchasing of the strategic crops (cereals, tobacco, etc.). ✓ 412
10. To stimulate animal selection and breeding. ✓ 703
11. To protect the Bulgarian market and Bulgarian producers from imported farm products. ✓ 406
12. To secure international markets for Bulgarian agriculture. ✓ 407

STRICT FINANCIAL DISCIPLINE IS THE ONLY CHANCE FOR MAINTAINING THE STABILITY OF THE LEV IN YOUR POCKET ✓ 414

A part of the state-owned enterprises continue to accumulate losses amounting to billions of levs. ✓ These losses ensue from new bad credits, non-payment of taxes and social security benefits, and accumulated debts to the work force. ✓ 414

The budget has not been balanced for two years, resulting in increasing deficit and soaring inflation. ✓ Even major state-owned banks are threatened with bankruptcy. ✓ Most of the banks disregard the provisions and requirements of bank supervision. ✓ Corrupt bankers grant new loans than cannot be repaid. ✓ The savings of individuals and of companies are not protected and are being constantly depreciated. ✓ The financial sector is plagued by crooks and thieves. ✓ 414

414 The financial collapse of the Berov/BSP government, of companies and banks, is compensated at the expense of the devaluation of the lev. Bulgaria is threatened by hyperinflation, which would make pensioners and people with a fixed income even poorer, depreciating their savings, covering up the squandering and theft of money, and reducing the debts of the financial groupings and of the idle state-owned companies. /

304 Organized economic crime controls a sizable portion of the sales of staple foods, such as sunflower seed oil and sugar. People again waste time in queues for food and pay the high prices imposed by the mafia. /

914 The pseudo-price control is destroying the financial discipline and is corroding economic prudence. /

914 THE UNION OF DEMOCRATIC FORCES IS DECLARING A WAR AGAINST THE FINANCIAL ANARCHY /

We assume the responsibility:

- 414 1. To impose strict financial restrictions on all companies and banks by means of restricting delayed payments, mutual crediting, settling of mutual obligations and buying back of receipts. /
- 414 2. To insist on severe restrictions on the growth of net banking assets, of the monetary mass and of the budget deficit in the name of the struggle against inflation. To create conditions for reducing the interest rates on credits, for restricting state bank credits and for promoting business. /
- 414 3. To stabilize prices through development and expansion of the money and capital market, as well as of the land and real estate markets. The lev will be stable indeed when it is invested and not simply used for purchasing consumer goods of prime necessity and for savings. The main goal of the financial policy of the UDF would be the reduction of the annual inflation rate to less than 10 % over a period of four years. /

414 THE UNION OF DEMOCRATIC FORCES WILL INTRODUCE A REFORM IN PUBLIC FINANCE /

We assume the responsibility:

- 414 1. To pass a packet of bills, including a basic budgetary law, combined with legislation on the Accounting Chamber, on local finances and on financial control. /
- 301 2. To decentralize local finances parallel with assigning the responsibility for the municipal budgets to the local governments. To guarantee the financial autonomy of the municipal councils by introducing a new law on local taxes and fees. /
- 504 3. To complete the separation of the pension security funds from the central government budget and to establish a medical insurance fund as a necessary condition for the reform in health care. /

4. To curb overlapping units in the inefficient state administration. To place state services on a commercial basis. To reduce the budget expenditures to the maintenance of vital state activities, the servicing of the domestic and foreign state debt and the limited subsidies. / 303 505
5. Through efficient and streamlined legal procedures and through a strong tax administration to collect the state revenues. To put an end to the settling of tax obligations and privileges through norms and regulations instead of laws. / 303 304
6. To complete the tax reform which we started by introducing new legislation on direct taxation and on the local taxes and fees, based on the principle of equality between all taxpayers, at low taxation rates and with a broad taxation basis. / 414
7. To encourage the state debt for property swap as a means for curbing further debts. / 414

THE UNION OF DEMOCRATIC FORCES WILL INTRODUCE A REFORM IN THE BANKING SYSTEM / 414

We assume the responsibility:

1. To eliminate the inner contradiction in the governing bodies of the Bulgarian National Bank by introducing amendments to the law. To establish effective control over the Central Bank, as well as explicit procedures for the drafting and endorsement of a unified state monetary policy. / 413 413 414
2. To consolidate a unified foreign currency market with a stable exchange rate of the Bulgarian lev, by curbing speculations and the export of currency and by diminishing the differences between the real interest rates on deposits in leva and in convertible currency. To impose clear legal provisions concerning the access to the foreign currency reserves. To regulate the foreign currency regime, all currency rules, norms and regulations through a special law on the foreign currency, containing provisions for strict sanctions. To restore the confidence in the Bulgarian lev with all available means of the country's economic and financial policy. / 414 414 414 414
3. To create a credit monetary market between real financial subjects, based on moderate interest rate levels and restricted administration. / 414
4. To build an incorruptible banking supervision system, independent of the banking sphere and based on a special law. / 414
5. To abolish resolutely and firmly the present conflict of interests in the Central Bank, which acts simultaneously as a regulating and as a controlling body, implements the monetary policy, exercises the rights of an owner of state commercial banks, makes decisions concerning their salvation and bankruptcy, appoints and dismisses the boards of the banks, and accepts their reports. To apply firmly the constitutional principle of the government exercising the state ownership in the banks. The leading figures in the state banks are civil servants who are responsible before the government, and not before other state bank employees. / 414 413 413
6. To strengthen the commercial banks and to promote the setting up of a system of guarantees for the deposits. To promote banks with state participa- / 414

- 414 4011 tion by increasing their equity and through privatization. To insist firmly that the Bulgarian National Bank require all the necessary proof of the origin of the money and of the taxes paid, before banking licences are granted, as well as to withdraw the licences of all financial institutions violating the laws and the regulations.
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- 414 7. To allocate the controlling rights over the commercial banks, the interbank supervision, the owner's supervision, and the control on the part of the auditing and tax authorities. The government is to be the sole controlling body of associations, holding companies, insolvency and privatization of commercial banks with a state share exceeding 50 per cent.
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- 414 8. To impose on the commercial banks the obligation to collect at all costs the dubious credits granted by them. We definitely refuse to accept the practice of the state covering the debts of the state-owned companies and banks.

4011 RAPID MARKET PRIVATIZATION, RESTITUTION AND ENCOURAGING OF THE PRIVATE SECTOR

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401 State ownership and state monopoly brought Bulgarian economy down to its knees. The structural reform died down.

401 Most state-owned enterprises have been in pre-privatization agony for two years. The most significant „achievement“ of the Berov/BSP government was the overflowing of the assets of the state-owned companies into parallel private structures close to the central power. The law on the „bad credits“ created an opportunity for interested groups to purchase companies cheaply and without competition.

305 The Berov/BSP government proposed a poor variant for mass privatization, which failed to guarantee an equal chance and freedom of choice for the people, as well as the financial discipline which the economy needs.

4015 The restitution has been practically blocked. The restituted property does not guarantee fair market revenues at this moment. No compensations have been provided for property that has not been restored to its owners.

4015 The Berov/BSP government is deliberately blocking the credit lines for the development of small and medium-sized businesses, offered by the international credit institutions. Millions of dollars provided specifically for that purpose remained unutilized.

403 The existing anti-trust legislation is inapplicable, consumers are not protected.

401 PRIVATE INITIATIVE SUCCEEDS WITH ECONOMIC FREEDOM AND RESPONSIBILITY

403 The Union of Democratic Forces resolutely supports the small- and medium-scale Bulgarian private businessman and will do its best to create for him all the necessary conditions for his development and well-being. The Union of Democratic Forces is also prepared to support every representative of big private business who pays his taxes in the country, creates new job opportunities, engages in legitimate business transactions, verifiable by checking the accounting documents, and

who does not use coercive structures and corruption to promote his own business interests.

We assume the responsibility:

1. To guarantee rapid market privatization with broad participation of people in that process. 4011
2. The privatization vouchers are to be used in the entire privatization market and they will be fully equivalent to real money for purchasing shares of companies, whole companies, complete sites and uncompleted construction sites, as well as state-owned real estate. 4014
3. To use manager contracts in the privatization plans for large and medium-sized companies. 4011
4. To guarantee freedom to the municipal councils and the municipal administration to dispose of municipal property according to their own discretion. 301
5. To adopt the law on municipal property on the stock exchanges, bonds and securities, the law on the investment funds and the law on the compensations to the former owners. 4011, 414, 414, 4015
6. To amend the existing Privatization Law, in order to regulate banking privatization, mainly through an increased equity of the state banks by selling shares to private individuals. 4011
7. To complete the restitution of the big urban and industrial property to its legitimate owners, including the destroyed property. To create the opportunity for the transition of the production capacities to the old owner under the most favourable conditions. 4015, 4015
8. To regulate by law the restitution of the property confiscated under the decree on the so-called „People's Tribunal“ and the other confiscation laws. The lands, buildings, machines and equipment that really exist to be restored in kind, and privatization vouchers to be issued to compensate the rest. 4015, 4015
9. To stimulate private business by creating conditions for fair competition and the opening of new markets. To protect investments against adverse changes in the trade and taxation regime, as well as to create conditions for participation of private entrepreneurs in fulfilling state orders. 402
10. To reduce direct taxation, e.g. tax on profit and income tax at the expense of increasing the revenues from indirect taxation, customs duties, state and local fees, as well as the property tax. 402
11. To adopt a special programme to promote the development of small- and medium-sized businesses, making extensive use of the opportunities offered by the international financial institutions and foreign organizations. 403
12. The National Assembly to adopt a new law on the protection of competition, protection of consumers and anti-trust legislation. 403

THE THEFT OF STATE-OWNED ASSETS IS A CRIME

403 The lack of efficient control and poor management of state property create conditions for corruption and spreading of organized crime. 304

Governments subsidies in the past were replaced by credit subsidies. The 304

304 money thrown for subsidizing losing enterprises exceeds the total expenditures for education, health care and social security. There is corruption among many leading figures in the economy, who are acting against the interests of the mafia. They cannot give a clear account of where the subsidies have gone, what their ideas for the survival of the companies entrusted to them are and how they can help the people who had lost their jobs.

304 The expropriation of state assets by parallel private companies reached devastating proportions. State property is being used free of charge by monopolistic semi-economic and semi-criminal groupings. The fact that they have grown into the executive and legislative systems of the country makes them extremely dangerous.

201 Political dismissals of capable specialists with democratic convictions have become a frequent practice. The old communist nomenclatura have restored their previous positions.

2052 The major state-owned enterprises restored completely their socialist reflexes. Power generation, transport and metallurgy are imposing monopolistic prices and they lack a market-type behaviour.

EFFICIENT MANAGEMENT AND CONTROL OVER STATE-OWNED ENTERPRISES AGAINST THEFT, SQUANDERING AND IRRESPONSIBLE ATTITUDE TO STATE ASSETS

In order to place the country's economy on solid foundations, we assume the responsibility:

1. To stop the decapitalization of state-owned companies and banks, and the flowing over of capitals and income from the state to the private sector.
2. To sanction unfair competition and to stop the import of goods at dumping prices, as well as to stop smuggling. To impose strict sanctions and confiscations in cases of tax evasion.
3. To restrict gradually and sensibly the subsidies for the necessary unprofitable productions as a part of the integral process of economic restructuring.
4. To impose maximum inner restrictions on the producers and to insist on indisputable proof in support of proposals to increase monopolistic prices in the electrical and thermal power generation sector, in transport and telecommunications.
5. To replace promptly all discredited leading figures in the economy, who:
 - act against the interests of the state and in favour of the mafia;
 - finance against the law the Bulgarian Socialist Party and its satellites;
 - engage in political dismissals or reprisals against their staff, or exercise a brutal political pressure over workers and employees.
6. To introduce objective criteria for organizing public managers' competitions and for signing long-term contracts whose implementation is guaranteed by the personal property of the managers.

7. To guarantee economic autonomy of the company managements, priorities in the privatization and participation in the distribution of the profits, combined with total control over state participation and allocation of capital.
8. To grant complete guarantees for prompt elimination of insolvent debtors after the workers and employees have received their dues.
9. To create conditions for the state and municipal companies to dispose freely of their funds after paying the taxes, fees, instalments and dividends under the law.
10. Business should be legitimate and transparent.

THE UNION OF DEMOCRATIC FORCES TAKES INTO ACCOUNT THE EXTERNAL CONDITIONS OF THE ECONOMIC REFORM

The communist rule doomed Bulgaria to be a permanent beggar before the international financial institutions for new credits to be granted to it in order to repay the foreign debt that it had accumulated.

The agreement on the foreign debt, signed by the BSP/Berov government was on much worse terms than the agreement which the UDF was about to attain in the autumn of 1992. Many years will elapse before the confidence of the world financial community in Bulgaria's solvency, destroyed in March 1990 by the government of the Bulgarian Communist Party, is restored.

The servicing of the accumulated colossal foreign debt, the foreign trade crediting of Bulgarian companies, the stability of the foreign currency and monetary markets, and the major investment infrastructural projects, depend on the good relations between Bulgaria and the international financial institutions, and on the energetic defence of Bulgarian national interests. In the next four years reforms in Bulgaria cannot be successful without broader external support, without a rapid growth in foreign trade, capital and credit transactions, and without a positive balance of payments.

THE PAYMENT OF THE FOREIGN DEBT AND THE RECOVERY OF THE ECONOMY ARE IMPOSSIBLE WITHOUT AN INCREASE OF IMPORTS

The absence of a strategy for export incentives and for a stable foreign trade regime dooms to failure any intentions for continuous servicing of the debt.

The conditions related to the payments on the debt inevitably require strict financial discipline and a policy of budgetary restrictions over the next few years. This turns all promises about changing the model of the transition in the name of reducing its social cost into lies and illusions which the Bulgarian Socialist Party has in store for those who are naive enough to believe it. There is no political force that can afford to give generous promises today, because its supporters will have to pay for their credulity with hyperinflation, which will consume their small-scale savings and will make them even poorer.

Bulgarian exports diminish. Their structure is unfavourable for a country that is not particularly rich in raw materials. The association of Bulgaria to the European Union was not used to find new markets and to increase production.

EXPORT STIMULATION MEANS ECONOMIC GROWTH AND NEW JOBS

We assume the responsibility:

1. To continue the process of liberalization of foreign trade with a constant regime and simplified import and export procedures, initiated under the UDF government.
2. To fight for the presence of Bulgarian exporters in the European Union and in the European Free Trade Association (EFTA). To restore the presence of Bulgaria on the markets of the countries of Central and Eastern Europe, and in the former Soviet Union. To increase priority trade contacts with the other Balkan countries. To launch a long-term policy for conquering new markets in the USA, Japan and the countries of the Asian-Pacific region.
3. To draft a special programme to stimulate export, which will include the following main elements:
 - building and consolidation of financial institutions for cooperation and for promotion of exports;
 - a system for export financing, which comprises export crediting, insurance and guaranteeing of the export credits;
 - further development of the liberal foreign currency regime, with reasonable tax and customs reliefs;
 - norms and claims and guarantees from the import-export companies;
 - promotion of the export-oriented processing industry and services, including their protection against unfair competitive imports;
 - transformation of the free trade zones into export-production ones.

The political and the economic instability, the corruption and crime discourage foreign investors

Foreign investors are subjected to humiliating bureaucratic procedures and administrative negligence. The irresponsibility of the state administration encourages the primitive economic nationalism of those large financial groups which are striving towards a monopoly over the economic spectrum. The smuggling of foreign goods has made most foreign investors reluctant to establish production enterprises and they prefer to engage in pure trade activities.

There is a lack of trust in the stability of the banking system. The Bulgarian Socialist Party is expanding its propaganda campaign against the penetration of foreign investment into Bulgaria.

The „hidden privatization“ of companies located abroad is in full swing, but these companies are untouchable. The laundered red money puts on the mask of „patriotic capital“. The procedure of establishing joint ventures with foreign partners is rather vague and cumbersome. The norms and regulations concerning the free trade zones are hopelessly obsolete and inefficient.

FOREIGN INVESTMENTS LEAD TO A COMPETITIVE ECONOMY

We assume the responsibility:

1. To attract direct foreign investments to Bulgaria for the export-oriented productions, for tourism, the infrastructure and the production sectors.
2. To introduce reasonable temporary tax reliefs for direct foreign investments in high-priority spheres and productions, as well as in joint ventures with more than 50 % foreign participation, committed to creating new jobs.
3. To speed up the consideration of applications for foreign investments and to simplify the formalities related to their legal registration.
4. To increase the legal guarantees against the expropriation of property owned by foreign investors.
5. To channel foreign investments towards creating new jobs in power generation, transport, tourism, communications, environmental protection and water supply.
6. To introduce strict sanctions against the draining of state assets abroad against tax evasion and for the repatriation of the profits to the country through the foreign-based companies.
7. To simplify the procedure and to overcome the chaos among the various institutions in setting up joint ventures.
8. To offer tax preferences for five years to foreign and Bulgarian export-oriented producing companies in the free trade zones.
9. To grant building rights to foreign investors as well, on the territory of the free trade zones for a period of at least 50 years.

THE ECONOMIC POLICY OF THE UNION OF DEMOCRATIC FORCES IS THE BEST BASIS FOR A MODERN SOCIAL POLICY

The entire economic and social policy of the BSP/Berov government, widely publicized as „the government of the left turn“, resulted in extreme impoverishment of the majority of the Bulgarian citizens. Two million old age pensioners are not receiving their pensions on time and are living on the verge of the most cruel misery. The other social strata who need strong social support are compelled to live under conditions that are humiliating for their human dignity: young people (young families included), the disabled, a number of ethnic communities (Gypsies, etc.), those affected by long-term unemployment, and the families and citizens suffering from extreme poverty.

The other pole proved to be made up of a small group of people, almost entirely linked to the former Bulgarian Communist Party and its structures, who operated in alliance with organized crime and accumulated enormous wealth through dishonest and criminal methods by employing the channels of what is known as the „grey economy“.

The social protective mechanism of income suffered a total defeat. Only one-third of the Bulgarian citizens have jobs and they support the other two-thirds. The creation of new jobs is being hampered by the restrictions imposed on the development of the private sector.

503 This resulted in the formation in Bulgaria of a social structure typical of what is known as a „banana republic“.

505 SOCIAL ASSISTANCE SHOULD BE OFFERED FIRST TO THOSE WHO NEED IT MOST

We assume the responsibility:

- 503 1. To guarantee a fair distribution of the social funds.
- 402 402 2. To abolish immediately the tax on the increment of the labour remuneration funds in the state-owned enterprises and to create opportunities for raising the income of persons employed in the prospering enterprises.
- 5041 3. To offer an opportunity to some of the budget-financed organizations to have their own revenues, without an adverse effect on their principal activities.
- 411 4. To propose programmes for employment and retraining of the personnel of companies that are to be closed down.
- 701 5. To create better opportunities for targeted financing of unemployed individuals who wish to start their own business or to change their qualification out of the Vocational Training and Unemployment Fund.
- 701 6. To improve the structure and the activities of the National Employment Office and of the Labour Bureaux, with emphasis on research, intermediary and consultant activities.
- 701 701 7. To adopt a Law on Protection during Unemployment and on Encouraging Employment.
- 701 8. To protect the internal labour market against immigration.
- 504 9. To adopt the fundamental laws on the social and health insurance funds within one year, based on the following principles:
 - 504 5041 5041 504 5041 504 5041 • Separation of the funds from the state budget;
 - Stipulation of a definite transitional period (not less than 10 years) during which the state budget will pay obligatory instalments into the insurance funds;
 - Involvement of both employers and insured personnel in the accumulation of instalments in the insurance funds;
 - Adoption of a modern and effective system of controlling the funds, which will rule out the possibility of abuse to the maximum extent possible.
 - Adoption of a new formula for calculating the size of the pensions, which will take greater account of the contributions by the pensioners to the respective retirement fund.
 - Introduction of an effective mechanism for protecting the pensions against inflation.
- 5041 10. To encourage the setting up and development of private insurance funds and also the system of group insurance of hired staff, which is done by the employers.
- 706 11. To introduce changes in the system assisting the families through:
 - raising the family allowances and benefits for the bringing up of children;

- changes in the rates of charges due for admission to nursery homes and kindergartens, which will be determined in more direct dependence on the income and property status of the respective family;
- amendments to the Family Code, aimed at providing more effective protection of children's rights.

12. To adopt a Social Welfare Law which:

- will regulate the granting not only of financial assistance, but also of free coupons for commodities and services;
- will determine clearly the responsibilities of the state to orphans or children abandoned by their parents;
- will comprise a comprehensive system for protection of physically or mentally handicapped individuals;
- will regulate the statute of nongovernmental charity organizations;
- will set up a system of extremely strict sanctions against those who have received aid without legal grounds.

13. To set up a special Social Fund out of the seized property and other assets of the former totalitarian organizations. The revenues of the Fund will be used to credit small business for educational purposes, for vocational training and for direct assistance to invalids, to capable young people from poor families and to representatives of certain ethnic communities with a view to their complete integration in the country's economic and public life.

14. To adhere strictly to the principles of social partnership as defined in the Conventions of the International Labour Organization, which Bulgaria has ratified, and to improve further the rules and procedures for social cooperation on national and branch levels.

THE UNION OF DEMOCRATIC FORCES IS PROPOSING A NATIONAL PROGRAMME IN THE FIELD OF SPORTS

The programme is supported by a special law and by a national sports fund. Mass sport which contributes to the health of the nation will be predominantly the concern of the state and of the municipalities:

- the hours devoted to physical training and sports in the schools will be increased;
- sports and competitive activities will be stimulated through the rebirth of sports clubs in the schools and universities;
- competitive sports will be practised in sports clubs;
- organized sports and tourism will centre around the completely independent sports federations, built on a democratic and voluntary principle from the sports clubs;
- the available sports facilities will be run by the municipalities and will be perfectly accessible to the population;
- national sports facilities will be run by the state for the time being;
- we shall put an end to the plundering and destruction of the sports facilities in the country and we shall guarantee their use for sports purposes above all.

706 **THE UNION OF DEMOCRATIC FORCES BELIEVES
IN THE ABILITY OF YOUNG PEOPLE
AND IN THEIR WISH TO BE VICTORIOUS**

706 Thousands of young Bulgarians who had lost faith and hope left Bulgaria in despair caused by the lack of prospects and by the endless parting with communism. The majority of those who remained had to make their choice between a pitiable existence or the dubious affluence bought from the criminal groups by paying with one's human dignity. Some sought a way out of the hopeless situation in drug addiction and alcoholism. Others, repulsed by the hypocrisy of the official Orthodox authorities in Bulgaria, sought paths that are alien to the Bulgarian religious spirit and mentality.

706 The most capable and the most honest young people remained outside the structures of power and the national economy.

706 **YOUNG PEOPLE MUST REMAIN IN BULGARIA**

706 We are proposing a long-term programme for the young generation, aimed at:

- 706 ● improving the quality of education and the access to it;
- 706 ● creating youth centres for training and retraining, for free information on the educational opportunities both in the country and abroad, about the announced scholarships and grants made available, about job opportunities and about various youth initiatives;
- 706 ● protecting young people from drug addiction and alcoholism;
- 706 ● creating a national fund for assistance of the youth policy with revenues from the property of the former Dimitrov's Young Communist League (popularly known as the Bulgarian Komsomol);
- 2052 706 ● guaranteeing a deserved place for young people in the country's economy and administrative management;
- 706 ● solving the unemployment problems among young people.

706 The UDF will pursue unswervingly a policy of real economic and social integration of young people in society.

109 **BULGARIA'S NATIONAL SECURITY MEANS A SENSIBLE AND
CONSISTENT FOREIGN POLICY A NEW MILITARY DOCTRINE
AND CONSOLIDATION OF THE PRESTIGE OF THE ARMY**

108 The rate of development of friendly relations with the European Union, the Visegrad group and our Balkan neighbours tended to slow down in the past two years. Certain inconsistencies became apparent in Bulgaria's policy towards the conflict in former Yugoslavia and towards regional cooperation in the Balkans. Attempts were made to launch doctrines such as the „Orthodox Arc“ and „Slav Federations“, which are projections of the most retrograde traditions in Russian foreign policy in the region.

The BSP/Berov government failed to uphold the country's position for joining NATO sufficiently resolutely. Instead, the Bulgarian Socialist Party launched outdated and inapplicable ideas about neutrality, without specifying with respect to whom this neutrality was to be declared.

There was a delay in the efforts to bring together the Bulgarian communities abroad.

Certain problems of the armed forces remained unsolved: providing the necessary financial and technical facilities for Bulgarian officers, and their professional and material insecurity.

We assume the responsibility:

1. To intensify activities aimed at bringing Bulgaria closer to NATO and to uphold the position of indivisibility of European security.
2. To intensify the processes of integration with the European Union and Bulgaria's friendly relations with its neighbouring states. To activate Bulgarian participation in the Council of Europe and in the Conference on Security and Cooperation in Europe.
3. To guarantee:
 - the country's independence, territorial integrity and sovereignty;
 - the strict implementation of our international commitments and treaties;
 - non-interference in the internal affairs of other states and at the same time opposition to attempts at distorting Bulgarian history and at encroaching upon Bulgarian spiritual values;
 - prevention of attempts to fan ethnic separatism and the setting up of „Slav federations“ and of „Orthodox arcs“;
 - cultural unification of the Bulgarian national community and defence of the rights of Bulgarians living abroad.
4. To present a new military doctrine in compliance with the national interests and based on the principles of good intentions, defensive sufficiency and balance, in compliance with the pro-European orientation of Bulgaria.
5. To organize and maintain a well-trained and modern army, with a high degree of military readiness.
6. To bring the military-educational system closer to world standards.
7. To raise the prestige and the material status of the Bulgarian serviceman.
8. To impose a real depoliticizing and civilian control over the armed forces.
9. To set up an independent inspectorate of the armed forces.
10. To ensure legislative guarantees for the transition of the National Intelligence Service and of the National Guard System to the Government under the control of Parliament.

**EDUCATION, SCIENCE AND CULTURE
ARE NATIONAL PRIORITIES**

The existing educational system as a whole is directed above all towards accumulating information and knowledge, not towards creating the ability of independ-

ent thinking, towards an approach to the problems and the ability to apply the knowledge acquired.

The social status of Bulgarian teachers has been strongly diminished and it does not correspond to their key role for society. From a perpetrator of the spirit of the Bulgarian National Revival, educator, enlightener and spiritual mentor, the Bulgarian teacher was transformed into an ill-paid civil servant. This resulted in the withdrawal of capable and highly qualified specialists from the teaching profession.

The traditionally fruitful links between society and the schools, exemplified by their Boards of Trustees, have been severed.

Bulgarian schools still fail to contribute sufficiently to the overcoming of the national nihilism that had been consciously instilled by the communist regime. They still tend to educate the children in the spirit of atheism rather than to teach them to understand and to accept religion with its universally accepted values.

Higher education and science need a new legislation.

There are no criteria for evaluation and classification of the higher educational institutions. The structure of Bulgarian higher education does not correspond to European standards. No solutions have been found to the structure and financing of research institutions, there is no balance between the real academic autonomy and the controlling functions of the state.

The damage inflicted by the communist ideology in the sphere of culture was the gravest and the most difficult to surmount. The survival of culture and its rebirth were a part of the survival and rebirth of the Bulgarian national identity.

We assume the responsibility:

1. To restore the place of honour and the worthy role of Bulgarian teachers in society.
2. To restore the Boards of Trustees as a form of links between the school and the parents that had withstood the test of time.
3. To speed up the drafting and adoption of law on the educational requirements of the state concerning higher education, the accreditation of the universities, the academic ranks and degrees, research and the financing of educational and research activities.
4. To stipulate strictly the different educational degrees - each with its specific educational minimum. To increase also the options for freely elective subjects.
5. The education in Bulgarian language, literature and history will contribute to the cultivating of love for the native land and to the pride with the achievements of the Bulgarians, for the preservation of Bulgarian folk customs and historical memory.
6. To introduce tax reliefs for drafting curricula, for research projects, import of equipment, etc.
7. To create the prerequisites and the system for channelling extrabudgetary funds toward science and education through the taxation mechanisms.
8. To help private schools occupy their due place in the educational system.
9. To pursue the policy of tax reliefs both for Bulgarian culture and for all who are sponsoring it, and to propose new forms for its financial support.
10. To guarantee the survival of Bulgarian literature, music and art, of the reading clubs, of folk creativity and of the remaining forms of Bulgarian culture.

THE BULGARIAN ORTHODOX CHURCH WILL HAVE TO TAKE ITS PLACE OF HONOUR IN THE SPIRITUAL LIFE OF THE BULGARIANS

The Bulgarian Orthodox Church will have to solve its own problems on the basis of the canonic rules of the Church, on the principle of the Church Council and through continuity, which means that the Holy Bulgarian Orthodox Church can emerge from its current crisis only by convening the nationwide canonic Church Council.

National interests and the salvation of the nation from the various religious sects require the introduction of basic theology in the schools.

In order to bolster the patriotic spirit of the Bulgarian army and in order to satisfy its spiritual needs, we suggest to bring Orthodox priests to the larger military units and to open small chapels there.

The Union of Democratic Forces undertakes the responsibility to restore the unlawfully expropriated property of the Church.

THE UNION OF DEMOCRATIC FORCES IS IN FAVOUR OF A COMPREHENSIVE REFORM IN HEALTH CARE

Bulgarian health care is going through an extremely deep crisis. The state and the municipalities have complete monopoly over ownership in health care. Centralized financing from the budget is without any alternative sources of funds. The management is highly bureaucratic.

The salaries of physicians are miserable.

The communist myth about free medical care, which Bulgarian citizens have invariably paid through the system of taxation, dealt a heavy blow on the traditional respect of Bulgarians for the physician's profession.

We assume the responsibility:

1. To change the legal basis and to create a health insurance system which will guarantee:
 - for the patients - the possibility for personal choice of the health institution and of the attending physician, as well as the guarantee that not even a serious disease or operation could spell financial ruin;
 - for the physicians - well-deserved remuneration that corresponds to the quantity and quality of their labour and, in particular, the restoration of the high social prestige of their profession.
2. To change the financing of health care:
 - the principle of „maintenance of the health care institutions“ to be replaced by the principle of „payment for medical activities performed“;
 - guaranteeing the autonomy of the health institutions and providing greater opportunities for independent initiative in securing revenues;
 - stimulation of private medical practice and medical services as a whole;
 - development and consolidation of the status of general practitioners or family doctors;
 - restoration of the principle of issuing free prescriptions and medicines for

- 504 serious cases and special care for invalids, orphans and individuals in a socially disadvantageous position; ✓
- 504 • prevention of diabetes, cardiovascular diseases, as well as malignant, infectious and mental diseases; ✓
- 501 • restriction of the human health hazards by improving the quality of the foodstuffs, drinking water, the general and the working environment; ✓
- 504 • long-term policy for reducing the infant mortality rates and for improving the health of children, of persons working in a hazardous environment and of elderly people; ✓
- 504 • intensified control and stricter sanctions for violations of medical ethics, and a struggle against corruption in medical care. ✓
- 504 3. To adopt a package of laws, including a law on professional organizations, a law on hospitals, a law on pharmaceuticals and on pharmacies, etc. ✓

BULGARIAN NATURE IS AGAIN BEING DESTROYED WITH IMPUNITY

501 Over the last two years, the Berov/BSP government again raised doubts about the survival of Bulgarian nature. No environmental protection legislation was adopted and tax reliefs for investment in environmental protection were withdrawn. ✓

501 4/6 Due to the incompetent government, the national and the municipal environmental protection funds were depleted and the construction of hundreds of environmental protection sites was frozen. ✓

501 The control has been neglected and offenders are making profits with impunity at the expense of the pollution or even destruction of Nature. ✓

501 Our cities are incredibly dirty, Rousse and Silistra are again suffering from the gas emissions from across the Danube, the drinking water in many regions of the country is either contaminated or it is insufficient. ✓

501 Uranium mining and ore-mining in general, electrical power generation, the chemical and the heavy industries continue to inflict severe damage on Nature and to harm human health. ✓

The Union of Democratic Forces insists on real changes in the state of Bulgarian Nature

501 The Union of Democratic Forces will continue the reform which was started so successfully in 1992, a reform guaranteeing the security and the life of the people, the protection and reproduction of the environment in its total diversity, as well as the sensible use of natural resources. We are in favour of an environmentally friendly market-oriented economy. ✓

We assume the responsibility:

- 501 1. To adopt a comprehensive and modern environmental protection legislation. ✓
- 501 2. To protect the country's territory and aquatoria against imported waste. ✓
- 501 3. To expand the protected species and territories (parks, nature reserves and sites) with a view to preserving what has remained of Bulgarian nature. ✓

4. To implement concrete programmes aimed at the further improvement of the environmental situation in Rousse, Bourgas, Dimitrograd, Kurdjali, Zlatitsa, Pirdop, Pernik, Sofia, Silistra and the other threatened regions in the country. ✓ 501
5. To revitalize the construction of water-treatment facilities along the Black Sea coast and along the rivers in the interior of the country; ✓ 501
6. To impose strict control over any activity considered to be threatening the environment, as well as to provide complete information to the population. ✓ 501
7. To raise more money for environmental protection activities through the national and municipal environmental protection funds; ✓ 501
8. To introduce new, higher prices on the natural resources, taxes, fees, customs duties, fines and sanctions for the use, abuse or damage to Bulgarian Nature. ✓ 4/6

Dear compatriots, friends of democracy,

2052 Our Fatherland is faced with a choice. And this choice depends on us, the
 2052 citizens of Bulgaria. The past to which the communist party is dragging us is
 2052 behind us. It is trying to drag us back with the dirty money it had robbed
 2052 from the state, with its discredited people and with its totalitarian habits. No
 2052 moral judgement has been passed yet on the regime which that party estab-
 2052 lished in the 1944-1989 period, communist laws running counter to the
 305 constitutional democratic order and restricting the freedom of the Bugar-
 305 ian citizens continue to be in force. The Union of Democratic Forces refuses
 to accept the road leading back to the past. We shall strive to work for **the
 present and future of Bulgaria.**

2052 By blazing the road that Bulgaria will follow towards the future, we ardently
 2052 desire the triumph of justice concerning past events as well. This is why we
 shall revoke the law on the so-called People's Tribunal and will proclaim
 the nullity of the referendum conducted in 1946 under conditions of for-
 eign occupation, and contravening the Turnovo Constitution.

Dear compatriots,

606 Only if we stand together we can build a new Bulgaria. Again only together
 606 we can succeed and help our beautiful fatherland. **We are a strong nation
 606 and we will succeed!**

606 **VICTORY, BULGARIA!**

606 It is our duty to build a new Bulgaria together with you. We have no right to
 2052 retreat even one step in the direction of the communist past, which has not
 brought anything good to any nation anywhere in the world.