

# THE CONTRIBUTION OF EU TO POST COMMUNIST COUNTRIES

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NKUA

POLITICAL SCIENCES AND PUBLIC ADMINISTRATION

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CAPITAL  
POPULATION  
GEOGRAPHICAL  
AREA  
OFFICIAL LANGUAGE  
CURRENCY

SOFIA  
6.3 Millions  
110.994 km<sup>2</sup>  
BULGARIAN  
BGN-Lev

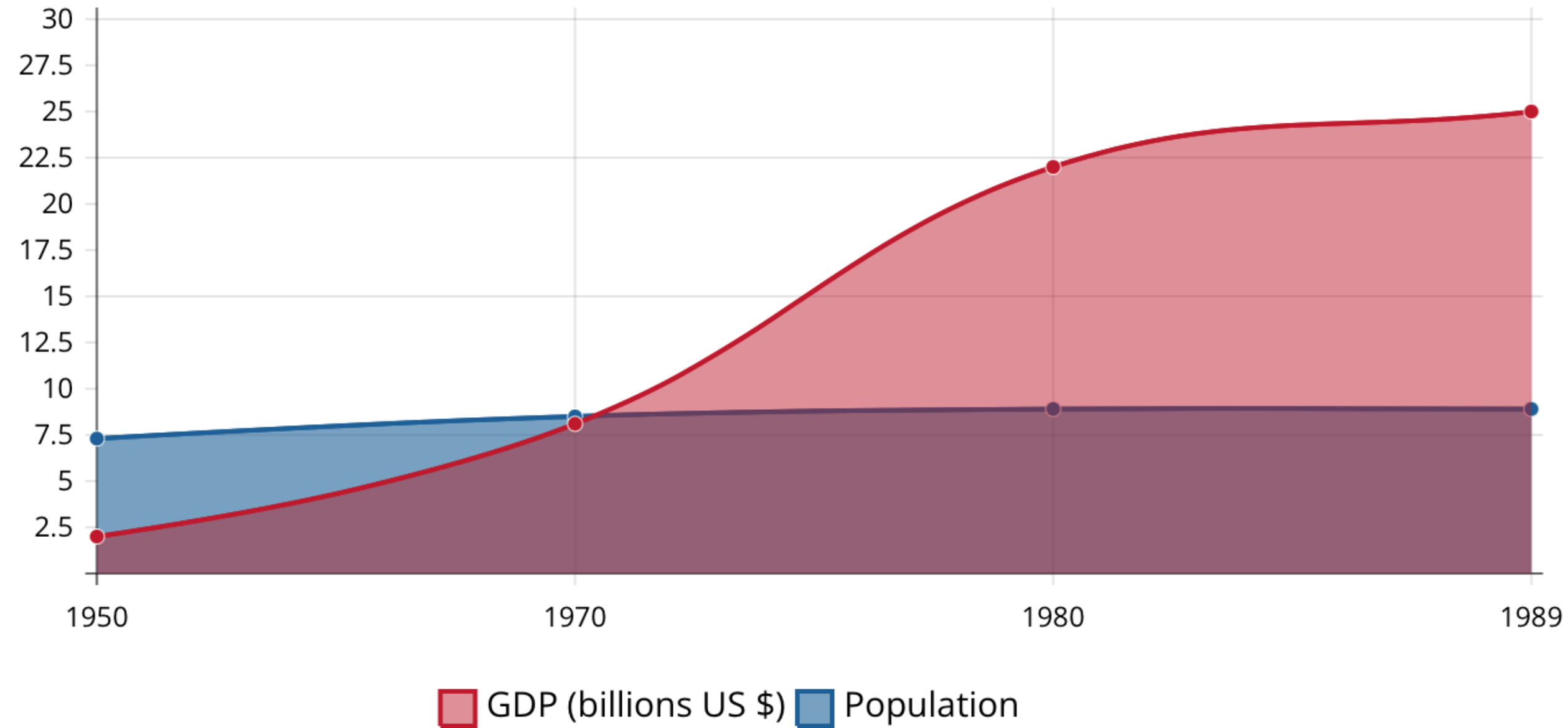


# FROM SOVIET SATELLITE TO TODAY

- **1944:** SOVIET RED ARMY OCCUPIES BULGARIA; COMMUNIST INFLUENCE BEGINS.
- **1946:** MONARCHY ABOLISHED. BULGARIA DECLARED A PEOPLE'S REPUBLIC.
- **1947:** CONSTITUTION ALIGNS BULGARIA WITH THE SOVIET MODEL. NATIONALIZATION OF INDUSTRY BEGINS.
- **1954–1989:** TODOR ZHIVKOV LEADS AS COMMUNIST PARTY CHIEF, CEMENTING BULGARIA'S ROLE IN THE EASTERN BLOC.
- **1989:** FALL OF COMMUNISM; PEACEFUL PROTESTS LEAD TO DEMOCRATIC REFORMS.
- **1990:** FIRST FREE ELECTIONS HELD BULGARIA TRANSITIONS TO DEMOCRACY.
- **1991:** NEW DEMOCRATIC CONSTITUTION ADOPTED.
- **2004:** BULGARIA JOINS NATO.
- **2007:** BULGARIA BECOMES A MEMBER OF THE EUROPEAN UNION.
- **2010s–PRESENT:** FOCUS ON MODERNIZATION, EU INTEGRATION, AND ADDRESSING CHALLENGES LIKE CORRUPTION AND IMMIGRATION.



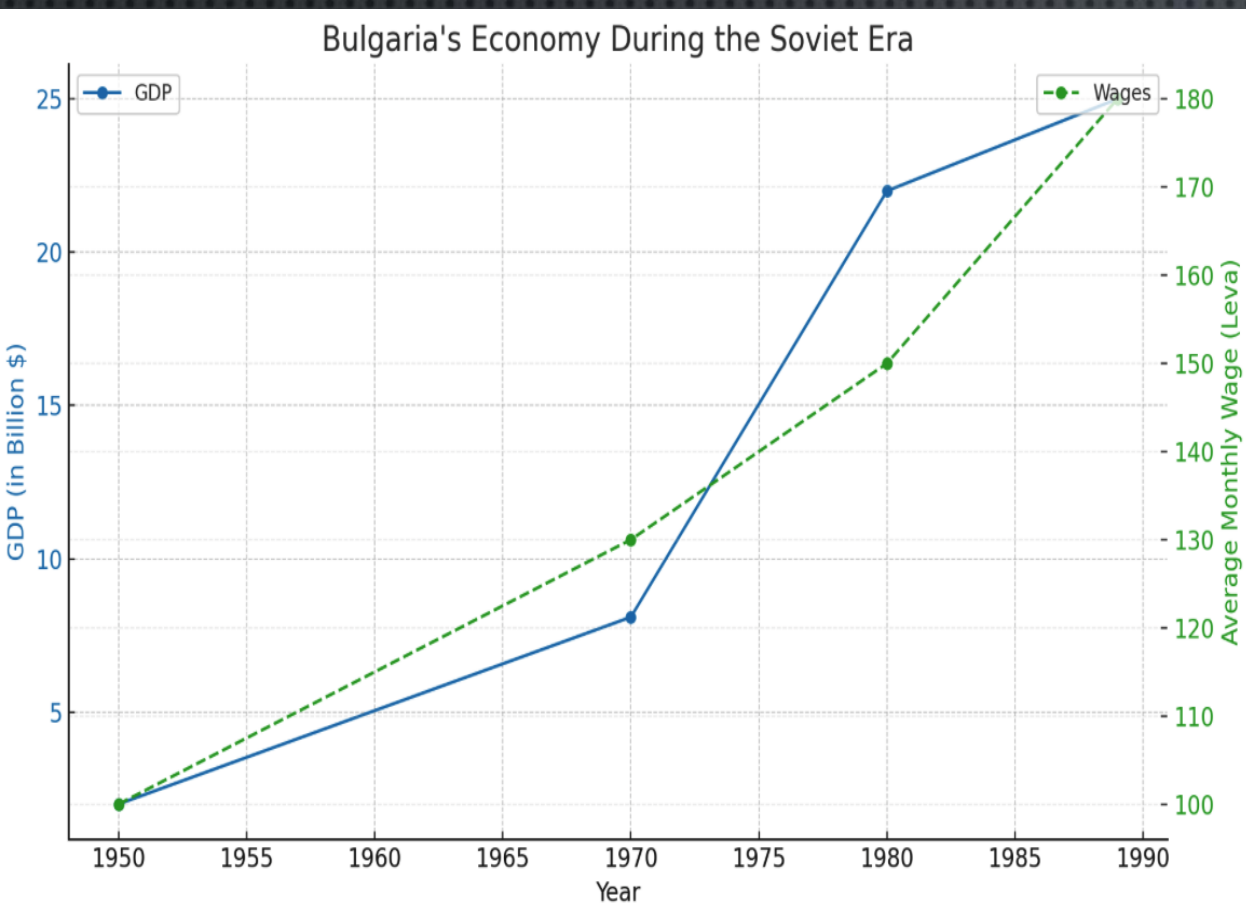
# Bulgaria's GDP & Population Growth



# COST OF LIVING IN BULGARIA 1950-1990

## 1. Staple food costs ( approx. in leva )

- Bread → 0.15 leva per loaf
- Milk → 0.30 leva per liter
- Meat → 3 leva per kg



## 2. Housing costs

- Urban rent for state housing → 10-15 leva/month
- Utilities → 5-10 leva/ month

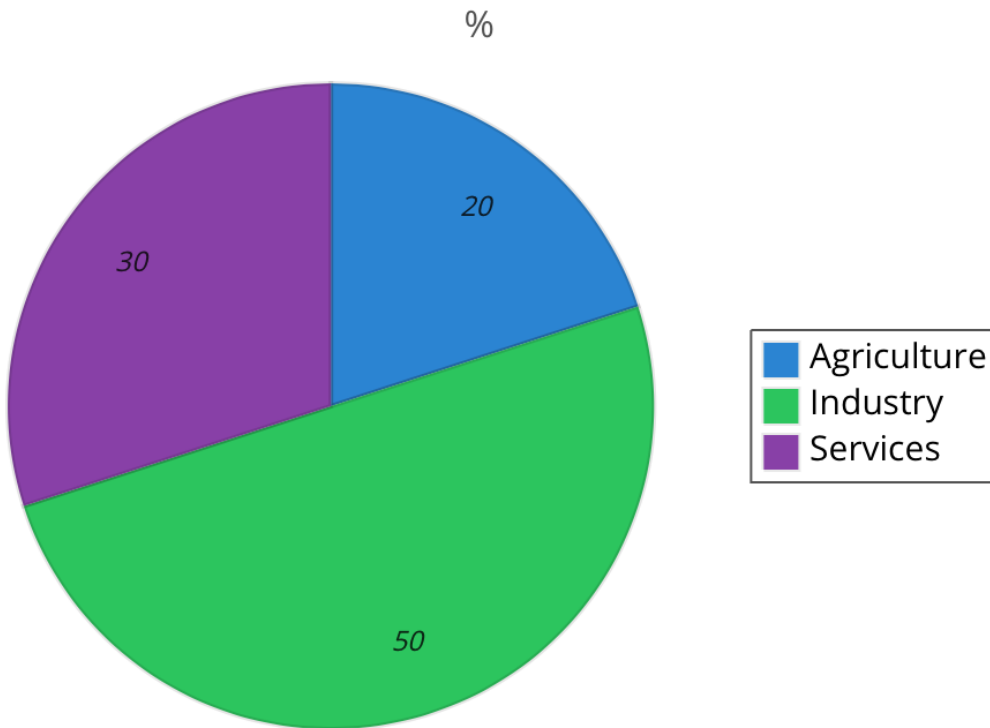
## 3. Consumer goods

- Television → 300-400 leva
- Imported goods → very few and only accessible via black markets

# TRADE AND INDUSTRIALIZATION

## MAJOR EXPORTS

### GDP CONTRIBUTION



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- Tobacco
- Rose oil
- Fruits

- Machinery
- Electronics

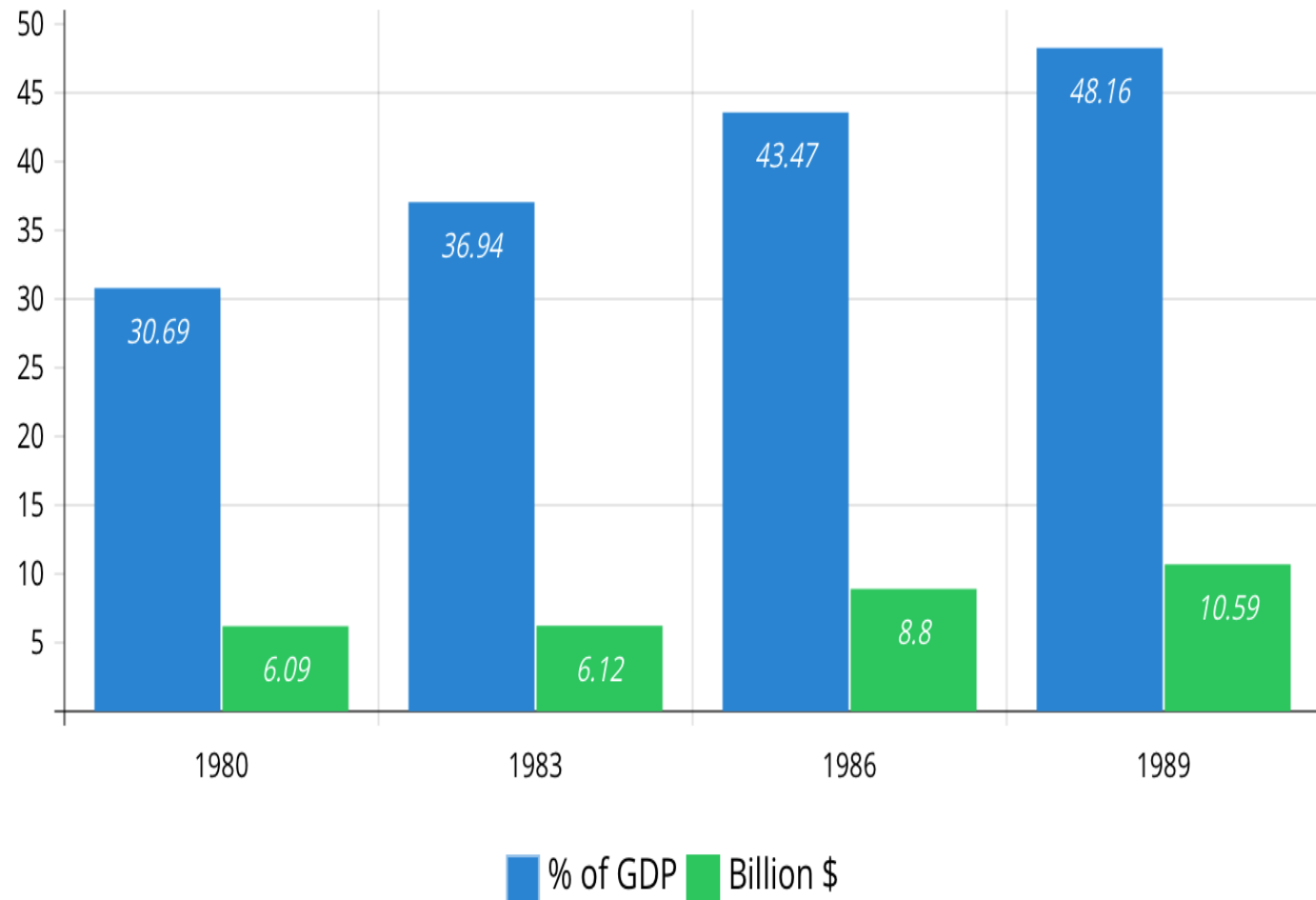
- Small retail



# ECONOMIC ASPECTS

## From whom did Bulgaria import ?

### BULGARIA'S IMPORTS 1980-1989



■ % of GDP ■ Billion \$

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- **SOVIET BLOCK**

The majority of Bulgaria's trade was conducted with other socialist countries particularly , the Soviet Union

- **WESTERN TRADE**

Between 1960 and 1975 the Western share of Bulgarian imports increased from 10.6% to 12.6%. However, in the same period exports dropped from 12.4% to 9.3%, creating an external dept with the West.

# ECONOMIC CHALLENGES IN THE 1980'S

## ECONOMIC BACKGROUND:

- HEAVY BORROWING DURING THE 1970s AND 1980s TO FUND INDUSTRIALIZATION AND MAINTAIN LIVING STANDARDS.
- DEPENDENCE ON SOVIET TRADE AND INEFFICIENT INDUSTRIES LED TO STAGNATION.

## DEBT ACCUMULATION:

- BY 1989, EXTERNAL DEBT REACHED APPROXIMATELY **\$10 BILLION**.
- BULGARIA STRUGGLED TO REPAY LOANS, PARTICULARLY AS THE SOVIET UNION WEAKENED ECONOMICALLY.

# BULGARIA IN THE EU



- Formal application for membership on 14<sup>th</sup> December 1995
- Joined the EU on 1<sup>st</sup> of January 2007
- Aimed in more European identity, disowning it's Socialist background
- Safety, Democracy, Opportunities
- Free movement of goods and people

# TWO WORLDS COLLIDING

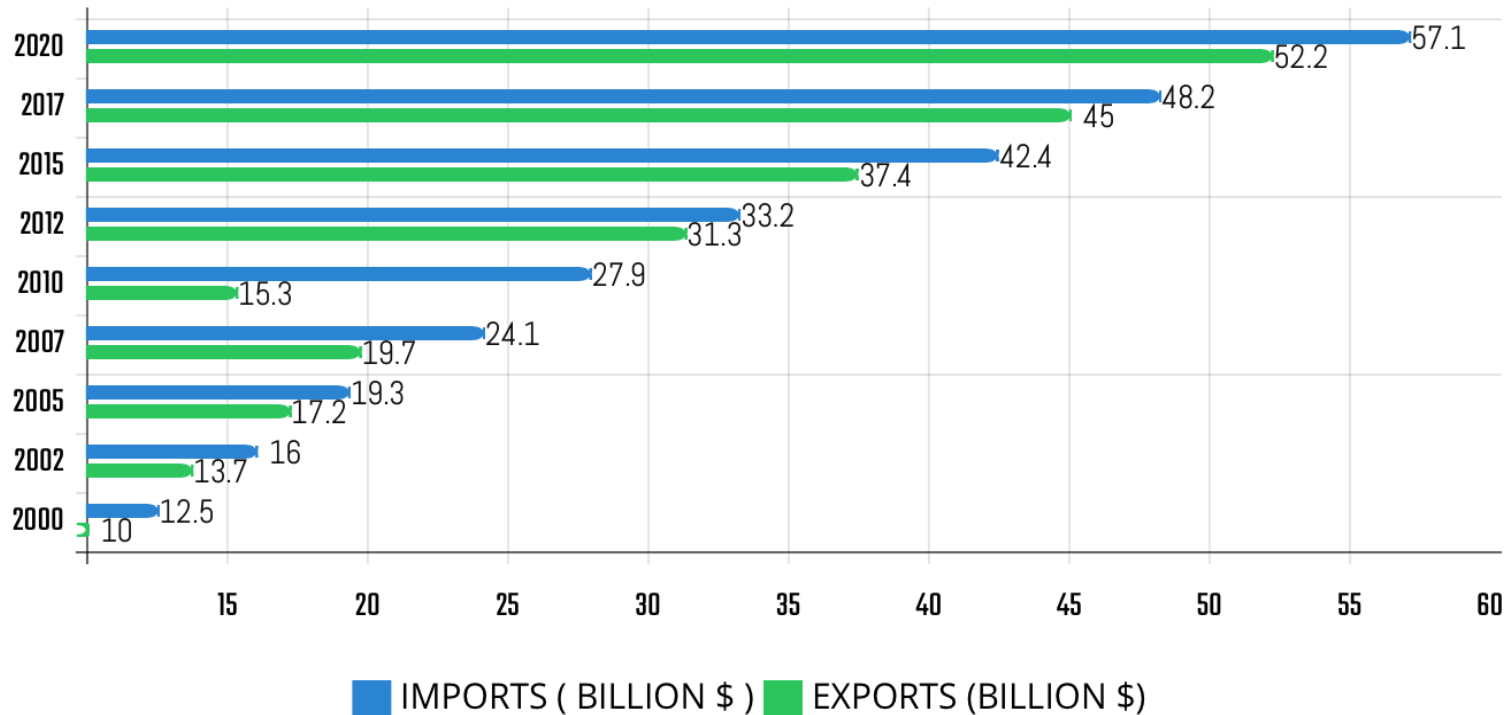
- ✓ CENTRAL PLANNED ECONOMY
- ✓ TRADE RESTRICTIONS
- ✓ INEFFICIENCY

- ✓ OPEN MARKETS
- ✓ FREE MOVEMENT
- ✓ MODERNIZATION



# EU MEMBERSHIP IMPACT ON TRADE

## Bulgaria: Export & Import Growth (2000-2020)



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### Exports:

- Growth from \$20B in 2007 to \$52B in 2022.
- Major EU export partners: Germany (16%), Romania (13%).
- Key products: Machinery, refined petroleum, agricultural goods.

### Imports:

- Modern machinery and advanced technology.
- Diverse suppliers: Germany, Italy, and Turkey.

# ECONOMIC OPPORTUNITIES

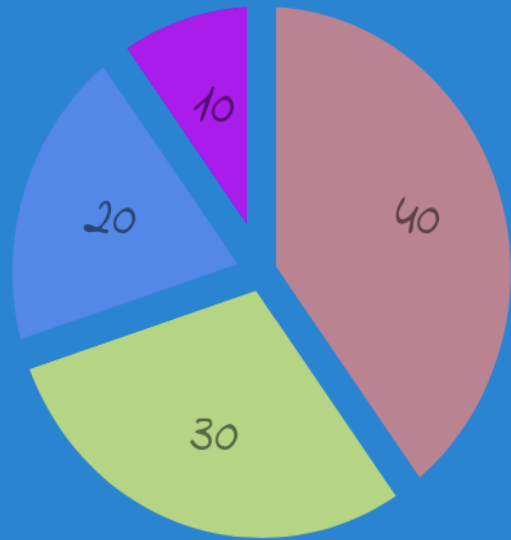
## FOREIGN DIRECT INVESTMENT (FDI):

- FDI INCREASED BY **200%** FROM 2007 TO 2015.
- **EU FUNDS: BULGARIA RECEIVED €11 BILLION FOR INFRASTRUCTURE, AGRICULTURE, AND INNOVATION.**

## JOB CREATION:

- **EXPORT-ORIENTED INDUSTRIES BOOSTED EMPLOYMENT.**
- **ACCESS TO EU LABOR MARKET ALLOWED SKILLED WORKERS TO MIGRATE OR GAIN EXPERTISE.**

# EU Fund for Bulgaria



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## ✓ Infrastructure:

- €1.9 billion (2014–2020) for transport projects like Sofia Metro and highways.
- Cohesion Fund modernized roads, railways, and water systems.

## ✓ Education and Research:

- STEAM labs funded in 2,200 schools through the Recovery Plan.
- €1 billion+ for research infrastructure via the "Smart Growth" programme.
- Integration into EU-wide research networks.

## ✓ Agriculture:

- CAP (2023–2027): 9,400 rural jobs and 650 infrastructure projects.
- EAFRD supports training and innovation in farming.



# WESTERN FREEDOM AND POSSIBILITIES

## TRADE BENEFITS:

- NO CUSTOMS DUTIES OR DOCUMENTATION REQUIRED FOR EU TRADE.
- BULGARIA AS A LOGISTICS HUB IN EASTERN EUROPE.

## TRAVEL AND MIGRATION:

- BULGARIAN CITIZENS ENJOY VISA-FREE TRAVEL IN SCHENGEN COUNTRIES.
- CROSS- BORDER JOB OPPORTUNITIES INCREASED.
- BULGARIAN UNIVERSITY STUDENTS AND RESEARCHERS CAN OPT FOR WESTERN UNIVERSITIES AND HAVE ACCESS TO A MUCH BIGGER POOL OF INFORMATION AND TOOLS



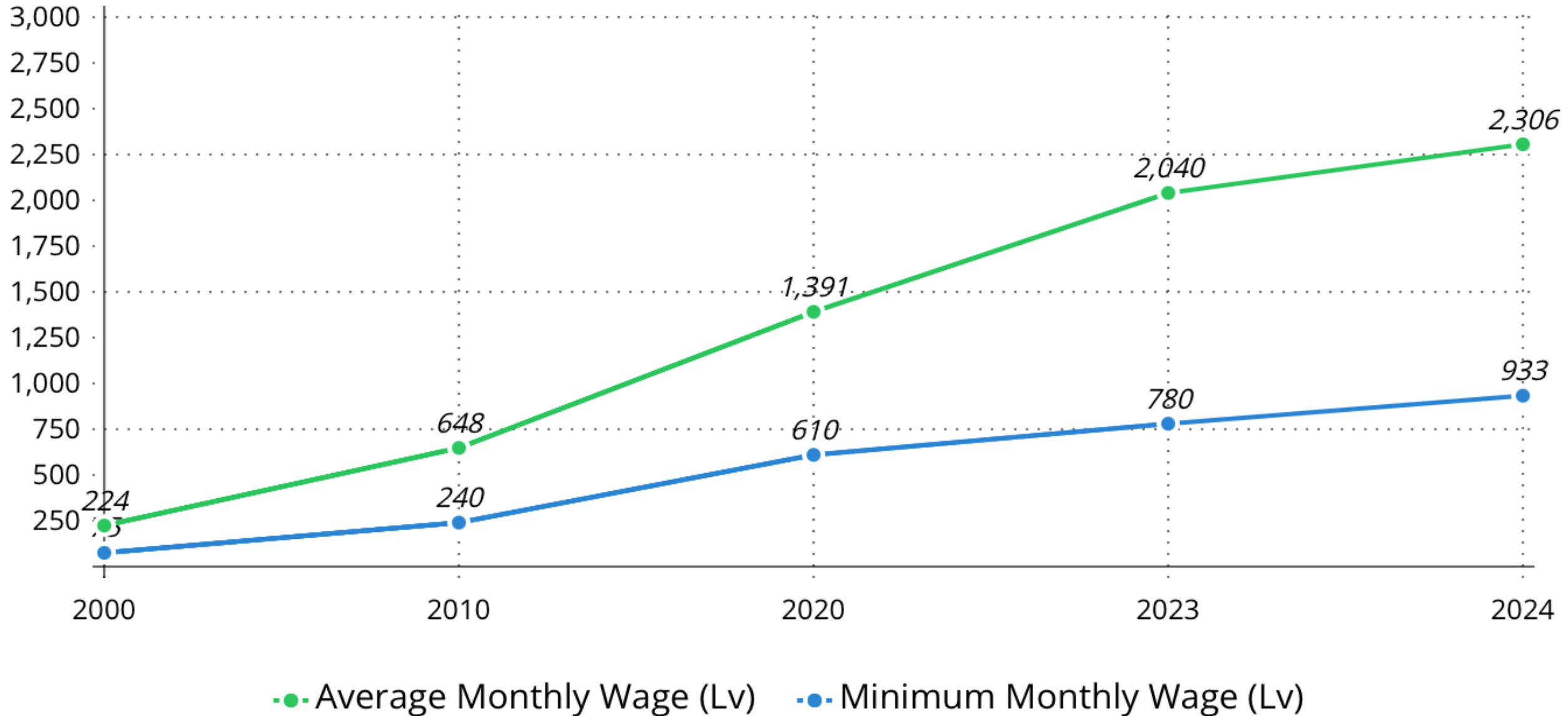


# HOW THE EU INTERGRATION BENEFICTED THE BULGARIAN PEOPLE

- WE HAVE A HEAVY INCREASE OF THE GDP FROM 13 BILLION \$ (2000) → 107 \$ BILLION IN 2022
- THE %. OF EXPORTS THAT CONTRIBUTE TO THE GDP HAS SKYROCKETED IN THE LAST 20 YEARS (2000-2022) FROM 20% TO REPRESENTING 50%
- THESE INCREASES ARE ALSO VISIBLE IN EVERYDAY LIFE OF BULGARIANS WITH MINIMUM WAGES AND AVERAGE WAGES BEING CONSTANTLY INCREASING IN THE PAST 15 YEARS.
- BULGARIA'S GDP AS A SHARE OF EU WAS 37% BACK IN 2006. TODAY, THIS NUMBER LIES AT 64%



# Bulgarian Wages



# THE EU HAS TRANSFORMED BULGARIA

- ❖ EU integration demanded changes in legal frameworks, implemented anti-corruption initiatives
- ❖ Turned Bulgaria into a modern economy , improved trade
- ❖ Ensured a better life and living standards for the citizens of Bulgaria



THANKS  
FOR  
WATCHING

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