

# Towards a “Yellow Vest” movement in Bulgaria?

What is behind the fuel price protests?

Thursday 6 December 2018, by [TSONEVA Jana](#) (Date first published: 27 November 2018).

**On November 11 2018 [1] a protest called on the people of Sofia to rise up against the prices of fuel, of the mandatory car insurance and the proposed new taxes to be levied on old cars. The protests quickly spread engulfing more than 30 cities and towns, blocking highways and borders. Though largely peaceful, the protests witnessed some tensions. An angry driver rammed his truck into one of the blockades, injuring a woman.**

The road blockades and marches eventually [fused](#) with the already ongoing protests of mothers of children with disabilities. They march for the resignation of the vice PM Valery Simeonov (from the far-right “Patriotic front”) over his incendiary remarks from a month ago dissing the mothers as “[shrill](#) women of supposedly sick children”. (The same party just stripped workers with disabilities from legal protections against unlawful redundancies.)

In addition to the rising fuel costs, the other immediate triggers of the protests were the threats by the Association of insurers that they will raise the price of the mandatory car insurance to 1000 BGN a year (from ca. 270 BGN currently, and [rising](#)). They did so in response to the Supreme Court of Cassation’s decision to increase the pool of relatives of traffic casualties who can legitimately claim compensation from the insurers, thus posing a threat to profits. Finally, the government proposed a new “ecological” tax on old cars, thinking it can incentivize the poor to buy new cars with low CO<sub>2</sub> emissions. As if the majority of people driving twenty-year-old cars (twenty is the [average](#) age of the vehicle fleet in the country, the [share](#) of new cars is only 5%) do not already desire to drive newer ones. Obviously, it is not a question of rigid habits and mentalities or breaking their inertia with “incentives”. People already want new cars and comforts, but they simply cannot afford them.

Among the other proposals to the tax regime for 2019 was upping the property tax, a “just” measure only in appearance. While *landlords* who rent out multiple houses should indeed pay higher taxes, the proposed law is blind to whether one uses property as capital or not. And given that owner-occupancy in Bulgaria is among the highest in the EU-28, with over 90% of the Bulgarian people [living](#) in their own apartment and most having a country house too (an enduring legacy of Socialism whose comprehensive affordable house policy made almost every worker a proprietor), this new tax is yet another blow to the majority, rather than something that targets a minority of predatory landlords.

The new prices and tax proposals show that people who are already being punished by the poverty that confines them to their old second-hand cars are then punished again by the government, for polluting the air. Meanwhile, the private insurers and private fuel dealers tan workers’ skins yet further with the threatened and real increase of prices.

Yet forces even larger than the fuel and insurance lobbies conspire against the ordinary working

citizens. The sorry state of public transport in most cities amplifies the extreme centralization of the economy, which depopulated the country and concentrated most jobs in a few major economic centers, making pretty much every working Bulgarian dependent on their car. As the Bulgarian sociologist Chavdar Naydenov put it [succinctly](#), “in Bulgaria fuel means work”. Period.

Rail transit is ridiculously starved of investment (usually as a preparation for privatization). This did not escape the attention of the European Commission, which recently started a punitive [procedure](#) against Bulgaria for the scandalous lack of improvement in rail safety. The radically dilapidated state of the trains and locomotives regularly punctuates the charade of non-news and pseudo problems (such as the fight against the so-called “gender ideology”) politicians occupy themselves with, through preventable but deadly fires and [derailing](#).

Given that so little is being done to ensure safe and comfortable public transport, can we blame the working people for having become completely dependent on their old cars? Instead of promoting safe, cheap and environmentally friendly inner and inter-city rail transport, the new eco-tax and the jacked up fuel prices simply tell us “if you cannot afford your twenty year old diesel VW, get a Tesla.”

Much like in the winter of 2013, when protests over the price hikes in utilities broke out, today the protesters say that with their insultingly low salaries of less than 500 BGN after tax, they are simply unable to meet the constantly rising costs of life. (Bulgaria abolished the untaxable minimum in 2008 when it introduced the flat tax, thereby shifting the burden of the maintenance of the state onto the poor and the working class.) For example, one protester [said](#) on TV that his family lives on 500 BGN per month (ca. 250 EUR) while at least 1500 BGN are needed. The largest trade union in Bulgaria recently [calculated](#) that a family of four needs at least 2400 BGN monthly in order to cover basic necessities. Only 20% of Bulgarian workers earn that, with 31.1% or 2.3 million earning below the poverty line of 321 BGN (160 EUR) per person, while 53% [earn](#) 460 BGN after tax (or below the minimum wage of 510).

Economists and experts rush to refute these claims, arguing that the “average salary” has exceeded 1000 BGN in 2018. But this number is unrealistic as it is derived from averaging combined earnings of the lowest and the highest income brackets. In a country as unequal as Bulgaria, such averaging markedly skews the picture. In reality, nearly 80% of all workers [earn below 900 BGN](#) per month. This drives the unstoppable double-digit [growth](#) of the highly exploitative paycheck loan industry, which markets exorbitantly priced “quick credits” even to pensioners. Even if the 1000 BNG average salary were true, is there any other country in which the ordinary worker must spend an entire monthly income just on their car insurance?

What does the government hear when the protesters say that they are barely able to keep their heads above the water? Commenting on the fuel price protests, the Finance minister Vladislav Goranov [promised](#) that the government will ensure more transparency via a clear break-down of the share of added fuel profits the state and the private refineries and sellers are taking. This is to be printed on every fuel purchase receipt. So, while the people say “lower the price” the government replies “sure, here is more transparency in price-formation.” Goranov added that poverty is a question of personal attitude. This is much reminiscent of the 2013 utilities protests when people demanded the nationalization of the private energy distributors but the Bulgarian president [translated](#) this demand into a claim for more market liberalization and competition.

The liberal commentariat is split over the protests. One corner seems quite distraught with them, dismissing them as a [conspiracy](#) of the opposition to topple the government, and urges restraint. Another corner supports them (despite allusions to the 2013 utilities protests liberals never endorsed) but frames the cause of the disturbance as an instance of the nefarious nexus between

corrupt state and economic elites working to secure market monopoly for the Russian Lukoil company. While a Lukoil-led cartel which keeps prices high is not entirely impossible, its potential break-up via unleashing “authentic” market competition forces would do absolutely nothing to release the chokehold on the vast majority of working-class Bulgarians stemming from the toxic mix of low wages and high costs of life that go beyond fuel. One panicked if sympathetic observer [thundered](#) that this was a “genuine socialist revolution” (unlike the one of 1944), for which the employers have only themselves to blame, and which only a “capitalism with a human face” can stop.

The Lukoil conspiracy completely obscures the other problems which drove people onto the streets such as the by now fully entrenched low standards of living, the abject poverty, the mass emigration which breaks-up families, the treatment of mothers. [Demands](#) for increasing the starter salary of doctors and nurses, as well as the pensions also became part of the protest repertoire. As more people join the marches, the list of demands expands into a damning indictment, documenting the dire social costs of Borissov’s pro-business austerity regime.

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**P.S.**

Left East

<http://www.criticatac.ro/lefteast/fueling-fuel-price-protests-bulgaria/>

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## Footnotes

[1] one day after the 29<sup>th</sup> anniversary of the mythical November 10<sup>th</sup> 1989, celebrated as the day when the Bulgarian Communist Party GenSec Todor Zhivkov filed his resignation and ushered in the disparate panoply of changes known as the “Transition”