

Country in focus: Bulgaria



WILL A NEW PLAYER BREAK THE DEADLOCK IN BULGARIAN POLITICS?

by Rumen Dobrinsky, Senior wiiw Associate

For the first time in 15 years, there has been a major political upheaval in Bulgaria. This has been brought about by the resignation of Rumen Radev from the presidential post that he had held for nine years and his declared intention of entering the race in the upcoming early parliamentary elections. The expected entry of a strong new political player is likely to lead to a shake-up in the fragmented political spectrum and could bring about important change in policy.

On 16 January, a full year before his term in office was due to expire, Bulgarian President Rumen Radev announced his resignation after nine years as head of state. This became effective a week later, once Mr Radev had formally submitted his resignation to the Constitutional Court and the latter had rubber-stamped it. The rationale for Mr Radev's move was his declared intention of entering politics in a different capacity – by joining the race in the next parliamentary elections. Although this step was not unexpected and had indeed been rumoured for months – if not years – when the news actually broke it came as a political bombshell, sending shock waves through Bulgarian politics.

Boyko Borisov, the waning heavyweight of Bulgarian politics

For more than 15 years, Bulgaria's political scene has largely been dominated by one big player – the centre-right party GERB (Citizens for European Development of Bulgaria), led by Boyko Borisov, a populist with a shady business past. From the time of the 2009 election, when Mr Borisov's party won the popular vote, right up until the most recent parliamentary elections, held in October 2024, GERB was the leading political formation in the country. However, its dominance has waned over time: from 48.3% of seats in the National Assembly in 2009 to 27.5% in the last election.

Throughout most of the period since 2009 (with the exception of a short spell in 2021-2022), GERB has either ruled on its own or has been part of a governing coalition. Boyko Borisov himself served as prime minister on three separate occasions between 2009 and 2021, for a total of nine years. In more recent times, as its popular support has faded, GERB has been compelled to govern in coalition with various smaller parties. Nevertheless, it is widely believed that, even without a formal position, behind the scenes Borisov remained the dominant figure in Bulgarian politics.

GERB's success on the political scene was based on the skilful establishment of a structure and network of regional offices. This began during Borisov's term as mayor of Sofia, when he set up his new party and as early as 2007 succeeded in winning the local elections. This was followed by a sweeping national victory in 2009. The process allegedly involved murky deals and corruption, first at the local level and later, once in government, within the national institutions.

Throughout this time, Borisov has faced another problem in the eyes of society: namely, his lack of any clear ideology, vision and policy agenda. Economic policy has never been at the centre of public debate; rather, important policy decisions have been taken in response to something or other, 'on the hoof' and sometimes under populist pressure. People have basically viewed GERB as the 'party of power' – one that strives for dominance purely for the sake of exercising power and extracting private benefit from it. Boyko Borisov was even briefly arrested on corruption charges in 2021, while the coalition led by the We Continue the Change party was in office (though the charges were subsequently dropped).

Protracted political turbulence and seven snap elections

The summer of 2020 brought to the surface signs of an emerging disconnect between the political elite and the public. This took the form of prolonged mass street protests that demanded the resignation of the GERB administration and that reflected public frustration with the dire situation after ten years of rule by the party. However, the protest rallies failed to bring about any marked change on the political scene.

In the years that followed, the country was caught up in a protracted political stalemate and vicious cycle. With the waning of GERB's dominance, a series of elections resulted in fragmented parliaments that were unable to produce a stable governing coalition. Between 2021 and 2024, Bulgaria saw seven parliamentary elections (three in 2021, two in 2024 and one apiece in 2022 and 2023), but none of them resulted in a stable administration.

The reasons for this desperate situation were complex and manifold. One was related to the deep political fissures within society, which time and again translated into fragmented electoral results. Also, the political spectrum was changing, as some traditional parties wilted, while other new – generally short-lived – movements were born. This period was also marked by a continuous deterioration in Bulgaria's social and political fabric, as the constitutional separation of powers was undermined and corrupt autocratic schemes emerged.

In light of all this, there has been growing frustration within the population over the political class in general and its inability to agree on how to tackle the protracted crisis. This has led to fewer and fewer people going to the polls: voter turnout declined from 49.1% in the April 2021 parliamentary election to 33.4% in the June 2024 election and 34.4% in that year's October poll. This translated into parliamentary outcomes that were largely shaped by the diehard supporters of the main political parties.

The emergence of Delyan Peevski from the wings to centre stage

The year 2024 was marked by the rise of a once notorious name as a new leading figure on the political stage. This was Delyan Peevski, a shadowy oligarch and once the protégé and financier of Ahmed Dogan, the founder and historic leader of the mostly Turkish-minority Movement for Rights and Freedoms (MRF). Though he held an MRF parliamentary seat for many years, up until 2024 Mr Peevski preferred to remain in the wings, rather than seek the limelight. He has been involved in several dubious business dealings and was even the subject of US sanctions under the Magnitsky Act.

Things changed in the run-up to the October 2024 election, when Mr Peevski outmanoeuvred his former mentor and basically engineered a hostile takeover of the MRF. He used tactics similar to those employed by Borisov in the early days of GERB, gradually taking over the key local structures of the MRF by bribing local leaders and pledging future kickbacks. Eventually the party split in two, but in the October 2024 elections Peevski's faction, which preserved the name MRF, won 12.1% of the parliamentary seats (almost twice as many as Dogan's party) to become the fourth-largest caucus in the National Assembly.

Peevski's personal reputation in the eyes of the public at large is even worse than that of Borisov, as it is widely believed that his business empire is built on crime and corruption. Behind the scenes he has gained enormous institutional leverage, especially in the judicial system, by gradually infiltrating his cronies into many key positions. Also, like GERB and Borisov, Peevski has no ideology, vision or policy agenda: he seeks power for power's sake and for the associated unlawful private benefits that accrue from it. Over the course of 2025 – when a heterogeneous government that combined parties from across the political spectrum was in office – it became clear that behind the scenes, in an act of political symbiosis, Borisov and Peevski were pulling the strings. Public indignation over a situation in which two allegedly corrupt politicians could exercise disproportionate control over Bulgarian politics grew as the year wore on, and the dam finally burst in December, when the country was engulfed in a wave of mass protests on a scale not seen for 30 years. Remarkably, these attracted participants from all points on the political spectrum and included many young people. The upshot was that the government was forced to resign, with a snap election expected in spring 2026. This was the moment that (then) President Rumen Radev chose to make his move.

Rumen Radev: a glimmer of hope

Rumen Radev, a former air force general, was first elected president in 2016, following his nomination by the Bulgarian Socialist Party (although he had never actually been a member of that party). In time, though he generally leant to the left, Mr Radev distanced himself from the party that had nominated him. He was then re-elected in 2021 for a second five-year term, backed by a multi-party initiative group.

Under the Bulgarian constitution, the president, though elected by a popular vote, is largely a figurehead, with all the main levers of power concentrated in the hands of the government and prime minister. Nevertheless, presidents are prominent figures and have considerable influence over political and social life through their public statements. The president can also take a political stance by vetoing proposed legislation and sending it back for further parliamentary consideration. One of the president's important functions is to appoint a caretaker government in the wake of resignation or parliamentary deadlock. Mr Radev availed himself of this opportunity on a number of occasions.

During his terms in office, Rumen Radev frequently found himself in opposition to the government of the day. In particular, he was always openly critical of both Borisov and Peevski, voicing his disapproval of their policies and often adopting a radically different political stance. He supported the protests in 2020-2021 and in 2025. Throughout his two terms in office, Mr Radev was consistently the Bulgarian politician with the highest public approval rating.

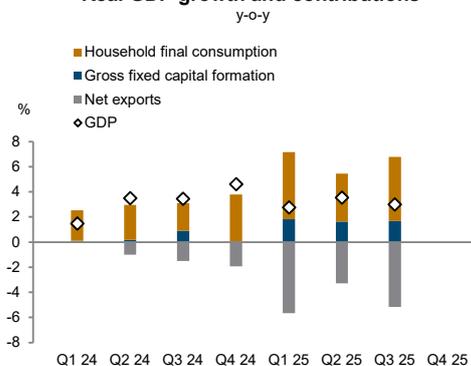
Therefore, his announced entry into the parliamentary race has been cheered by the public. Hopes are high that a new and strong political player, untainted by corruption allegations, could bring about positive change on the political scene by addressing some of the most acute problems of the day. First and foremost, there is the issue of corruption and the widespread perception that the country is run by a coterie of oligarchs in pursuit of their own vested interests. Another hope is that the government agenda will be based on clear directions and transparent policies – something that has been missing over the past 15 years – and that there will be open public debate among the political parties on important policy issues.

In principle, Mr Radev has an ample pool of potential voters – largely those disillusioned by the experience of recent years, and particularly (though not exclusively) those who have abstained from voting. Given that only a third of Bulgarian voters went to the polls in 2024, some sociologists claim that Mr Radev's party could amass a million or so votes in the upcoming elections, which would enable it to form the largest parliamentary caucus.

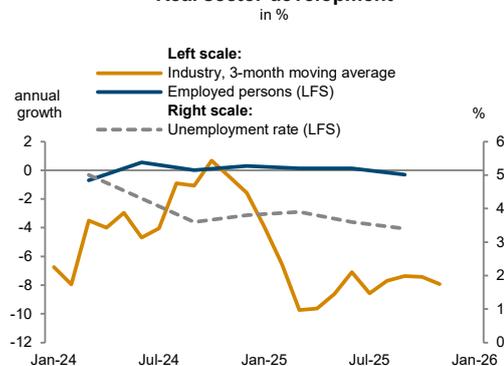
At this stage the hopes and expectations are high. But will Mr Radev succeed in harnessing this potential? And if he does, will he be capable of addressing the current daunting problems in a way that meets those expectations and delivers on the hopes of the public? That is something that remains to be seen.

Bulgaria

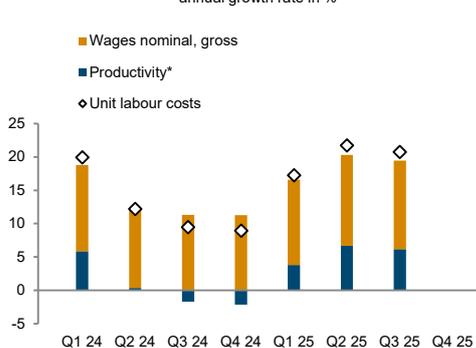
Real GDP growth and contributions



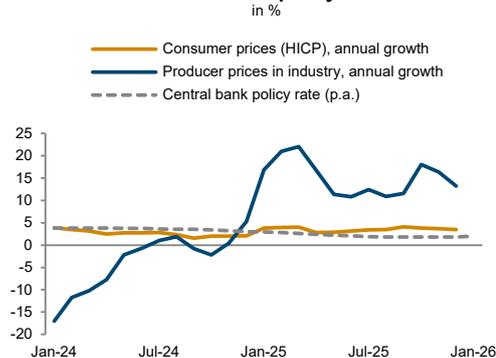
Real sector development



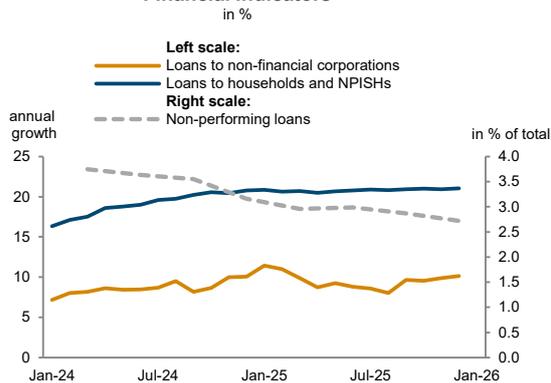
Unit labour costs in industry



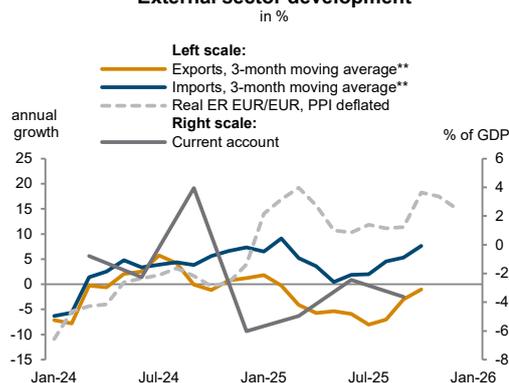
Inflation and policy rate



Financial indicators



External sector development



*Positive values of the productivity component reflect decline in productivity and vice versa.

**EUR based.

Note: HICP - Harmonised Index of Consumer Prices, NPISHs - Non-profit institutions serving households.

Source: wiiw Monthly Database incorporating Eurostat and national statistics. Baseline data, definitions and methodological breaks in time series are available under: <https://data.wiiw.ac.at/monthly-database.html>