
TRIPARTISM AND COLLECTIVE BARGAINING EVOLUTION IN BULGARIA (1989 – 2019)

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ТРИПАРТИЗЪМ И РАЗВИТИЕ НА КОЛЕКТИВНОТО ДОГОВАРЯНЕ В БЪЛГАРИЯ (1989 – 2019)

Резюме: В настоящата статия е представена и анализирана еволюцията на трипартизното и бипартизното сътрудничество по отношение на социалното партньорство в България (1989 – 2019). Въведението представя подробен литературен преглед на развитието на социалния диалог за периода от гледна точка на изследователите, синдикатите и работодателските организации. Изложението на статията разглежда ключовите моменти в развитието на индустриалните отношения в България (1989 – 2019). Отражението на тоталитарното минало и установяването на неокорпоративен модел на индустриалните отношения в България след 1989 г. са зададени като основа за анализ наред с наличието на дълбока диспропорция в развитието на синдикатите, от една страна, и работодателските организации, от друга. Предлага се задълбочено проучване на еволюцията на синдикатите и на работодателските организации, като се има предвид радикалната социална трансформация, извършена през анализирания период. В заключение, развитието на индустриалните отношения, институционализацията на трипартизма, засилването на бипартизното сътрудничество в предприятията и на секторно, и на индустриално равнище представляват отделен елемент от българския „преходен период“. България може да бъде дадена като пример за развитието на неокорпоративен модел на индустриалните отношения. Трябва обаче да се подчертае, че функционирането на социалното партньорство до голяма степен зависи от наличието на вътрешно убеждение от страна на правителството, че е необходимо прилагането на тристранно сътрудничество. Може също така да се заключи, че ефективността на функционирането на тристранното сътрудничество и социалното партньорство в страните от Централна и Източна Европа, особено в България, не зависи

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нито от „силата“ на правителството, нито от неговия характер – коалиционно, квазикоалиционно или еднопартийно. Бъдещето на социалния диалог в България включва националното схващане за социалния корпоративизъм, следвайки примера на Ирландия, Финландия, Дания и др.

Ключови думи: *трипартитно сътрудничество, бипартитно сътрудничество, социално партньорство, социални партньори, колективно договаряне, разширение на ЕС, Централна и Източна Европа, развитие на трипартизма, „хибриден“ капитализъм, преходен период, гъвкави форми на работа, телеуъркинг, колективни трудови договори, договорен процес*

INTRODUCTION

In this introduction, without any attempt for comprehensiveness, several publications are presented, shedding light on the evolution of tripartite and bipartite practices in the social partnership in Bulgaria. Those publications do not represent the whole diversity of publications on the subject, even if industrial relations' development is not the most popular subject among Bulgarian experts in the fields of sociology, political and human resources management.

First we must mention the large-scale study on the evolving structure of collective bargaining in enlarged Europe, conducted under the directions of Professor Silvana Sciarra of the University in Florence. There is a special part of the study, observing the evolution of collective bargaining in Bulgaria [2].

The situation of social dialogue in Bulgaria on inter-sector level and by sectors in the eve of the country's EU accession is comprehensively described in the surveys funded by the European Commission and implemented under the methodological coordination of the Catholic University of Leuven. The study is focused on the states of the „first EU enlargement wave“ in Central and Eastern Europe, including Bulgaria, Romania and Turkey. Here, we shall draw the reader's attention on several accessible researches of social partners' situation on inter-sector level in those countries [19], and in the following sectors: trade [18], energy (with nuclear energy sector put aside) [26], textile [20] and auto transport [21].

The evolution of industrial relations' development in Bulgaria in the transition period 1989 – 2002 is presented in the paper [3]. Tripartism and industrial relations' development in Bulgaria before 1999 are reviewed in the study of D. Dimitrova [1].

An original view on social dialogue development in the countries of Southeastern Europe by 2002 is presented by D. Durich [8].

From the numerous researches of the International Labour Organization (ILO) experts and under ILO projects we cannot omit several important comments on sectoral social dialogue issues in the countries of EU enlargement in 2004 and 2007. Common view on those problems share Youcef Ghelab and Daniel Vaughan – Whitehead in [9]. Bulgarian specifics are analyzed by Vasil Kirov in [15].

Youcef Ghelab and Marketa Vylitova have researched tripartite practices in social partnership and employment in the countries of Southeastern Europe in [10]. In 2005, Youcef Ghelab comments again on the consolidation of social dialogue and enhancing the legal framework in Central and Eastern Europe [11].

Valuable contribution in research of social dialogue evolution in the countries of Central and Eastern Europe was made by Layos Hethy in his fundamental analysis of tripartism development in the decade 1988 – 1999 [13].

Interesting and probably slightly radical interpretation of industrial relations development in the countries of Central and Eastern Europe with an emphasis on Bulgaria and Poland came from Elena Iankova in her book „Eastern European Capitalism in the Making“ published in 2002. Analyzing gross development of tripartite and bipartite practices (particularly tripartism) in the first years after the fall of the Berlin Wall, she concludes that in East-European countries, Bulgaria and Poland in particular, a specific „hybrid“ capitalism has evolved, where social partners play key role [14].

The history of the development of industrial relations in Bulgaria is treated in a pretty detailed way in the already classic works for Bulgarian researchers and students presented by professor D. Shopov [23] and [24].

The trade union perspective on industrial relations development in Bulgaria during the first seven years of the transition period is described most explicitly in [22].

In-depth review of industrial relations' development in Bulgaria in the different crucial periods (1989 – 1994) and (2001 – 2007), accompanied by a great number of original and even now unavailable documents can be found in the monograph researches of Emilya Milcheva [17], and Boryana Stoycheva [25].

Profound comparative analysis of contemporary evolution of tripartism and industrial relations in Bulgaria and the countries of Central and Eastern Europe (aside of Russia and Belarus), and of industrial and (post-) industrial relations' development, created by the introduction of different flexible jobs (Temporal Work Agencies and tele-working), can be found in [4], [5] and [6]. Similar comparative analysis of innovative

practices in the Collective Bargaining in the EU Member States (mostly in „Old Europe”) and in Bulgaria, and a detailed review of sector collective work agreements contents and development in Bulgaria can be found in the book [7].

In the end of this review, the on-going monitoring of collective bargaining at a sectoral level and in some structural enterprises has to be mentioned, carried out by Emilya Markova from the Confederation of Independent Trade Unions in Bulgaria (CITUB).

Aside from the work of Emilya Markova [16], dedicated to women’s specific rights in sectoral and industrial collective work agreements, the book [12] pays attention to the negotiation process related to those rights at a sectoral level.

KEY POINTS IN INDUSTRIAL RELATIONS’ EVOLUTION IN BULGARIA (1989 – 2019)

When referring to the evolution of industrial relations’ pattern in Bulgaria, we have to account for the repercussion of totalitarian past and to emphasize on the establishment of neo-corporatist model of industrial relations in Bulgaria since 1989. As a direct result of the „totalitarian heritage“, the employers’ component deficiency in the Tripartite Cooperation in the first years of the transition period has to be mentioned. Also, the importance of the analysis of the relations between the „power of government“ and the industrial relations and social dialogue situation cannot be underestimated.

An important characteristic, resulting from the totalitarian past of Bulgaria is the presence of a deep disproportion in the development of trade unions and employers’ associations.

In the period 1944 – 1989, trade unions have become a part of the State – they were proclaimed to be „party’s transmission“. Specific functions have been delegated to them that would have been managed directly by the State in a democratic society (e.g. labour inspection and provision of healthy and safe working conditions) and build up their own apparatus and fully trained nomenclature.

In the same time, in the very beginning there weren’t existing employers’ associations and the only organization where top economy managers have been members for decades, was the Bulgarian Chamber of Commerce and Industry (BCCI)¹. Its membership was mandatory and according to some authors, „during that period it could be viewed as a unit of

¹ Bulgarian Chamber of Commerce and Industry (BCCI) – Българска търговско-промишлена палата (БТПП).

the Ministry of Trade“. Since 1967, the Bulgarian Chamber of Commerce and Industry – BCCI represents, although formally, employers in the Bulgarian Delegation at the regular annual International Labour Conference.

In the end of totalitarian period, the Bulgarian Industrial Association (BIA)² was found.

It can be assumed that in 1989 – 1994, even in more recent years, in Bulgaria exists a neo-corporatist model of industrial relations [4: 75]. For a long period, key stakeholders in the industrial relations have been the organizations of workers and employees (trade unions), on one hand, and the State (represented by the Government), on the other. The fact that a transition from centralized, planned, almost 100 percent state-owned economy to combined, social market economy (according to the Constitutional definition) has occurred, has undoubtedly marked the industrial relations development in Bulgaria and of the tripartite cooperation respectively, as well as of the nationally representative body – the National Council for Tripartite Cooperation (NCTC)³.

In 1989 nor BCCI, or BIA joined the emerging tripartite cooperation. Objectively, nor BCCI, or BIA met the requirements for employers' organization that could participate in the tripartite cooperation. When the negotiations between the Confederation of Independent Trade Unions in Bulgaria (CITUB)⁴ and the government of Andrey Lukanov for contracting the General Agreement began on 28 February 1990, the need of employers' organization became obvious, in order to insure the transformation of the bipartite social contract into a tripartite agreement.

Because of the impossibility to involve BCCI, the newly established National Union of Economic Managers (NUEM)⁵ was involved [17: 119]; authors close to CITUB unequivocally state that NUEM „was founded with the assistance of the trade unions, for the construction of a tripartite structure at a national level“ [22: 7].

That gave the Confederation of Labour „Podkrepa“⁶ the possibility to attack the General Agreement, denying its tripartite nature and stat-

² Bulgarian Industrial Association (BIA) – In the period until 1992 – Българска индустриално стопанска асоциация (БИСА). Later its name was changed to Българска стопанска камара (БСК).

³ National Council for Tripartite Cooperation (NCTC) – Национален съвет за тристранно сътрудничество (НСТС).

⁴ Confederation of Independent Trade Unions in Bulgaria (CITUB) – Конфедерация на независимите синдикати в България (КНСБ).

⁵ National Union of Economic Managers (NUEM) – Национален съюз на стопанските ръководители (НССР).

⁶ Confederation of Labour „Podkrepa“ (CL „Podkrepa“) – Конфедерация на труда „Подкрепа“ (КТ „Подкрепа“).

ing that the National Union of Economic Managers in Bulgaria⁷ “does not represent the state- independent managers”.

An undisputable weakness of employers’ organizations is repeatedly recognized by themselves in the period 1989 – 1994. On May 29 1992, social partners and Vice Prime Minister Nikola Vasilev announced that in the newly established National Council for Social Partnership, the Union for Private Economic Enterprise (UPEE)⁸, Bulgarian Industrial Association – BIA, Bulgarian Union of Private Entrepreneurs „Vuzrazhdane“⁹ and Free Entrepreneurs Association „Alternative – 2000“¹⁰ would be represented. Since the legal regulation of the tripartite cooperation in the government of Professor Lyuben Berov in January 1993, BIA, BCCI, UPEE and BUPE „Vuzrazhdane“ have been proclaimed as nationally representative employers’ organizations [17: 134].

Employers started to play a much more important part in the Tripartite Cooperation through the government of the cabinet of Ivan Kostov (1997 – 2001). By the end of 2002, the Union for Private Economic Enterprise (UPEE) and the Bulgarian Union of Private Entrepreneurs „Vuzrazhdane“ role in the tripartite cooperation and social dialogue was limited to their representation in the NCTC and participation in the managing bodies of various tripartite institutions – the National Social Insurance Institute, the National Employment Agency, etc.

Collective bargaining at sectoral and industrial level remained solely in the hands of sector chambers – members of BIA and/or BCCI. The situation has changed after 2003 when the UPEE and BUPE „Vuzrazhdane“ managed to attract as members a substantial number of newly founded branch organisations and started to play a more visible role in bipartite social dialogue, and in tripartite cooperation at a sectoral level.

The course of tripartite cooperation evolution in Bulgaria naturally urges the researcher to focus on the issue of correlation between government’s „power“ and the state of the art of social dialogue. From methodological perspective, a need to define the criteria determining the „power“ of a government arises. In that case, the criterion of Parliamentary support is applied – i.e. whether the government is one-party or coalitional.

⁷ National Union of Economic Managers in Bulgaria (NCEMB).

⁸ Union for Private Economic Enterprise (UPEE) – Съюз за стопанска инициатива (ССИ).

⁹ Bulgarian Union of Private Entrepreneurs „Vuzrazhdane“ (BUPE „Vuzrazhdane“) – Български съюз на частни предприемачи „Възраждане“ (БСЧП „Възраждане“).

¹⁰ Association of Free Entrepreneurs „Alternative – 2000“ (AFP „Alternative – 2000“) – Асоциация на свободните предприемачи „Алтернатива – 2000“ (АСП „Алтернатива – 2000“).

During the rule of Jean Videnov government (1994 – 1996), many trade unionists and authors connected to the trade union movement have shared the concept that: „the weaker Parliamentary support for a government is, the more stable are the social dialogue and the tripartite cooperation“ [22: 53]. Analysis of tripartite cooperation in the governments of Dimitar Popov, Philip Dimitrov, Professor Lyuben Berov, Jan Videnov and Ivan Kostov, allows us to reject the deterministic dependency: „power of government – industrial relations and social dialogue situation“ [3: 51 – 52].

The dependency „coalitional government – efficient tripartite cooperation“, as opposed to the dependency „one-party government – crisis in the tripartite cooperation“, suggested by some authors, cannot be proven, either [3: 51 – 52]. By the end of both coalition „weak“ governments – of Dimitar Popov and of Professor Lyuben Berov, deep crises in tripartite cooperation occurred, one of them continued for seven months, starting on 26/04/1994 under the governance of Professor Lyuben Berov and continuing through the interim government of Reneta Indjova.

On the other hand, under the proclaimed as a strong government of Ivan Kostov which was grounded on an absolute Parliamentary majority, the tripartite cooperation became very dynamic and has allowed for the execution of overall reform of the legislation, regulating the healthy and safe working conditions and social security, with the participation and close interaction between the government and social partners (particularly trade unions). In that period significant changes in the Labour Code have been made; the Law on Economic and Council was adopted. That period was marked by a triumph of the neo-corporatist model of industrial relations in Bulgaria.

In that sense, the thesis that „powerful“ governments always attempt to limit or simply neglect tripartite cooperation cannot be assumed; it could be sensible only in the context of specific historic circumstances.

Reviewing the neo-corporatist model of industrial relations in Bulgaria, one can conclude that trade unions are going to defend the status quo with any means allowed. In practice, the two organizations – CITUB and the Confederation of Labour „Podkrepa“, fervently defend the pillars of the neo-corporatist model and their key role as social actors, denying the possibility of emergence of another nationally representative trade union. Historically, CITUB and the Confederation of Labour „Podkrepa“ have opposed aggressively any attempt for recognition of a third national representative trade unions in the tripartite co-operation.

This review would be incomplete if it has omitted the restructuring of employers' component in the tripartite cooperation and the ad-

vance of much more liberal views that began in the end of Ivan Kostov's governance and has gained speed during the governance of Simeon Saxe-Coburg Gotha.

The pressure applied on Simeon Saxe-Coburg Gotha's government by the newly-established Employers Association of Bulgaria (EABG)¹¹ and the Bulgarian International Business Association (BIBA)¹² has led to the founding of an institution uniting the large business pressure groups – the Council for Economic Growth (CEG)¹³. At its creation, it involved several of the nationally representative employers' organizations and other employers' associations that were not representative in the sense of the Labour Code [25: 49 – 51].

Thus, the National Council for Tripartite Cooperation (NCTC) tended to be neglected in favour of the Council for Economic Growth (CEG), which in fact copied a plenty of its functions. A series of acts and statements of top governmental officials have confirmed the tendency to neglect tripartite cooperation, notable among them was the attempt of Vice Prime Minister Lydia Shuleva to transfer the consideration of social partners' representation criteria from NCTC to CEG [4: 86 – 90].

One of the most unfavourable facts in Bulgarian industrial relations in that period was the fact that nor in 2003, or in 2004, the ratification of National Agreement between all nationally representative social partners' organizations was reached, to formally regulate the framework of the bipartite relations.

Meanwhile, in 2003 started the process of repositioning of Employers Association of Bulgaria (EABG) from „anti-system organization“ denying tripartite cooperation toward integration in that same process, presenting itself as real, authentic representative and defender of „viable“ business' interests. In March 2004 the EABG was recognized by the Government as a representative at national level employers' organisation. The aggressive behavior of EABG on the stage of tripartite cooperation was possible due to its consolidation (and further amalgamation) with BIBA.

At the end of 2004, the Bulgarian Industrial Capital Association (BICA)¹⁴ joined the company of the representative employers' organisations in Bulgaria.

¹¹ Employers Association of Bulgaria (EABG) – Съюз на работодателите в България (СРБ).

¹² Bulgarian International Business Association (BIBA) – Асоциация на чуждестранните инвеститори в България (БИБА).

¹³ Council for Economic Growth (CEG) – Съвет за икономически растеж (СИР).

¹⁴ Bulgarian Industrial Capital Association (BICA) – Асоциация на индустриалния капитал в България (АИКБ).

The recognition of the EABG and of the BICA as nationally representative organisations could be assessed as the beginning of a new stage in differentiating of employers' organizations in Bulgaria and in the development of the employers' movement in it.

The recognition of BICA as representative was of crucial importance, because of the fact that in this way the public companies, listed at the stock exchange got their representation in the institutions of Bulgarian industrial relations. BICA was established in 1996 as an organization of the public companies. For a long period of time it was strongly focused on the issues of functioning of the stock exchange and on good corporate governance of the public companies. The existing and still functioning codes of conduct of public companies in Bulgaria are result of the activities of BICA. This way, BICA got a strong popularity and many enterprises, which weren't public companies, started to join the association.

In 2004 BICA was already a well composed and strong employers' organization and the change of its profile came in a natural way. BICA was already not only the speaker of organized public companies – it became an adequate employers' organization at a national level. Another change in the profile of BICA took place in 2015, when the association started to lobby for the interests of small and medium enterprises. Also, after 2004 there was a very strong trend of joining BICA by branch employers' organizations. The close co-operation of the management of BICA, made it a „favourite site“ for branch organisations from all kinds of economic activities.

As a result of this process and of the popularity of the initiatives and solutions, proposed by BICA, nowadays it gathers more than 80 branch chambers, representing 75 per cent of the economic activities in Bulgaria, and more than 10000 enterprises – direct members, which have a total of more than 500 000 employees. Nowadays, BICA is part of European social dialogue, being member of CEEP. Representative of BICA¹⁵ is vice president of CEEP and vice chairman of the European Social and Economic Committee.

The growth of the number of the nationally representative organizations – employers' associations in 2004 was negatively accepted by CITUB and the Confederation of Labour „Podkrepa“, ranging from irony to verbal aggression. Provoked by the recognition of Union of Syndicates in the „Promyana“ Unification¹⁶ as nationally representative trade union, CITUB and Confederation of Labour „Podkrepa“ attacked not only

¹⁵ This is Milena Angelova, PhD.

¹⁶ Union of Syndicates in the „Promyana“ Unification – Съюз на синдикатите в Обединение „Промяна“.

the method of „counting“ of the structures of the social partners, but also the criteria for representation of employers' organizations. They continued to criticize the work of the National Council for Tripartite Cooperation, calling it „formal“.

Thus, in March 2005 CITUB and Confederation of Labour „Podkrepa“ withdrew their delegates from NCTC and stated they would seek assistance from the newly elected executive authority, requesting for a new selection procedure for assessment of social partners' organizations and representation criteria. That has led to a stagnation in the relations between the social partners' organisations.

In May 2006, the final step of the amalgamation of EABG and BIBA took place.¹⁷ A new player appeared on the chessboard of the Bulgarian industrial relations – the Confederation of Employers and Industrialists of Bulgaria (CEIBG)¹⁸.

In December 2007, there were 6 employers' and 2 trade union organizations, representative at national level.

In July 2012, the UPEE was excluded from the list of the employers' organisations, representative at a national level. The BUPE „Vuzrazhdane“ became a member of the BICA and stopped to operate as a representative at national level as an employers' organisation.

In August 2016, the Government recognized five employers' and two trade union organizations as representative. BICA, BIA, BCCI and CEIBG opposed strongly the decision, which recognizes UPEE as representative at a national level, but their point of view wasn't shared by the Government.

After 2016, a trend of consolidation of the employers' organization is visible. The CEIBG joined BCCI, BIA and BICA in their umbrella organization – Association of the Organisations of Bulgarian Employers (AOBE), which is the Bulgarian member of IOE and forms the employers' part of the delegation at the International Labour Conference (ILC). The UPEE remains excluded from the AOBE, because the employers' organizations still don't recognize it as representative at a national level.

The employers' organizations managed to coordinate and adopt a series of common, coherent standpoints on extremely important issues such as the labour migration, the minimum monthly salary, the need to

¹⁷ **Kozhuharov**, Georgi. The Employers Association of Bulgaria and BIBA Amalgamated. The Confederation of Employers and Industrialists in Bulgaria (CEABG) is Going to Represent the Big Business in Bulgaria. – In: *Capital*, 19 May 2006 [online]. https://www.capital.bg/politika_i_ikonomika/bulgaria/2006/05/19/262824_sujuzut_na_rabotodatelite_i_biba_se_obediniha/.

¹⁸ Confederation of Employers and Industrialists of Bulgaria (CEABG) – Конфедерация на работодателите и индустриалците в България (КРИБ).

reform the higher education and the vocational education and training in Bulgaria, the price of electricity for industry needs, etc. The four organizations, passed common actions, including a mass protest with more than 7000 participants against the speculations with the price of electricity and against the corruption, connected with the implementation of the privileges of the producers of renewable energy. The employers' organizations strongly support the low, ten per cent flat corporative tax, against the attacks of leftist organizations and trade unions. They are the most devoted supporters of the „currency board“, as well as of the procedure for joining ERM II. De facto, the employers are the „engine“ of the Bulgarian application for membership in OECD and the AOE is already represented in BIAC.

The role of BICA in this process of employers consolidation is substantial. BICA chaired successfully AOE several times, the last time in 2017. BICA is the most active part in the disputes, concerning the lack of human resources and the necessity of the labour immigration in Bulgaria. Due to the pressure from the employers' organisations and particularly from BICA, the government adopted some positive changes in the regime of labour immigration, but unfortunately they are not enough.

BICA was the most active and innovative side in the discussions, concerning a possible tripartite agreement on adopting a fair and transparent mechanism of negotiating and bargaining of the minimum salary, including a framework for implementation of minimum salaries by economic activities. The negotiating and bargaining of minimum salaries on national level or by economic activities is the only reasonable alternative of the actual situation where the minimum month salary is adopted in a nontransparent and administrative way by the Council of Ministers.

CONCLUSION

In the period 1989 – 2007, in the countries of Central and Eastern Europe (CEE), including Bulgaria, a radical social transformation took place – a „bundle“ of parallel processes, concerning various aspects of societal development.

During that transformation (transition) from a totalitarian state to a democratic political order and market economy, a dynamic triangle of industrial relations and tripartism emerged. Bipartite procedures have been developed, too.

The state is no longer a major employer, on the contrary – there is quite a „colourful“ picture of domination in the economy of private enterprises, employers and businesses with diverse thinking and different

behavior. Trade unions are no longer a „transmission“ of the ruling totalitarian party. They participated in the on-going transformation, political and economic transitions.

All those considerations show that the development of industrial relations, institutionalization of tripartism, strengthening of bipartite procedures in the enterprises and at sectoral and industrial level are a separate element of the „bundle of transitions“ in the CEE countries, including Bulgaria.

It is recognized that the so-called neo-corporatist model of industrial relations is being established in the countries of Central and Eastern Europe, marked in the beginning by the leading role of the negotiations through the axis „government – trade unions“ as a side of industrial relations' „triangle“.

Employers' organisations needed many years to establish themselves in the industrial relations, and to reinforce their influence.

Certainly, the Central and East European neo-corporatist model of industrial relations reflects the national specifics¹⁹ [5: 137 – 157]. Nevertheless, that general similarity in the genesis of industrial relations pattern in the CEE countries counts more than the various differences. Undoubtedly, in the past thirty years, tripartism has assisted and facilitated the almost smooth political and economic reforms in CEE countries.

Bulgaria can be given as a representative example for the development of industrial relations' neo-corporatist model. However, social partnership functioning largely depends on the presence of internal governmental convincement that the application of tripartite procedures is needed.

It can be also concluded that the efficiency of the functioning of tripartite procedures and social partnership in the CEE countries, particularly in Bulgaria, does not depend on the government's „strength“, nor of its nature – coalitional, quazi-coalitional or one-party.

The experience of Bulgaria in the field of social partnership and tripartism is generally positive even in the context of the experience of the rest of the CEE countries, although in Bulgarian industrial relations, there is a gradually escalating crisis in social partners' relationship. To a

¹⁹ If in Hungary social partners are very pluralized and weakened, in Poland in certain points there has been trade unions' component in the Parliament, as a ruling power. In Czech Republic, by 2000 there was no regional structure of employers' organizations, while in Bulgaria three of the four representative employers' organizations have been structured mostly at regional level. In Slovenia and Slovakia the coverage of collective work agreements – at enterprise and sectoral/industrial level is almost 100 percent, while in Poland the coverage of „sector“ collective agreements was under 10 % on the eve of the EU accession.

great extent that crisis is due to a growing mutual distrust and loss of joint strategic objective. This crisis already affected in a negative way the introduction of flexible employment, blocked the development of (post)industrial relations, particularly of bipartite social dialogue [6].

Later, the same crisis took the form of an absurd pressure of the trade unions upon the government for raising the obligatory minimum monthly salary. Also it took the form of open sabotage of the labour migration in Bulgaria.

There is one basic, essential difference between the EU-15 Member States industrial relations and the industrial relations in the countries of Central and Eastern Europe, particularly Bulgaria.

First, there is an apparent difference in industrial relations' patterns. In EU-15 Member States there are different kinds of tripartite concertation, based on the principle of „equal distance“ of the executive authority from the trade unions and the employers' organisations. The State intentionally involves social partners in consultations and negotiations on every key issue in the sphere of industrial relations. On the other hand, in the countries of Central and Eastern Europe, generally dominate different national interpretations of the neo-corporatist model of industrial relations, most specific among them being the neo-corporatist patterns of Poland and Bulgaria.

Second, from bipartite perspective, in Bulgaria there is a lack of innovation in the collective bargaining at sectoral level, lack of productivity bargaining and lack of self-regulation, especially with the new flexible employment.

It could be stated that in many CEE countries – EU members, including Bulgaria, the existing neo-corporatist model of industrial relations can be „cultivated“ and transformed in one of the European patterns of „tripartite concertation“.

In a possible optimistic scenario, there could be a gradual transformation of the neo-corporatist model of industrial relations in some of the European patterns of social dialogue.

For Bulgaria²⁰, it can be reasonably supposed that a kind of a national interpretation of the social corporatism will prevail, following the example of Ireland, Finland, Denmark and Austria to some extent. This process is preconditioned, arising from the better development of the tri-

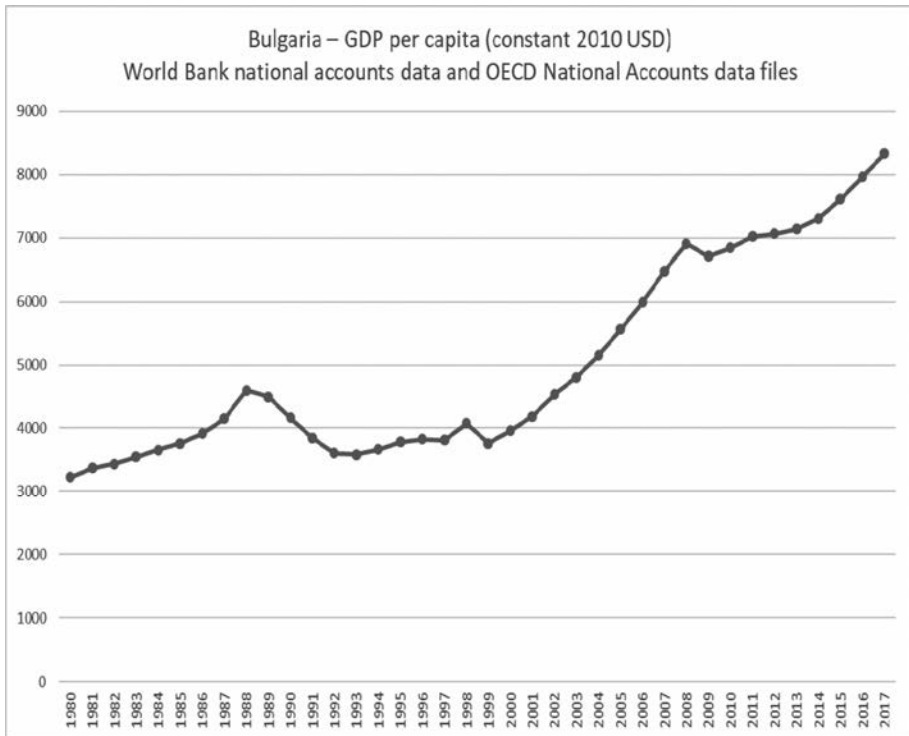
²⁰ As well for Poland and Romania. For Hungary it can be forecasted that the weak neo-corporatist model will transform into a form of „managers corporatism“, where the burden of industrial relations falls on enterprise and company level, while state preserves its role as „moderator“ of industrial relations.

partite cooperation at a national level, compared to the tripartite cooperation and bipartite dialogue at a sectoral (branch and industrial) level.

In an acute pessimistic scenario, we can face the disintegration of tripartite cooperation and bipartite social dialogue in separate „monologues“ of social partners. In that case, social partnership atrophy will be marked by gradual formalization, even „ritualization“ of tripartite cooperation and social dialogue. That scenario is not impossible. The acute weakening of social partnership can lead to normative regulation „rigidity“ and to a further neglect of the for social partners' role by the State.

APPENDICES

Appendix 1a. *DP per capita for Bulgaria (constant 2010 USD) for the period 1980 – 2017*



Source: World Bank National Account Data and OECD National Accounts Data Files.

Appendix 1b. GDP per capita (constant 2011 USD) for Bulgaria, Hungary and Germany



Source: Diagram by Nicolay Raykov, GDP Chronology 1944 – 2018, July 16-th 2018. – In: The End of the Transition Blog, <http://krai-at-na-prehoda.millenniumclub.org/2018/07/16/%D0%B1%D0%B2%D0%BF-%D1%85%D1%80%D0%BE%D0%BD%D0%BE%D0%BB%D0%BE%D0%B3%D0%B8%D1%8F-1944-2018/>.

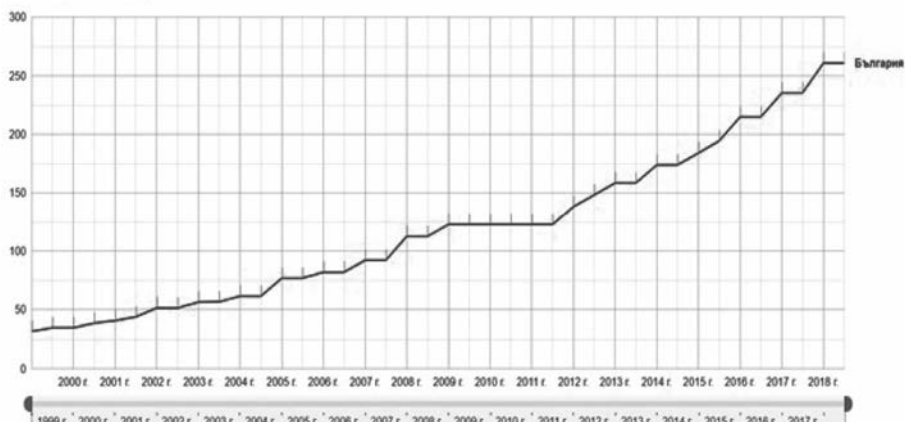
Appendix 2a. Minimum Month Salary (MMS) in Bulgaria by Quarters for the Period 2000 – 2017

№	Year-Quarter	2000-1	2000-2	2000-3	2000-4	2001-1	2001-2	2001-3	2001-4
1	MMS in EURO	38,35	38,35	38,35	40,42	40,42	43,65	43,65	51,38
2	Year-Quarter	2002-1	2002-2	2002-3	2002-4	2003-1	2003-2	2003-3	2003-4
3	MMS in EURO	51,38	51,38	51,38	51,38	56,28	56,28	56,28	56,28
4	Year-Quarter	2004-1	2004-2	2004-3	2004-4	2005-1	2005-2	2005-3	2005-4
5	MMS in EURO	61,36	61,36	61,36	61,36	76,69	76,69	76,69	76,69
6	Year-Quarter	2006-1	2006-2	2006-3	2006-4	2007-1	2007-2	2007-3	2007-4
7	MMS in EURO	81,79	81,79	81,79	81,79	92,03	92,03	92,03	92,03

8	Year-Quarter	2008-1	2008-2	2008-3	2008-4	2009-1	2009-2	2009-3	2009-4
9	MMS in EURO	112,49	112,49	112,49	112,49	122,71	122,71	122,71	122,71
10	Year-Quarter	2010-1	2010-2	2010-3	2010-4	2011-1	2011-2	2011-3	2011-4
11	MMS in EURO	122,71	122,71	122,71	122,71	122,71	122,71	122,71	138,05
12	Year-Quarter	2012-1	2012-2	2012-3	2012-4	2013-1	2013-2	2013-3	2013-4
13	MMS in EURO	138,05	148,28	148,28	148,28	158,50	158,50	158,50	158,50
14	Year-Quarter	2014-1	2014-2	2014-3	2014-4	2015-1	2015-2	2015-3	2015-4
15	MMS in EURO	173,84	173,84	173,84	173,84	184,07	184,07	194,29	194,29
16	Year-Quarter	2016-1	2016-2	2016-3	2016-4	2017-1	2017-2	2017-3	2017-4
17	MMS in EURO	214,75	214,75	214,75	214,75	235,20	235,20	235,20	235,20
18	Year-Quarter	2018-1	2018-2	2018-3	2018-4	2019-1	2019-2	2019-3	2019-4
19	MMS in EURO	260,76	260,76	260,76	260,76	286,32	286,32	286,32	286,32

Appendix 2b. Dynamics of the Minimum Month Salary in the Republic of Bulgaria in the period 1999 – 2018

Минимална заплата – Евро



Данни от Евростат. Последна актуализация: 07 септ. 2018

Appendix 3. Data about the Minimum Month Salaries (MMS) Valid for 2018 by Sectors (Branches), Negotiated Between the Branch Trade Unions and Employers' Organisations in Collective Agreements. Data about the Ratio Between the Minimum Salaries Valid for 2018 and 2001.

Nº	Sector/Branch	MMS 2018 in EUR	MMS 2018/ MMS 2001
1	Electric Power Engineering – support staff	312,91	6,0002
2	Tourism (negotiated in May 2016)	260,76	6,0000
3	Electric Power Engineering – qualified staff	391,14	5,9999
4	Mining Industry (negotiated in March 2017)	365,06	5,1001
5	Transport (negotiated in July 2015)	338,99	5,1000
6	Healthcare (negotiated in 2014 – the MMS is adopted)	260,76	5,1000
7	Agricultural co-operatives (negotiated in 2007 – the MMS is adopted)	260,76	5,0825
8	Poultry (negotiated in June 2013)	260,76	4,6365
9	Sugar Industry (negotiated in June 2013 – the MMS is adopted)	260,76	4,6365
10	Sewing Industry (negotiated in 2007 – the MMS is adopted)	260,76	4,6365
11	Fruit and Vegetables Processing (negotiated in 2002 – the MMS is adopted)	260,76	4,6365
12	Textile Industry (negotiated in 2009 – the MMS is adopted)	260,76	4,6365
13	Knitwear Industry (negotiated in 2008 – the MMS is adopted)	260,76	4,6207
14	Forestry (negotiated in December 2016)	260,76	4,4347
15	Leather, Fur, Shoe and Haberdashery Industry (negotiated in 2013 – MMS adopted)	260,76	4,4346
16	Fodder Industry (negotiated in 2011 – the MMS is adopted)	260,76	4,6153
17	Miller Industry (negotiated in 2009 – the MMS is adopted)	260,76	4,2499
18	Metalworking and Machine building (negotiated in 2017)	260,76	4,2499
19	Electrical and Electronic Industry (negotiated in August 2016)	260,76	4,2495
20	Pulp and Paper Industry (negotiated in 2014)	260,76	4,2354
21	Cotton, Linen and Hemp Industry (negotiated in 2006 – the MMS is adopted)	260,76	3,9229
22	Production of Vegetable Oils (negotiated in 2008 –	260,76	3,9229

	the MMS is adopted)		
23	Metallurgy (negotiated in May 2017)	286,32	3,7340
24	Construction	299,87	3,6655
25	Commerce (negotiated in December 2015)	260,76	3,6429
26	Water Supply and Sewerage (negotiated in April 2016)	273,80	3,5702
27	Woodworking and Furniture Industry (negotiated in 2014 – MMS is adopted)	260,76	3,5171
28	Tobacco Industry (negotiated in 2014 – приет е МРЗ)	260,76	2,8333
29	State Administrative Minimum Month Salary	260,76	6,4512

It is visible from the available data, that in 28 sectors (branches) of the Real Economy in Bulgaria the ratio MMS 2018/MMS 2001 is lower than the same ratio for the State Administrative Minimum Salary, pointed by the Government and valid for 2018.

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