

**CSIS Statesmen's Forum: The Transatlantic Partnership – 1949, 1989, 2004  
Featuring Bulgarian Minister of Foreign Affairs Solomon Passy**

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On 22 July, CSIS hosted Bulgarian Foreign Minister Solomon Passy, together with Ambassador Poptodorova, Deputy Foreign Affairs Minister Gergana Grancharova, and Deputy Foreign Affairs Minister Katya Todorova. In his introductory remarks, the Foreign Minister underscored that the post-9/11 relationship between the United States and Bulgaria has been marked by expanding cooperation. Bulgaria was one of the first allies to join the “coalition of the willing” against the global threat of terrorism, and has remained a staunch ally ever since. Recently, Bulgaria’s resolve has been sorely tested, with Islamist militia in Iraq reportedly murdering two Bulgarian civilian hostages, and with six Bulgarian soldiers killed in battle to date. But Bulgaria has remained firm and unified in its resolve not to accede to the demands of terrorists. .

***Diplomatic Developments:*** In his remarks on the European Union, FM Passy noted the Union’s three major accomplishments: the introduction of the euro, the recent membership enlargement, and the adoption of a Constitution. The latter is an historic document, with 28 countries agreeing to common economic, humanitarian, and political principles. Bulgaria will now join in the promising future that these accomplishments portend, as June 2004 brought the conclusion of talks for Bulgaria’s EU accession. According to the agreement, 1 January 2007 will see Bulgaria join the Union as a full member. To that end, Bulgaria will receive EUR4.4 billion in assistance, presumably more aid than it would have received were it a recipient of Marshall Plan assistance.

After four years of effort, Bulgaria is now a full member of NATO. And the country currently holds the chairmanship of OSCE (Organization for Cooperation and Security in Europe).. According to FM Passy, while it is an invaluable organization, the OSCE could do much more in the future, and Bulgaria hopes to lead the way by helping to humanize and expand its operations. At present, OSCE is too centralized in Vienna and it can be beneficially decentralized among the member states.

***Economic Developments:*** Bulgaria has seen 5.5 percent economic growth this year, and the country is making headway in addressing its 12 percent unemployment rate. The budget is balanced and inflation is low at 2 percent. Acknowledging this progress, foreign investment in the past year has increased some 60 percent, and there is visible tourist growth at 22 percent year-over-year. In the past three years, Bulgaria has been recognized by the U.S., the EU, and Japan as a functioning market economy. In short, noted the Foreign Minister Bulgaria is proving a Balkan success story. Now is the time for American businesses to invest in Bulgaria: in the run up to its EU entry in 2007..

***War on Terrorism:*** 2004 marks 101 years of U.S.-Bulgarian diplomatic relations. Relations today are better than ever before, with particular cooperation in the economic and military arenas. In the past three years, Bulgaria’s international military presence has increased tenfold, with a presence in Iraq, Kosova, Afghanistan, Bosnia, and parts of Africa. Sofia is encouraging U.S. military basing efforts in Bulgaria, for which there is strong public support: the mayors of 35 Bulgarian counties have specifically requested U.S. bases. Furthermore, Bulgaria has remained firm in its position not to negotiate with terrorists, nor change its

values, priorities, or positions pursuant to terrorist demands. In the words of the Foreign Minister, the Bulgarian government is unified in this stance.

**Discussion:**

***Black Sea Region:*** The Black Sea region is of immediate interest to Bulgaria. And Sofia is actively involved in its immediate neighborhood. Security prerogatives must be refocused eastward. Bulgaria can offer a lot to the region and to Central Asia. And there is a strong relationship between the peoples of Central Asia and Bulgaria.

***Regional Cooperation:*** There is no formal format to facilitate relations specifically between Poland, Romania, and Bulgaria, but Bulgaria works closely with its Romanian neighbors. Much information is shared with regard to the EU. Bulgaria is cooperating militarily with Poland in Iraq, as Bulgarian troops have been placed under Polish command. Bulgaria seeks to expand economic relations with both states and others. In particular, Bulgaria seeks to diversify its energy partnerships, as the current scenario of a one-state energy monopoly is untenable in the long-term.

***U.S. Basing in Bulgaria:*** Bulgaria has extended an invitation for American facilities to be built on Bulgarian soil and the government is now waiting for Washington to finalize its plans.

***Organized Crime and Trafficking:*** Twenty percent of all heroin intercepted worldwide is seized at Bulgaria's borders. This makes the drug trade priority number one in Sofia's anti-crime initiatives. But Bulgaria cannot fight this alone. It needs international cooperation and support, and Bulgaria currently enjoys a high level of support from the EU, NATO, and its regional neighbors.

***Energy Trade:*** Bulgaria sells electricity to other nations and this is a very important industry for the country. There are currently plans to build a new nuclear plant on the Danube to counterbalance the future shuttering of two other nuclear facilities. Investors have already expressed interest in the project.

***OSCE:*** There is a need for a more natural relationship between member governments and the OSCE. For example, moving the economic meetings from Prague to Central Asia, and the humanitarian meetings from Warsaw to the Caucuses would be a valuable first step. This will give the OSCE a better presence in these regions. While 15 years ago it was important for the Czech Republic and Poland to host these meetings, it is now more important that the organization better involves some of its lesser-developed states.

***Western Balkans states:*** The NATO aspirant states in the Western Balkans have Bulgaria's full support. But it is very important that they make the necessary domestic reforms as it will not be a political decision as to whether these states will be asked to join. Istanbul made clear that the door is wide open. The ball is in their court to make the needed changes.

***Kosova:*** Since the outbreak of violence this past March, Bulgaria has made clear to the Kosovars that the international community will not let anyone benefit from violence. FM. Passy has met with the government in Kosova and with Serb minority leaders as well. The international community must be more active in this region, as the Bulgarian government recently discussed with UN Secretary-General Kofi Annan.

***Ukraine:*** The Ukrainian elections this fall should herald a new situation in that country. The OSCE has good relations with Ukraine and the country has great potential. Moreover, the work of the NATO-Ukraine Committee has made great headway and represents strong international support for improving conditions in Ukraine.

***The New Iraq:*** The world needs to deal with the Middle East by benefiting from people who are familiar with the region's cultures and societies. Dialogue here is complicated, as there are some psychological differences between the Middle East and the Western world. Any negotiations undertaken without an understanding of these differences would be very difficult.