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TO: Susan Kosinski; Anne Chermak
FROM: Glenda Bunce
RE: TRIP REPORT (April 4 - 10): Setting the Stage for the Next Phase of the Training Program

(This report was written for advisors who will be in Bulgaria in May. I have made slight revisions to submit it to you.)

The purpose of this trip was to meet with senior officials in each of the three cities for further discussion on the idea of the Resident Advisor and what he will do during the three weeks that he is assigned to a city (I had proposed this plan and discussed it in general terms with all these people at the end of the February visit). The people with whom I met were enthusiastic about the idea of having a Resident Advisor and I think will make good use of your time. Below I have written up my notes from the meetings in the three cities. I suggest you read the notes on all three cities, because comments in the other cities may give you ideas for issues to pursue where you will be.

Some common issues: sources of revenue, particularly business tax (when the mayors visited Columbia they asked for a business tax schedule--I think it would be useful to take information like that along; also anything that demonstrates how property tax is assessed); organizing the police (this was mentioned in Sofia, but I think it might be of interest in the other cities too). Because of their trip to the US, the mayors now have some idea of what is meant by economic development assistance in the US, some simple materials or suggestions might be useful. Restitution is a major concern in all these cities (although I am not sure we can do anything to help) and although privatization legislation has not been passed, the cities are anticipating passage. Mainly they are trying to position themselves vis-a-vis the national government to argue that at least some state property really is municipal property or that they should receive a portion of the proceeds of privatization of state property.

For your information, since we were in Bulgaria in January and February, eight mayors from the nine largest cities (Sofia, Plovdiv, Varna, Rousse, Stara Zagora, Pleven, Dobrich, Sliven) were in the United States during the month of March on a USIA-sponsored International Visitors tour to learn about local government. They were in Columbia for three very intense days, including a day-long workshop on the topics we are covering in our courses. On this trip, I was in six of the eight cities to reaffirm our interest in working with those cities.

Also there are six interns working in government offices in Columbia. They arrived March 21 - and will be in South Carolina until May 15. Two are from Sofia, one from Plovdiv, two from Varna, and one from the Center for the Study of Democracy. I will give you more background on them and their assignments in the US when we meet in Sofia.

SOFIA, April 6, 3pm

The first meeting was Monday afternoon with Secretary of the Municipality, Mr. Daskalov, Deputy Mayor for Finance, Mr. Karamadchiev, and two staff members from International Office (Plamen Mateev, Director, and Damyan Damyanov). Mayor Yanchulev was in Tel Aviv.

They reminded me again that our accounting system (what they mean is our budgeting) is different from that of Bulgaria—revenue and taxes for local government are included in the state budget even fees and fines. For the program analysis seminars, Mr. Daskalov suggested a case involving communications system (when I review my notes, I am not sure what he means by that).

Then we talked about the role of the Resident Advisor ("RA") who will be Jim Finane. They remembered him from January (I stressed that although he conducted workshops on finance and budgeting, Jim has other expertise that should be used for this new assignment) and liked the idea of having someone available for a chunk of time. I explained that I would like him to work most closely with Secretary Daskalov and Deputy Mayor Karamadchiev and they agreed.

I asked if any problems came to mind that the RA can help with. Mr. Daskalov suggested organization of police stations in different municipalities (I think he was referring to the sub-municipalities). I asked about changes in the role of the police in Bulgaria. He said that the law of police has not been adopted but is being considered. He also said that the city is starting to organize municipal police in Sofia. I asked what their function will be and he explained as follows: protection of "social order," that is

- behavior in public places
- sanitation
- protecting and securing private property
- security for certain places, i.e. shopping centers, parks, cemeteries, banks, private hotels
- traffic police.

He also mentioned that organized crime and crime beyond city boundaries will be left to the Bulgarian equivalent of the FBI and he said they are considering electing police chief (in each sub-municipality). I asked how many police there are currently and he said 6000 in Sofia of which 440 are local police. (When I commented that there are about 60 municipal police in Varna and their role is to protect municipal property, he laughed that Varna was imitating Sofia - I wasn't even suggesting this as a good model. Sofia's self-image is that it is best and has to be first and of course Varna wouldn't be doing anything they would want to copy.)

21

PLOVDIV, 11am, April 7

I met with Mayor Thomasian, Deputy Mayor Aron, and Mr. Dimov (Director, Protocol) for about an hour. We chatted briefly about the trip to the US and the Mayor's impressions after he left Columbia.

Then I explained the next phase of the program and described the idea of the Resident Advisor who will be Rich Ellis. The Mayor said he will provide the RA an office and that he will work with the Mayor and his office. I suggested the RA will be available for discussing problems with the mayor at any time. (During the January/February visit, on the two occasions that I met with the Mayor he had a problem he wanted advise on each time: limiting access to the mayor; hiring a senior administrator). We also talked about introductory meetings to decide where to focus and how to best to use the RA's time.

The Mayor mentioned having the RA work on economic activities (as in Sofia, he mentioned that this is more centralized in Bulgaria; they tell us this every time we are in Bulgaria but must think we can't remember). He also mentioned sanitation and waste problems. He also said that he will send information about the organization of Plovdiv: 2 deputy mayors (finance and chief architect); 4 heads of departments: finance, economic activities, culture and education, medical care and social security, urban structures (that looks like 5 to me)--this information has not arrived. The RA will work mostly with these people.

The Mayor commented that the law doesn't allow him to hire a city manager in Plovdiv (because of his trip to the US, he considers himself well informed on what a city manager is and does); he wanted to hire a senior administrator, but the Municipal Council wouldn't approve it. There are real problems between the Mayor and the Municipal Council ("MC") in Plovdiv; he has to get approval of the Council for everything he does and can only communicate with Council by letter--they are two completely separate and distinct bodies (Plovdiv has more difficulties in this regard than any other city I have encountered). Also he cannot appear before the Council to explain or present his position or make recommendations.

The MC is organized by temporary and permanent commissions; the one that would consider whether he can hire a senior administrator is the temporary commission for the structure of the municipality; it considers all hiring decisions, even how many typists, how many clerks in a particular department. The Mayor presents his request or project in writing to the appropriate commission which reviews it and presents it to the MC.

The MC is heavily involved with renting and leasing municipal property; temporary rules state that the mayor decides the purpose for which property is to be used and gives him other authority but in every clause, reference to mayor's authority is followed by "with the approval of the MC." This means that for every lease, he must secure signatures of the 9 members of the particular commission and ends up chasing

31

them all over the city. He gave the example of his wife who was seeking space for a charity club while he was in the US; during a three week period (3/20-4/6), she obtained only one signature (from commission members) on the lease. The Mayor is sending a memo to the Chairman of the Municipal Council asking that he sign the lease and talked to him on April 7 (he stated he was appealing to their personal friendship ??). He also cited the example of auctions of municipal property. The mayor is authorized to appoint members for this commission but the MC recruits and selects members; then the Mayor signs off on their nominees.

When I asked where these large MCs originated; he says it wasn't under the communists; that then they had an executive commission of 7 to 8 members who made decisions. He was mayor of one of the sub-municipalities (Rhopodi) and this worked. Actually I think that the structure was a large Council that had almost no authority and met infrequently with a smaller Executive Commission (a mini-Politburo) that did the real work.

Plovdiv is giving a very literal, narrow interpretation to the provisions of local government law, for example executive (the mayor) function is to execute orders, that is carry out the orders of the MC. (There are several concepts like this, "leader" is another example, which don't translate well from English to Bulgarian.) The idea that the MC sets policy and the executive has broad authority to carry it out has really not been established in Plovdiv. The Mayor doesn't know where the authority of the mayor's office is; not only is he not given authority to implement Council decisions, the MC suggests and decides what he will do. In the other cities, officials complain about their problems with the central government continuing to dominate the municipalities; in Plovdiv, staff of the mayor's office complain about their problems with the Municipal Council hindering their plans. Since this is not an issue in other places, it seems like a matter of the personalities involved and the lack of leadership from either body in Plovdiv.

When I left the meeting, there was a group of print journalists waiting to interview me.

One interesting aside, both Plovdiv and Varna have started local Open Society Clubs (branches of the national office of the Open Society Fund in Sofia). When Mayor Thomasian returned from the US he reported on his trip to the Plovdiv Club.

VARNA, 11am, April 8

On Tuesday after the meeting in Plovdiv, Henrietta and I drove to Varna; we passed through Stara Zagora and Sliven--cities in which I now know the Mayor. We stopped for about half an hour in each.

On Wednesday morning, I met with Stan!a Raikovska and Deputy Mayor for Health and Social Services, Dr. Tzevtkov (I had not met him before). Plamen Gerascov,

Chairman of the Municipal Council and the Mayor were at a session of the Municipal Council all day, so I did not see them. The City Architect (from the Mayor's staff) was making a presentation to the Council--what a contrast to Plovdiv. Stanka commented that Mayor Kirchev said the trip to the US was wonderful and he was very grateful for it; she also said that he now spends all his time on economic development and has practically no administrative duties.

Varna is very receptive to the idea of a RA and said that they will provide him an office and will use him. I asked about the possibility of an apartment which we could rent from the city (this had been offered earlier) but this seems unlikely and may cause some confusion since the Deputy Mayor offered that Jim can stay in his 5 room flat which he and his family already occupy.

When I asked Stanka what particular issues the RA could assist with, I probably put her on the spot. She suggested that I look at questionnaires from February (those of Deputy Mayors) to get an idea of what areas the RA should help with.

Stanka was in Poland at the end of March as one of three Bulgarians to attend a conference on development of local government in Central and Eastern Europe (this was organized by Rutgers which has an AID grant similar to ours for local government in Poland; I recommended Stanka attend). Before she went to Poland she met with the Mayor of Vienna to discuss that city's government. Revenue sources and collections were of particular interest to her. She remarked that taxes are different there because of the federal system and that they have a very effective system of collection through powerful police.

She said that a lot of things that were discussed in Poland she already knew about from the sessions she has attended with the USC advisers (and told Rutgers staff that). The discussions on privatization and restitution were helpful; she said it was very useful because she realized that Bulgaria is on target with privatization and restitution and in another year will be in as good shape as the others. She commented that Poland may be ahead in trade and commerce, but not in manufacturing and industry. She attended a discussion on barriers placed before local government; cities in the other countries are having similar problems with central authorities being reluctant to relinquish power to local governments.

The Deputy Mayor asked about organization of health services. He wants to adopt a model from an English-speaking country--not use Germany. I mentioned Canada--he said he knows that not all aspects of British or American system are commendable; I agreed. The Deputy Mayor also mentioned strategic organization of hospitals--where they should be located. By the end of the year the city should establish plan of where to place them; Varna serves the region. He also asked for information on prevention of v.d.--AIDS, etc. (I suggested health education but what he is talking about is legislation--"we have no law for this"). Because Varna is a seaport, sexual diseases are a problem here.

They also mentioned some "minor issues" (but ones that have never been dealt with in Bulgaria), such as animal control, waste (collection). Stanka also wants information on selling vending machines (apparently there is interest because of the perception that everybody has them in the West and I guess they see them as a way to modernize although I am not sure how this connects to local government.) I mentioned information on business licenses and she agreed. They also asked for assistance to develop a process of evaluating the work of the administration.

At lunch we talked about the restitution process and contention between municipality and state (97% of industry is state-owned); the municipalities wants a financial interest. As usual, Varna is not waiting on Sofia; Stanka commented that where the law is vague, the municipality moves in and assumes authority.

Work hours in Varna are: 8am - 5:30; 12:30 - 1:30 lunch (the Municipal Building is closed for this hour).

SOFIA, April 10

On my last day, I met with Belin Mollov, Head of the Department of Territorial Administrative Structure and Local Authority in the Ministry of Regional Development, Housing Policy and Construction. He is really good and eager to assist; finally, someone who can put the pieces of the puzzle together. He is drafting revisions to the local government law and other legislation to flesh out the law. We are having the drafts translated and will send them to you as soon as they are ready.