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2000

**SECOND QUARTERLY REPORT**

UNIVERSITY OF DELAWARE - BULGARIA  
MANAGEMENT TRAINING AND ECONOMICS EDUCATION PROGRAM  
GRANT NO. EUR-0029-G-00-1044-00

Period of Coverage: 1 April - 30 June, 1995

July 1995

**Quarterly Report for the Second Quarter of the First Year University of Delaware -  
Bulgaria Management Training and Economics Education Program  
Grant No. EUR-0029-G-00-1044-00**

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**I. EXECUTIVE OVERVIEW**

**Strategic Planning Overview**

In furthering the goals of U.S. assistance in Bulgaria to promote democracy and sustainable economic growth, the University of Delaware (UD) under a United States Agency for International Development (USAID) grant for technical assistance began implementing a new grant for management training and economics education in Bulgaria in 1995.

The efforts of the UD Bulgaria Project in Delaware, headed by International Programs and Special Sessions (IP/SS) Associate Provost Dr. Lawrence Donnelley, Project Manager Stan Shumway, and in-country administrative staff headed by Director of Operations Ross Abadjiev, during this period have been focused on closer coordination with USAID-Sofia in gearing the program for the implementation of the new grant in line with the new USAID country strategies, more focused training, enhanced program impact, improved linkages with other U.S. assistance organizations, and strengthening partnership relations.

UD Project Manager, Stan Shumway, has spent considerable time in-country and jointly with the UD in-country team engaged in the review and discussions of AID's strategic documents: Bulgaria Strategy Framework 1996-2000, Program Impact Indicators and Targets and the draft of the Strategies for Small and Medium Enterprise Development (SMED) in Bulgaria prepared by Management Systems International for USAID/Bulgaria and USAID/Washington/ENI.

In keeping with USAID's strategic goals, UD-Bulgaria adopted a plan to gradually phase out its Advanced Economics and Management Programs by July 1996. The resources from these programs will be used to boost and expand the executive training and outreach components of the program to increase its impact and improve its focus.

In response to USAID's Strategies for SMED in Bulgaria, UD prepared draft comments on SMED which has been submitted to USAID Sofia for approval and commentary. The document is attached under Appendix A.

## **B. Second Quarter of the First Year Activity Summary**

A coordinated effort has been mounted to implement the action plan for setting up a joint New Bulgarian University (NBU)/UD Business Development Center (BDC). The BDC will be formally opened October 19, 1995.

During this report period, UD has made consistent efforts to strengthen linkages with other U.S.-FUNDED assistance groups and has worked closely with the Sofia USAID office and the USAID heads of Democracy Initiatives and Private Sector Sections. The management outreach program, coordinated by Management Program Coordinator Christine Donnolo, has scored excellent results in reinforcing its efforts with other U.S. assistance groups in the field and in implementing management outreach seminars in the ten pilot municipalities identified by USAID. The Economics Outreach Program successfully interacted with the Free Trade Union Institute (FTUI) in offering seminars for Bulgarian labor union leaders.

UD adopted a proactive role in boosting relationships and joint activities with its partners. Especially successful were the developments in its relations with NBU and Sofia Central Library (SCL). The leadership of both institutions has expressed their continued support and gratification and the latest developments in its mutually beneficial relations with UD.

In the second quarter of the first year of the new grant, the University of Delaware offered a total of eight courses including five management courses within its Advanced Management Program and three economics courses as part of the Advanced Economics Program. As part of the outreach program, the University of Delaware offered a total of six seminars including four management seminars in the municipalities of Zlatograd, Kurjali, Veliko Turnovo and Razgrad for the local entrepreneurs and municipal leaders, and two economics seminars on privatization for Podkrepa Trade Union leaders jointly with FTUI. A seminar on local government re-engineering was offered to municipal staff of several Rhodopi region municipalities.

## **C. Summary Program Data**

The following is the final data (numbers and percentages of the total) showing student types for all courses in the first year, second quarter program:

<b>STUDENT TYPE</b>	<b>SOFIA</b>
Faculty	2 / 1.4%
Students	44 / 30.3%
Government Officials	17 / 11.7%
Business Persons	23 / 15.9%
State-owned Employees	40 / 27.6%
Unemployed	7 / 4.8%

Other Occupations 12 / 8.3%

Totals: 5 / 100.0%

## **II. MAINTAINING AND BUILDING INSTITUTIONAL ALLIANCES**

### **A. NBU Ongoing Relations**

The main thrust of UD/NBU joint activities this quarter was in the setting up of the BDC and the Participant Training Project of five NBU administrators at the University of Delaware.

The space for the BDC was identified in downtown Sofia. NBU entered into a lease agreement for office space for the BDC as per the terms of the UD/NBU Agreement for Educational Cooperation. The new space will become the working office and training facilities for the joint management programs.

During this quarter, Director of Operations Ross Abadjiev, Finance Manager Alex Markov, BDC Manager Dragomir Mladenov, and Management Coordinator Christine Donnolo were engaged in efforts to provide equipment for the BDC. The BDC has been equipped with modern furniture consisting of worktables and conference-type chairs. The BDC has several functional areas which include: computer classroom, office, reference library, and classroom seating 30 students. Ten computers were installed at the BDC this quarter. The computers have the following characteristics:

- Hard Drive 486 DX2/100 AMD
- VESA LOCAL BUS
- 4MB RAM 256 Cache
- 540 Mb HDD
- 3.5" floppy and 5.25" floppy
- SVGA color monitor and card
- CD-ROM drive ACER double speed
- 16-bit Stereo Sound Blaster
- Mouse

With these features, the computers can run state-of-the-art business training software with video windows which will greatly enhance the quality of training offered at the Center. The total cost for the computers was \$17,000.

The BDC is currently being supplied with additional office equipment and items. The BDC will be fully operational by the end of August 1995 and ready for the official opening scheduled for October 19, 1995. Major equipment items currently being purchased include: Electronic Security System linked to the local Police Precinct, Fax-Answering-Machine-

Telephone, Computer Modem, E-mail software and hook up. Complete Windows Software, Deskjet Printer HP520C, Deskjet Color Printer HP, Laser Printer HP, office Xerox Copier, Overhead Projector and Screen, and various supplies and consumables.

UD and NBU have held regular meetings of their joint Expert Board and operational meetings of support staff and are pleased to report that the BDC turned out to be a very promising and successful joint initiative. Both parties are extremely satisfied with the progress in their mutually coordinated efforts and are looking forward to further success in their cooperation.

During May 1995, five NBU faculty and administrators attended a three-week participant training program at the University of Delaware. The purpose of the project was to acquaint the participants with Western-style business management curriculum, instructional methods, and general university administration. The five NBU participants included: Radoslav Tsonchev, Dragomir Mladenov, Velizar Bakalov, Svetlana Alexandrova, and Adelina Kostova.

During the three-week program, the participants visited most of the departments at the University, including Continuing Education, the Department of Urban Affairs, and the College of Business and Economics. The participants also met with university faculty and administrators, such as University President David Roselle, University Provost Melvyn Schiavelli, and many Deans and Department Chairpersons. These visits were designed to strengthen NBU's teaching methods and administrative abilities. The NBU participants also spent weekends in New York City and Washington, D.C., and visited Philadelphia, Baltimore, and many other historic sites in the Delaware Valley.

On USAID's suggestion, the UD held a follow-up meeting of the NBU trainees and other NBU faculty. The purpose of this meeting was to share their learning experiences and plans to implement what they have learned. Brad Fujimoto and Evgenia Georgieva represented USAID. NBU clearly stated some of their organizational and program weaknesses and how the training has and will help them overcome these imperfections. NBU spoke highly of all UD administrators and faculty they met, both in terms of what they had gained from them professionally, the practical applied value of the training, and the great attention and hospitality they had experienced. Dean Maria Popova emphasized the considerable progress that has been achieved in these joint programs in recent months.

## **B. IE - BAS**

During this period, both UD and the Institute of Economics at the Bulgarian Academy of Science (IE/BAS) provided support for furthering joint initiatives. The main focus was on the promotion and start-up of the new cycle of the Advanced Economics Program. Both institutions advertised the program extensively and jointly recruited applicants. Selection and interviewing were done by a joint UD/IE examination board. The management of IE was highly involved in each stage of the program and considers it a potential source for staffing vacancies at the IE, as well as a tool for educating instructors in economics who will transfer their expertise into self-

sustaining economics training in the future. The University of Delaware and the Institute of Economics are planning to complete the Advanced Economics Program by July 1996. IE management have offered their support to UD in implementing UD outreach programs in Bulgaria.

### **C. Sofia Central Library**

Relations with Sofia Central Library, housing the UD Resource Center, have been developing well this quarter. The Director of the Library, Mrs. Serafimova, resigned her position and a procedure for the appointment of a new director is now under way. SCL Deputy Director, Ms. L. Dimitrova, has expressed her commitment to extend the fruitful cooperation with UD and has given UD assurances that SCL/UD relations will remain stable in the foreseeable future.

RC Librarian, Katya Zhekova, returned from a one-month PIET sponsored participant training in the United States of America (USA) for which she has been nominated by UD. She reported the training to have been extremely valuable and useful for her professionally. Ms. Zhekova shared her experience with SCL colleagues through a number of presentations, and published reports in the SCL newsletter. Ms. Zhekova's presentations have contributed greatly to increasing the visibility and appreciation of UD's activities in Bulgaria between SCL staff and management.

## **II. Management Training Program**

### **A. NBU/UD Advanced Management Certificate Program**

UD conducted admissions for the Advanced Management Program this quarter. After reviewing the applications for the program, UD interviewed 30 candidates for the program and accepted 30. Twenty-nine students enrolled in the program. UD conducted an admission test in English for all participants. UD tested 5 students in marketing, management, finance, and economics who have not taken the prerequisite courses.

UD completed the second set of prerequisite courses for the Advanced Management Program. The courses were Marketing I, Management I, and Finance I.

UD started the Advanced Management Core Courses and completed the first course - Marketing II.

## **B. Small Business Development Center Program**

### *1. Small Business Certificate Program (SBCP)*

NBU and UD discussed improving the format and content of the SBCP and better targeting it at the appropriate audiences. On a decision of the joint expert board it was agreed to postpone the SBCP until the planning and restructuring of the program is completed. The program will be resumed in the fall.

### *2. Management Training Outreach Programs*

UD conducted Outreach Seminars in Zlatograd, Kardjali, Razgrad, and Veliko Turnovo. The topic taught was "Marketing for the Small Business."

UD conducted with BAEF the "Entrepreneur's Award" program for Bulgarians between the ages of 18 - 29 years. Seminars on "How to Write a Business Plan" were conducted in Varna, Sofia, V. Turnovo, Blagoevgrad, Sliven, Haskovo, Plovdiv, Russe, Vidin, and Pleven.

In compliance with USAID's call for focusing the UD program efforts and engaging in a strategic planning exercise, UD Professor Emeritus in Public Administration, William Boyer, was in Bulgaria from April 25 to July 10, 1995. Dr. Boyer studied the needs and opportunities for training in the Bulgarian municipalities and produce a report specifying Bulgarian institutions and delivery systems for management and public administration training at the national and local level. Professor Boyer's trip and research were funded from UD sources outside the USAID grant. In early July 1995, Professor Boyer completed his mission and turned in a thorough and exhaustive report on the above issues. The report is attached as appendix G of this report.

In the process of his study and report preparation with assistance from Special Projects Coordinator, Ivan Ivanov, and Director of Operations, Ross Abadjiev, Professor Boyer had a series of meetings in Sofia and in the country. Dr. Boyer also conducted a demonstration seminar on local government re-engineering in the Kurjari Municipality. Below is a sequential list of Professor Boyer's more important meetings, work sessions, and presentations:

#### *May*

Ms. Svetlana Alexandrova, NBU, Graduate School of Government,  
Prof. Maria Popova, NBU, Dean of Continuing Education,  
Mr. Vassil Donev, ABC Invest, Varna, Independent Consultant,  
Prof. Alexi Dnchev, IE/BAS,  
Dr. Vladimir Abadjiev, Senior Member of Parliament,  
Prof. Ivan Lalov, Rector of Sofia University,  
Prof. Lyudmil Georgiev, Director NBU Department of PA  
Veliko Turnovo and Razgrad Municipalities: Talk on Democracy and Local Government

for local mayors and municipal staff,  
Bellin Mollov, Head of Department of Territorial Administrative Structure and Local  
Authority, Ministry of Regional Development and Construction,

### ***June***

Seminar in Kurdjali on Democracy and Local Government:

Re-engineering Local Government. The seminar was attended by 14 municipal officers from 5 different municipalities in the Rhodopi region. The major output of the seminar was a Draft Action Plan for resolving a local/regional municipal problem - high unemployment. Local press covered the seminar as well as in an interview on Bulgarian National Radio.

Visit to AUBG, Meeting with Kevin McGlothlin, Special  
Assistant to the President of the University,

Assistant. Prof. Emilia Panayotova, Professor in Local Government, Law School, Sofia  
University,

Three lectures on local government for NBU graduate students.

## **C. Mass Economics Education**

### **a. Transition to a Market Economy: Privatization**

Problems of Privatization (Petranov/FTUI/Podkrepa experts) -This seminar was designed as a joint project between Podkrepa, FTUI, and UD providing more information and consulting on the process of privatization in Bulgaria, as well as discussing the specific problems. The audience consisted of 30 regional union leaders of Podkrepa from around the country. The seminar was opened by Dr. Trenchev - President of the confederation. Location: Rodina hotel. Dates: 3 - 4 - 5 May 1995.

Problems of Privatization (identical seminar - Petranov/FTUI/Podkrepa experts). The audience consisted of 32 participants - instructors and economic advisers for Podkrepa. Location: Rodina hotel. Dates: 22 - 23 May 1995.

## **D. Business Reference and Material Publications**

During this quarter, UD published the book Marketing and Advertising Communications by UD Professor James Krum. The book has high practical value and is Bulgaria-context oriented. Professor Krum wrote the book in Bulgaria while he was delivering a series of lectures on marketing and promotional strategy.

The book was translated by Ivan Ivanov, Special Projects Coordinator, who also undertook all publication-related activities. A thousand copies have been published. Some of

those have already been distributed or sold at UD outreach seminars in the country. Copies of the book have been placed in a number of Bulgarian libraries.

## **II. Economics Education Program**

### **A. Advanced Economics Program**

In the second quarter of the first year, the Advanced Economics Program engaged in the following activities: (1) selection of the applicants for the program; (2) holding of an Economics Admission test and English Language Proficiency Test (Michigan Test); and (3) conducting interviews for the applicants who successfully passed the Economics and English language admission tests. The interviewing committee consisted of Professor Black - UD Economics Program Director, Professor Petranov - UD-Bulgaria Economics Program Director, and Professor Teanov and Professor Smatrakalev from IE/BAS. One prerequisite course in Mathematics and Statistics was taught in Bulgarian. Two of the program's core courses were offered in this report period: Economics of Financial Institution and Markets, taught by Prof. Petranov; and Advanced Microeconomics I, taught by Professor Black.

### **B. National Economics Conferences**

UD and IE exchanged ideas in defining the most practically oriented topics with policy implications based on empirical experience for the holding of three National Economics Conference. Discussions were held between UD Economics program Director and professors, and IE Director and assistants. Outside consultants with relevant experience from the University of National and World Economy contributed to the planning phase of the project. All sides involved communicated on a regular basis and met when possible or through UD liaison Ivan Ivanov. The three conferences planned over the next three years are aimed at assuring a better understanding of macroeconomics, monetary policy and financial institutions in transition and providing conditions for a smoother transition into a market-oriented economy in Bulgaria. UD and IE are working on securing outside sources of funding for these conferences since they have fallen under the funding constraints of the UD programs phase-out plan.

## **III. Support Programs**

### ***Sofia Resource Center***

The Resource Center (RC) continued to play an important role in Sofia as a source of up-

to-date information and teaching /learning materials in the fields of management, economics, and English language learning and teaching. RC Coordinator, Alex Markov; Secretaries, Ekaterina Nikolova and Ana Vateva; and Relief Attendant Miroslav Boev staffed the center.

### **A. Media Room**

1. UD RC staff worked on the promotion of A/V room resources to the public. The average number of visitors per day was 12.2 for the April - June period. The practice of reservations by phone continues and the A/V room is used most efficiently. The A/V room continues to be open on Saturdays. That is very convenient especially for those visitors who are busy during business hours throughout the week.

Total visitors	854
Days open	70
Daily average	12.2
Regular visitors	39
Males	398
Females	456
Students	734
Business managers	32
Researchers	56
University professors	11
Others	21

2. During this quarter, the audio and video materials were again widely used, especially TOEFL tapes and books, GMAT, GRE, AUDIO EQUIPMENT for individual language training, INTERNATIONAL BUSINESS ENGLISH materials and the videotapes with BUSINESS FILMS and ECONOMICS LECTURES. There is a need for new videotapes with films for individual English training, as well as the latest editions of the tests TOEFL, GMAT, and GRE.

3. UD donated 14 new volumes of books in economics and management, English language materials and resources that are housed in the reading room.

4. The IBM computer in the Media room was widely used by visitors to gain experience with the software products offered by RC.

### **B. Reading Room**

1. The reading room continued to be a very valuable resource to a wide variety of users as shown below:

Total Visitors	941
Males	469

Females	472
Students	742
Teachers	4
Economists	139
Others	56

Copies of materials used:

Economics	639
Culture	207
English language, study and teaching	358
Fiction	104
Periodicals	103
Others	18

**C. Resource Center Services to the Public, Faculty and Logistics Support**

The main activities of the RC Staff during this quarter were to keep the public informed about the project, to monitor the Media and Reading Rooms, and to support resident and new coming faculty.

Victoria Hall is widely used for classes, seminars, and other activities of UD in accordance with a coordinated schedule with Sofia Central Library.

During this period, two shipments were received with books and stationary from UD.

**E. Business Periodicals Library**

The ProQuest Series 3000 workstation has been a vital part of the A/V room and visitors have been spending a big deal of time searching for the data they need. During this period, the new software and updates up to September were received. They were duly installed.

a. CD-ROM ProQuest user statistics and demographics are shown below:

Total Search Requests	248
Regular Visitors	13
Students	99
Researchers	67
University Professors	12
Business managers	57

- b. The purpose of users search requests are listed in order of frequency:
  1. Diplomas
  2. Research and investigation
  3. Projects
  4. Thesis, papers
  5. Case studies
  6. Preparation for lectures
  7. Bibliography
  
- c. Users requested searches in the following general subject areas:
  1. Banking
  2. Organizational Behavior
  3. Risk Management
  4. Entertainment Industry
  5. Investment Analysis
  6. Accounting and Taxation
  7. Hotel and Restaurant Industries
  8. Planning and Strategy

### **Sustaining Local Capacity with SCL**

## **IV. Organizational Development**

### *1. Development and Finances:*

Registered in court on June 23, 1994 as a nonprofit organization to enhance the implementation of UD Program in Bulgaria, Partnership Delaware International (DI) is performing well.

Although the financial result for the quarter is negative (-38.545,40 leva), the fees collected through DI were enough to cover the expenses for the remuneration of the Bulgarian English teachers and provide for the social security payments for the Bulgarian staff. The total financial result for 1.1.1995 - 6.30.1995 shows a positive balance of 83.655,81 leva. An increase is expected in the following months.

Dr. Larry Donnelley was elected president of DI to replace Sandra McCollum who has taken up a new position as PIET Country Director. The decision of the DI general assembly was ratified by the Sofia District Court on 5.16.1995.

According to the DI Charter, the general assembly should be summoned to present an annual report of DI activities and a new executive director should be elected at a meeting of the governing board.

## *2. Personnel Changes:*

Robert Mulhern was appointed Academic and Outreach Coordinator for UD-Bulgaria in June 1995. Ross Abadjiev assumed the position of Director of Operations and Alex Markov became Finance Manager. Ivan Ivanov became Special Project Coordinator. These changes in the job design of UD-Bulgaria staff were introduced to better reflect the increased responsibilities and changes in the duties of each of the above staff members and with the purpose of achieving greater organizational efficiency.

Delaware International hired Ms. Alexandra Levkova as ELP Director in Training. She will be introduced into the position by Valentina Alexandrova who will be able to devote all her time to Outreach coordination. With this personnel change the English Language Program has been rendered fully independent of USAID funding and completely sustainable under DI.

The BDC will be staffed by BDC Manager Dragomir Mladenov from NBU, Management Program Coordinator Christine Donnolo, and Academic Coordinator Vanya Theodorova.

## *3. Tracking & Evaluation System:*

With guidance from USAID's Brad Fujimoto and Evgenia Georgieva and through the exchange of information and ideas with PIET, Ross Abadjiev developed a new training evaluation tool for UD designed to better capture the long-term impact of training than evaluation tools previously employed. The tool will be tested on UD's 1995 student pool and will be used to track program results. This development in the internal tracking and evaluation system became necessary as USAID refocuses its impact requirement from individual to institutional impact and quantifiable rather than qualitative results. UD training will now seek to make a real difference in the enterprise and the local community. The new UD training evaluation tool is included in Appendix E below.

## V. Appendices: Course Descriptions

### APPENDIX A

**University of Delaware - Bulgaria**  
**Sofia, Bulgaria**  
**Draft Comments on**  
**Strategies for Small and Medium**  
**Enterprise Development in Bulgaria**

We believe the draft Strategy for Small and Medium Enterprise Development in Bulgaria (SMED) to be implementable given that the combined resources of the US Government-sponsored assistance groups (AG's) are brought to bear on the small and medium enterprises (SME's) identified as appropriate support recipients. Without this combined effort, it is our opinion that the impact of the support will be diminished.

The SMED articulates a general strategy for SME's in Bulgaria. The concepts presented may be applied throughout Central and Eastern Europe. We believe that the strategy could be more carefully defined for the Bulgarian context. Further, the suggestion that an additional assistance group be funded to monitor implementation is probably unnecessary given the AG's currently operating successfully in Bulgaria.

More specifically:

1. We are skeptical that there are sufficient numbers of adequately trained consultants to provide for the capacity building component across the broad spectrum suggested. If the strategy were to be implemented in Sofia, perhaps this would not be as much a concern; however given the backdrop of the AID/Sofia Bulgaria Strategy Framework (BSF), our experience has been that the requisite training expertise is not readily available in the 10 target municipalities. We believe that may be possible to develop these consultants through collaborative training with private consulting firms, particularly if the strategy implemented within specific industry sectors (e.g. agribusiness, construction, tourism, etc.).

2. The SMED does not adequately address the constraints placed on Bulgarian SME's by the present economic and financial environment, particularly the tax burden and the inability to raise capital. The success of any combined effort to develop the expertise of SME's will be limited unless this issue is also addressed by the assistance community.

Given the above, we believe the SMED can be implemented in concept, and we propose the following as a "straw man" training delivery vehicle:

Step 1: Working with Peace Corps Volunteers and target municipality NGO's, identify the eligible SME's in each of the 10 target municipalities (again, working within specific industry sectors will heighten the probability of success).

Step 2: A selection committee comprised of appropriate AG's (e.g. UD, PIET and AID/Sofia select the most viable candidates from the pool. This committee should include Bulgarian nationals from some of the AG's.

Step 3: The University of Delaware will conduct a series of seminars for the SME. The seminar series will be modularized so that it provides coverage in appropriate areas. We can anticipate that this will require between 3 and 7 seminars, depending of the size and nature of the SME. The training will be designed to provide a basic framework of practical knowledge, and it will provide an opportunity to collect baseline data for measuring the impact of the intervention longitudinally.

Step 4: Through the UD training potential EMED candidates can be identified for additional training in the US. By working closely with EMED training program designers, the benefits of the US training can be tailored for a maximum effect for both the actual participant and the "critical mass" of employees trained through the baseline seminars.

Step 5: Identify, through the seminar series, specific areas within the SME that may benefit from specific consulting expertise that could be provided by CDC or IESC.

Step 6: Conduct a follow-up interview with the SME employees and management to determine the need for additional training and to conduct the first follow-up impact survey. Additional training requests would be referred to the selection committee to compete with other requests.

Step 7: Conduct annual follow-up surveys with each recipient SME and provide periodic visits from Peace Corps Volunteers and others (e.g. UD, CDC etc) to provide a conduit for additional information requests and assistance.

The process above might also be used to identify potential candidates for BAEF and CARESBAC funding. Further, rather than focussing the efforts on a particular SME, the program could be tailored to work within an industry sector. For example, should agribusiness be defined as a target sector, the participants could be comprised of employees from a group of companies within a municipality engaged in a similar activity. We believe that such a model would maximize the "impact per dollar" and provide a forum for information exchange between the firms.

By working through the local NGO's, and with the municipal leadership the strategies in the SMED for improving relations between government and business will naturally develop. Additionally, this interaction will enhance the environment for economic development within the region which may be potentially supported through other AID/Sofia sponsored assistance groups (e.g. Democratic Network Project).

**APPENDIX B**  
**MANAGEMENT COURSES OFFERED DURING THE SECOND QUARTER**  
**OF THE FIRST YEAR**

**SCHEDULE**

1. Economics I. Fundamentals of Market Economics (Yordanov); March 24 - April 2; 17:30-20:00; Friday; 09:00-13:30; Saturday, Sunday; Sofia Central Library; in Bulgarian; 16 students.
2. Marketing I. Basics of Marketing (Ivanov); April 12 - 27; 17:30 - 20:00; Wednesday and Thursday; 09:00 - 13:30; Saturday; Sofia Central Library; in English; in Bulgarian; 12 students.
3. Finance I. Fundamentals of Finance and Accounting (Ivanov); May 2 - May 11; 17:30-20:00; Monday, Wednesday, Thursday; Sofia Central Library; in Bulgarian; 18 students.
4. Management I. Fundamentals of Managerial Processes (Yonov); May 15 - May 25; 17:30-20:00; Monday, Wednesday, Thursday; Sofia Central Library; in Bulgarian; 17 students.
5. Marketing II. Marketing, Communications and Advertising (Ivanov); June 1 - July 6; 18:00-20:00; Monday, Wednesday, Thursday; Sofia Central Library; in Bulgarian; 29 students.

**MANAGEMENT COURSE DESCRIPTIONS**

1. Economics I. Fundamentals of Market Economics (Yordanov) - This is a 24 academic hours course. It develops an understanding of the forces that determine the behavior of a market economy and the impact of that behavior on individuals and institutions. Topics include the role of the banking sector, impact on spending and income, monetary and fiscal policy, trade relationships, and the world economy.
2. Marketing I. Basics of Marketing (Ivanov) - This is a 24 academic hours course covering the decisions of marketing managers and effective marketing practices for making products, price, promotion and physical distribution decisions.
3. Finance I. Fundamentals of Finance and Accounting (Ivanov) - This is a 24 academic hours course. It is a fundamental course which covers how business transactions are recorded in an accounting system and how such data is used in financial statements to describe the performance

of a business and its present and potential conditions.

4. Management I. Fundamentals of Managerial Processes (Yonov) -This is a 24 academic hours course. It is a basic course in managerial processes as they apply to a goal-seeking organization. It covers concepts of management and administration at the individual, group, and organizational levels.

5. Marketing II. Marketing, Communications and Advertising (Ivanov) - This is a 36 academic hours core course covering the various techniques for gathering and making use of marketing information in advertising and promotion decisions, developing promotional objectives and implementing promotion and advertising campaigns.

## **APPENDIX C**

### **ECONOMICS COURSES OFFERED DURING THE SECOND QUARTER OF THE FIRST YEAR**

#### **SCHEDULE**

1. Mathematics & Statistics (Miteva); April 25 - May 4; 18:00 -21:00; Monday, Wednesday, Thursday; Sofia Central Library; in Bulgarian; 6 students.
2. Advanced Macroeconomics I. Economics of Financial Institutions & Markets (Petranov); June 12 - Aug 3; 18:30-20:00; Monday, Tuesday, Wednesday, Thursday; Sofia Central Library; in Bulgarian; 23 students.
3. Advanced Microeconomics I (Black); June 19 - July 14; 16:30-18:00; Monday, Tuesday, Wednesday, Thursday; Sofia Central Library; in English; 24 students.

#### **ECONOMICS COURSE DESCRIPTIONS**

1. Mathematics & Statistics (Miteva) - This is an 18 hour prerequisite course covering such topics as mathematics of optimization of functions of one variable, several variables, implicit functions, constrained maximization, maximization without calculus.
2. Advanced Macroeconomics I. Economics of Financial Institutions & Markets (Petranov) - This is a 24 hours course of comprehensive investigation of advanced macroeconomic theory, current macroeconomic policy and fluctuations with a special emphasis on quantitative application and macroeconomic modeling.
3. Advanced Microeconomics I (Black) - This is a 24 hours including such topics as a review of basic market concepts, supply and demand, choice and demand, market demand and elasticity, general equilibrium and efficiency of markets.

## **APPENDIX D**

### **SEMINAR DESCRIPTIONS**

Developing a business plan (Christine Donnolo) - 27 April 1995. This seminar is a part of the outreach program which UD is conducting throughout the country. Organized in conjunction with the municipality of Zlatograd and with the personal support of Mayor Ghinka Kapitanova. Duration: 4.5 hrs. Participants: 11 owners of private companies from Zlatograd and Madan in the areas of stock breeding, dairy production, textiles, telecommunications, etc.

Marketing of Small and Medium Size Companies(Christine Donnolo) - 28 April 1995. Organized under the auspices of the Kurdjali Mayor Ismet Saralyiski and the Municipality, the Friends of the USA Society and the Bulgarian Association for Fair Elections. Duration: 5 hrs. Participants: 42 representatives of the business community in Kurdjali in the areas of: trade, tourism, privatization, real estate agency, advertising and municipal administration staff from Kurdjali, Momchilgrad and Djebel municipalities.

Principles of Marketing (Christine Donnolo/William Boyer) - 18 May 1995 - Veliko Tirnovo. Organized in conjunction with the municipality of Veliko Tirnovo and the Bulgarian Association of Fair Elections. Duration: 4.5 hrs. Participants: 14 representatives of local private businesses in the areas of: agri-construction, vegetable growing, banking, recycling, trade etc.

Principles of Marketing (Christine Donnolo/William Boyer) - 19 May 1995 - Razgrad. This seminar was organized under the auspices of the Municipality and the Mayor Mr. Venelin Uzunov in conjunction with the Bulgarian Association for Fair Elections. Duration: 4.5 hrs. Participants: 16 representatives of local private businesses in the field of: financing, consulting, trade, bakery, food processing, restaurant business, dairy substitutes etc.

## APPENDIX E

### University of Delaware - Bulgaria

#### *Post-Training Evaluation Survey*

Greetings to all University of Delaware students. We need your help in completing this survey aimed at measuring the long-term impact of our training. Your answers will help us evaluate and improve our program.

Please use the scale below, unless otherwise specified, to express your opinion regarding the statements below. There are no correct or wrong answers. Please use the best of your judgement and freely express your opinion.

Strongly Agree	5
Agree	4
No Opinion	3
Disagree	2
Strongly Disagree	1

#### **Level One: Participant Reaction to Training**

1. The training lived up to my expectations.

5 4 3 2 1

2. The training was relevant to my needs.

5 4 3 2 1

3. The training seemed helpful to doing my job better.

5 4 3 2 1

4. The concepts presented were clear and easy to understand.

5 4 3 2 1

5. The program and delivery provided me with useful information.

5 4 3 2 1

6. The training addressed my needs and provided solutions.

5 4 3 2 1

7. I was not a passive listener but felt involved in the training process.

5 4 3 2 1

8. The training as a whole was valuable for me.

5 4 3 2 1

### **Level Two: Learning from Training**

Please use the scale below, unless otherwise specified, to express your opinion regarding the statements below. There are no correct or wrong answers. Please use the best of your judgement and freely express your opinion.

Strongly Agree	5
Agree	4
No Opinion	3
Disagree	2
Strongly Disagree	1

1. As a result of the training I feel more confident doing my job.

5 4 3 2 1

2. As a result of the training I have a better understanding of market economics/western style management.

5 4 3 2 1

3. I am able to make informed decisions as a result of the training.

5 4 3 2 1

4. I have acquired new skills and techniques relevant to my job.

5 4 3 2 1

5. Please cite examples of concepts/skills/techniques you have acquired during the training that you find most useful in your daily work.

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6. Please identify a missing content area of knowledge and skills that you would like to acquire in further training.

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**Level Three: Applying Learning**

Please use the scale below, unless otherwise specified, to express your opinion regarding the statements below. There are no correct or wrong answers. Please use the best of your judgement and freely express your opinion.

- Strongly Agree 5
- Agree 4
- No Opinion 3
- Disagree 2
- Strongly Disagree 1

1. The training affected my readiness to implement new ideas on the job.

5 4 3 2 1

2. My colleagues and superiors are supporting and encouraging my new ideas.

5 4 3 2 1

3. My job requires the knowledge and skills I have acquired during the training.

5 4 3 2 1

4. What I have learned during the training I am using to a large extent in my job.

5 4 3 2 1

5. As a result of the training I realized I would like to introduce changes in my place of employment.

5 4 3 2 1

6. Please identify examples of how you are applying the concepts, skills and techniques you have acquired as a result of the training.

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#### **Level Four: Impact from Training**

Please use the scale below, unless otherwise specified, to express your opinion regarding the statements below. There are no correct or wrong answers. Please use the best of your judgement and freely express your opinion.

Strongly Agree	5
Agree	4
No Opinion	3
Disagree	2
Strongly Disagree	1

1. I can do better at my work-place as a result of the training received.

5 4 3 2 1

2. I have been promoted or received increased responsibilities in my place of employment.

( ) YES ( ) NO

3. I have shared what I have learned during the training with my colleagues and co-workers.

YES     NO

3. My work-place has changed with the new methods and techniques I have introduced after I received training.

YES     NO

4. Please identify the specific impact of changes you have introduced at your work-place as a result of the training, in terms of:

a. personnel involvement (morale, motivation)

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b. improved efficiency

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c. improved business results

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d. overall success of your company/institution

(Please feel free to describe on a separate sheet your success story. Have you experienced some recent success in your business or profession that you relate to the training you have received.)

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## Demographic Information

1. Where do you work?

- a. private company
- b. state-owned company
- c. your own firm
- d. in education
- e. government agency
- f. joint venture
- g. student
- h. unemployed

2. How long have you worked in your current place of employment?

- a. less than 6 months
- b. 6 months to one year
- c. more than one year less than two years
- d. more than two years less than three years
- e. more than three years less than four years
- f. four years and more

3. How long have you worked in your present position?

- a. less than 6 months
- b. 6 months to one year
- c. more than one year less than two years
- d. more than two years less than three years
- e. more than three years less than four years
- f. four years and more

4. How many employees are in your company/institution?

- a. 1 - 10
- b. 11 - 20
- c. 21 - 50
- d. 51 - 100
- e. more than 100

5. How many people do you supervise?

- a. none
- b. 1 - 5
- c. 6 - 10
- d. 11 - 20
- e. 21 - 50
- f. more than 50

6. How old are you?

- a. 20 or younger
- b. 21 - 25
- c. 26 - 30
- d. 31 - 35
- e. 36 - 40
- f. 41 - 45
- g. 46 - 50
- h. over 50

7. Are you

- a. male
- b. female

## VI. Training Report

**UNIVERSITY OF DELAWARE - BULGARIA  
FOR MANAGEMENT TRAINING AND ECONOMICS EDUCATION  
STUDENT CONTACT HOURS REPORT  
SOFIA, APRIL 1 - JUNE 30, 1995**

PARTICIPANT CATEGORY	STUDENT TYPE	MANAGEMENT PROGRAM	ECONOMICS PROGRAM
FACULTY	F	0	30
STUDENT	S	388	420
GOVERNMENT EMPLOYEE	G	180	138
BUSINESS PERSON	B	468	78
JOURNALISTS	J	0	0
UNEMPLOYED	X	136	30
STATE EMPLOYEE	Y	912	18
OTHER OCCUPATIONS	Z	146	96
*** Total ***		2230	810

**VII. Course, Seminar Evaluations**

**UNIVERSITY OF DELAWARE - BULGARIA PROJECT  
 KOLTAI PARTICIPANT INQUIRY FORM RESULTS  
 COURSE AREA: ADVANCED ECONOMICS PROGRAM  
 INSTRUCTOR: ANASTASIA MITEVA  
 DATES: MAY 1995\ADV.ECON.PRG.  
 NUMBER OF STUDENTS: 6**

GRADE	5	4	3	2	1	0
Q 1-ANS	50.0%	50.0%	0.0%	0.0%	0.0%	0.0%
Q 2-ANS	33.3%	66.7%	0.0%	0.0%	0.0%	0.0%
Q 3-ANS	33.3%	66.7%	0.0%	0.0%	0.0%	0.0%
Q 4-ANS	0.0%	16.7%	0.0%	66.7%	16.7%	0.0%
Q 5-ANS	83.3%	16.7%	0.0%	0.0%	0.0%	0.0%
Q 6-ANS	50.0%	33.3%	16.7%	0.0%	0.0%	0.0%
Q 7-ANS	33.3%	50.0%	16.7%	0.0%	0.0%	0.0%
Q 8-ANS	0.0%	0.0%	0.0%	83.3%	16.7%	0.0%
Q 9-ANS	16.7%	50.0%	33.3%	0.0%	0.0%	0.0%
Q10-ANS	0.0%	66.7%	33.3%	0.0%	0.0%	0.0%

**SEMINAR LEGEND**

- Q1 - The quality of the seminar was excellent.
- Q2 - The materials are well designed.
- Q3 - The content of the seminar is relevant to my needs.
- Q4 - The instructor covered material that was beyond my understanding.
- Q5 - The instructor seemed to be concerned about the participants progress.
- Q6 - The instructor seemed to be well versed in the topic as it relates to my country.
- Q7 - The seminar met my expectations.
- Q8 - The seminar materials are difficult to understand.
- Q9 - The facility was well suited for this seminar.
- Q10 - The classroom equipment used is well suited for this seminar.

**GRADE**

- 5 - STRONGLY AGREE      3 - NO OPINION      2 - DISAGREE
- 4 - AGREE                      0 - NO ANSWER      1 - STRONGLY DISAGREE

**UNIVERSITY OF DELAWARE - BULGARIA PROJECT  
 KOLTAI PARTICIPANT INQUIRY FORM RESULTS  
 TITLE OF COURSE: MATHEMATICS & STATISTICS\PREREQUISITE  
 INSTRUCTOR: ANASTASIA MITEVA  
 DATES: MAY 1995\ADVANCED ECONOMICS PROGRAM  
 NUMBER OF STUDENTS: 6**

GRADE	5	4	3	2	1	0
Q 1-ANS	50.0%	50.0%	0.0%	0.0%	0.0%	0.0%
Q 2-ANS	33.3%	66.7%	0.0%	0.0%	0.0%	0.0%
Q 3-ANS	33.3%	66.7%	0.0%	0.0%	0.0%	0.0%
Q 4-ANS	0.0%	16.7%	0.0%	66.7%	16.7%	0.0%
Q 5-ANS	83.3%	16.7%	0.0%	0.0%	0.0%	0.0%
Q 6-ANS	50.0%	33.3%	16.7%	0.0%	0.0%	0.0%
Q 7-ANS	33.3%	50.0%	16.7%	0.0%	0.0%	0.0%
Q 8-ANS	0.0%	0.0%	0.0%	83.3%	16.7%	0.0%
Q 9-ANS	16.7%	50.0%	33.3%	0.0%	0.0%	0.0%
Q10-ANS	0.0%	66.7%	33.3%	0.0%	0.0%	0.0%

**SEMINAR LEGEND**

- Q1 - The quality of the seminar was excellent.
- Q2 - The materials are well designed.
- Q3 - The content of the seminar is relevant to my needs.
- Q4 - The instructor covered material that was beyond my understanding.
- Q5 - The instructor seemed to be concerned about the participants progress.
- Q6 - The instructor seemed to be well versed in the topic as it relates to my country.
- Q7 - The seminar met my expectations.
- Q8 - The seminar materials are difficult to understand.
- Q9 - The facility was well suited for this seminar.
- Q10 - The classroom equipment used is well suited for this seminar.

**GRADE**

- 5 - STRONGLY AGREE      3 - NO OPINION      2 - DISAGREE
- 4 - AGREE                0 - NO ANSWER      1 - STRONGLY DISAGREE

**UNIVERSITY OF DELAWARE - BULGARIA PROJECT  
 KOLTAI PARTICIPANT INQUIRY FORM RESULTS  
 COURSE AREA: PREREQUISITES FOR ADVANCED MANAGEMENT PROGRAM  
 PROJECT QUARTER: APRIL- JUNE 1995  
 DATE: JULY 13, 1995  
 TOTAL NUMBER OF STUDENTS: 57**

GRADE	5	4	3	2	1	0
Q 1-ANS	43.9%	43.9%	8.8%	3.5%	0.0%	0.0%
Q 2-ANS	22.8%	59.6%	12.3%	3.5%	1.8%	0.0%
Q 3-ANS	42.1%	45.6%	7.0%	1.8%	3.5%	0.0%
Q 4-ANS	5.3%	3.5%	17.5%	33.3%	38.6%	1.8%
Q 5-ANS	47.4%	43.9%	5.3%	1.8%	0.0%	1.8%
Q 6-ANS	68.4%	22.8%	8.8%	0.0%	0.0%	0.0%
Q 7-ANS	38.6%	45.6%	5.3%	7.0%	3.5%	0.0%
Q 8-ANS	1.8%	14.0%	7.0%	31.6%	45.6%	0.0%
Q 9-ANS	36.8%	35.1%	22.8%	3.5%	1.8%	0.0%
Q10-ANS	29.8%	31.6%	31.6%	7.0%	0.0%	0.0%

**SEMINAR LEGEND**

- Q1 - The quality of the seminar was excellent.
- Q2 - The materials are well designed.
- Q3 - The content of the seminar is relevant to my needs.
- Q4 - The instructor covered material that was beyond my understanding.
- Q5 - The instructor seemed to be concerned about the participants progress.
- Q6 - The instructors seemed to be well versed in the topic as it relates to my country.
- Q7 - The seminar met my expectations.
- Q8 - The seminar materials are difficult to understand.
- Q9 - The facility was well suited for this seminar.
- Q10 - The classroom equipment used is well suited for this seminar.

**GRADE**

- 5 - STRONGLY AGREE      3 - NO OPINION      2 - DISAGREE
- 4 - AGREE                0 - NO ANSWER      1 - STRONGLY DISAGREE

**UNIVERSITY OF DELAWARE - BULGARIA PROJECT  
 KOLTAI PARTICIPANT INQUIRY FORM RESULTS  
 TITLE OF SEMINAR: MARKETING-IPREREQUISITE  
 INSTRUCTOR: GEORGI IVANOV  
 DATES: APRIL 1995/ADVANCED MANAGEMENT PROGRAM  
 NUMBER OF STUDENTS: 9**

GRADE	5	4	3	2	1	0
Q 1-ANS	55.6%	44.4%	0.0%	0.0%	0.0%	0.0%
Q 2-ANS	22.2%	55.6%	22.2%	0.0%	0.0%	0.0%
Q 3-ANS	77.8%	22.2%	0.0%	0.0%	0.0%	0.0%
Q 4-ANS	0.0%	0.0%	22.2%	11.1%	66.7%	0.0%
Q 5-ANS	44.4%	44.4%	11.1%	0.0%	0.0%	0.0%
Q 6-ANS	88.9%	11.1%	0.0%	0.0%	0.0%	0.0%
Q 7-ANS	44.4%	44.4%	0.0%	0.0%	11.1%	0.0%
Q 8-ANS	0.0%	11.1%	22.2%	11.1%	55.6%	0.0%
Q 9-ANS	33.3%	22.2%	44.4%	0.0%	0.0%	0.0%
Q10-ANS	44.4%	11.1%	44.4%	0.0%	0.0%	0.0%

**SEMINAR LEGEND**

- Q1 - The quality of the seminar was excellent.
- Q2 - The materials are well designed.
- Q3 - The content of the seminar is relevant to my needs.
- Q4 - The instructor covered material that was beyond my understanding.
- Q5 - The instructor seemed to be concerned about the participants progress.
- Q6 - The instructor seemed to be well versed in the topic as it relates to my country.
- Q7 - The seminar met my expectations.
- Q8 - The seminar materials are difficult to understand.
- Q9 - The facility was well suited for this seminar.
- Q10 - The classroom equipment used is well suited for this seminar.

**GRADE**

- 5 - STRONGLY AGREE      3 - NO OPINION      2 - DISAGREE
- 4 - AGREE                      0 - NO ANSWER      1 - STRONGLY DISAGREE

**UNIVERSITY OF DELAWARE - BULGARIA PROJECT  
 KOLTAI PARTICIPANT INQUIRY FORM RESULTS  
 TITLE OF COURSE: ECONOMICS-IPREREQUISITE  
 INSTRUCTOR: YORDAN YORDANOV  
 DATES: APRIL 1995\ADVANCED MANAGEMENT PROGRAM  
 NUMBER OF STUDENTS: 14**

GRADE	5	4	3	2	1	0
Q 1-ANS	35.7%	35.7%	21.4%	7.1%	0.0%	0.0%
Q 2-ANS	14.3%	64.3%	14.3%	7.1%	0.0%	0.0%
Q 3-ANS	14.3%	71.4%	7.1%	7.1%	0.0%	0.0%
Q 4-ANS	0.0%	0.0%	14.3%	50.0%	35.7%	0.0%
Q 5-ANS	64.3%	35.7%	0.0%	0.0%	0.0%	0.0%
Q 6-ANS	78.6%	14.3%	7.1%	0.0%	0.0%	0.0%
Q 7-ANS	21.4%	64.3%	0.0%	14.3%	0.0%	0.0%
Q 8-ANS	0.0%	0.0%	7.1%	57.1%	35.7%	0.0%
Q 9-ANS	42.9%	42.9%	7.1%	0.0%	7.1%	0.0%
Q10-ANS	35.7%	28.6%	21.4%	14.3%	0.0%	0.0%

**SEMINAR LEGEND**

- Q1 - The quality of the seminar was excellent.
- Q2 - The materials are well designed.
- Q3 - The content of the seminar is relevant to my needs.
- Q4 - The instructor covered material that was beyond my understanding.
- Q5 - The instructor seemed to be concerned about the participants progress.
- Q6 - The instructor seemed to be well versed in the topic as it relates to my country.
- Q7 - The seminar met my expectations.
- Q8 - The seminar materials are difficult to understand.
- Q9 - The facility was well suited for this seminar.
- Q10 - The classroom equipment used is well suited for this seminar.

**GRADE**

- 5 - STRONGLY AGREE      3 - NO OPINION      2 - DISAGREE
- 4 - AGREE                0 - NO ANSWER      1 - STRONGLY DISAGREE

**UNIVERSITY OF DELAWARE - BULGARIA PROJECT  
 KOLTAI PARTICIPANT INQUIRY FORM RESULTS  
 TITLE OF COURSE: FINANCE-IPREREQUISITE  
 INSTRUCTOR: ILIAN IVANOV  
 DATES: MAY 1995\ADVANCED MANAGEMENT PROGRAM  
 NUMBER OF STUDENTS: 18**

GRADE	5	4	3	2	1	0
Q 1-ANS	72.2%	27.8%	0.0%	0.0%	0.0%	0.0%
Q 2-ANS	33.3%	55.6%	5.6%	0.0%	5.6%	0.0%
Q 3-ANS	50.0%	44.4%	0.0%	0.0%	5.6%	0.0%
Q 4-ANS	11.1%	11.1%	16.7%	33.3%	22.2%	5.6%
Q 5-ANS	44.4%	50.0%	0.0%	0.0%	0.0%	5.6%
Q 6-ANS	83.3%	11.1%	5.6%	0.0%	0.0%	0.0%
Q 7-ANS	61.1%	33.3%	5.6%	0.0%	0.0%	0.0%
Q 8-ANS	0.0%	27.8%	5.6%	33.3%	33.3%	0.0%
Q 9-ANS	33.3%	38.9%	22.2%	5.6%	0.0%	0.0%
Q10-ANS	27.8%	44.4%	22.2%	5.6%	0.0%	0.0%

**SEMINAR LEGEND**

- Q1 - The quality of the seminar was excellent.
- Q2 - The materials are well designed.
- Q3 - The content of the seminar is relevant to my needs.
- Q4 - The instructor covered material that was beyond my understanding.
- Q5 - The instructor seemed to be concerned about the participants progress.
- Q6 - The instructor seemed to be well versed in the topic as it relates to my country.
- Q7 - The seminar met my expectations.
- Q8 - The seminar materials are difficult to understand.
- Q9 - The facility was well suited for this seminar.
- Q10 - The classroom equipment used is well suited for this seminar.

**GRADE**

- 5 - STRONGLY AGREE      3 - NO OPINION      2 - DISAGREE
- 4 - AGREE                0 - NO ANSWER      1 - STRONGLY DISAGREE

**UNIVERSITY OF DELAWARE - BULGARIA PROJECT  
 KOLTAI PARTICIPANT INQUIRY FORM RESULTS  
 TITLE OF COURSE: MANAGEMENT-IPREREQUISITE  
 INSTRUCTOR: NIKOLAI YONOV  
 DATES: MAY 1995\ADVANCED MANAGEMENT PROGR.  
 NUMBER OF STUDENTS: 16**

GRADE	5	4	3	2	1	0
Q 1-ANS	12.5%	68.8%	12.5%	6.3%	0.0%	0.0%
Q 2-ANS	18.8%	62.5%	12.5%	6.3%	0.0%	0.0%
Q 3-ANS	37.5%	37.5%	18.8%	0.0%	6.3%	0.0%
Q 4-ANS	6.3%	0.0%	18.8%	31.3%	43.8%	0.0%
Q 5-ANS	37.5%	43.8%	12.5%	6.3%	0.0%	0.0%
Q 6-ANS	31.3%	50.0%	18.8%	0.0%	0.0%	0.0%
Q 7-ANS	25.0%	43.8%	12.5%	12.5%	6.3%	0.0%
Q 8-ANS	6.3%	12.5%	0.0%	18.8%	62.5%	0.0%
Q 9-ANS	37.5%	31.3%	25.0%	6.3%	0.0%	0.0%
Q10-ANS	18.8%	31.3%	43.8%	6.3%	0.0%	0.0%

**SEMINAR LEGEND**

- Q1 - The quality of the seminar was excellent.
- Q2 - The materials are well designed.
- Q3 - The content of the seminar is relevant to my needs.
- Q4 - The instructor covered material that was beyond my understanding.
- Q5 - The instructor seemed to be concerned about the participants progress.
- Q6 - The instructor seemed to be well versed in the topic as it relates to my country.
- Q7 - The seminar met my expectations.
- Q8 - The seminar materials are difficult to understand.
- Q9 - The facility was well suited for this seminar.
- Q10 - The classroom equipment used is well suited for this seminar.

**GRADE**

- 5 - STRONGLY AGREE      3 - NO OPINION      2 - DISAGREE
- 4 - AGREE                0 - NO ANSWER      1 - STRONGLY DISAGREE

**UNIVERSITY OF DELAWARE - BULGARIA PROJECT  
 KOLTAI PARTICIPANT INQUIRY FORM RESULTS  
 SEMINAR AREA: MANAGEMENT OUTREACH SEMINARS  
 PROJECT QUARTER: APRIL - JUNE 1995  
 DATE: JULY 18, 1995  
 TOTAL NUMBER OF STUDENTS: 64**

GRADE	5	4	3	2	1	0
Q 1-ANS	56.3%	42.2%	0.0%	1.6%	0.0%	0.0%
Q 2-ANS	45.3%	39.1%	14.1%	1.6%	0.0%	0.0%
Q 3-ANS	32.8%	54.7%	9.4%	3.1%	0.0%	0.0%
Q 4-ANS	3.1%	6.3%	4.7%	48.4%	34.4%	3.1%
Q 5-ANS	59.4%	32.8%	4.7%	3.1%	0.0%	0.0%
Q 6-ANS	53.1%	37.5%	7.8%	1.6%	0.0%	0.0%
Q 7-ANS	34.4%	57.8%	3.1%	1.6%	1.6%	1.6%
Q 8-ANS	3.1%	9.4%	6.3%	37.5%	40.6%	3.1%
Q 9-ANS	37.5%	54.7%	4.7%	1.6%	1.6%	0.0%
Q10-ANS	32.8%	48.4%	10.9%	6.3%	0.0%	1.6%

**SEMINAR LEGEND**

- Q1 - The quality of the seminar was excellent.
- Q2 - The materials are well designed.
- Q3 - The content of the seminar is relevant to my needs.
- Q4 - The instructor covered material that was beyond my understanding.
- Q5 - The instructor seemed to be concerned about the participants progress.
- Q6 - The instructors seemed to be well versed in the topic as it relates to my country.
- Q7 - The seminar met my expectations.
- Q8 - The seminar materials are difficult to understand.
- Q9 - The facility was well suited for this seminar.
- Q10 - The classroom equipment used is well suited for this seminar.

**GRADE**

- 5 - STRONGLY AGREE      3 - NO OPINION      2 - DISAGREE
- 4 - AGREE                      0 - NO ANSWER      1 - STRONGLY DISAGREE

**UNIVERSITY OF DELAWARE - BULGARIA PROJECT  
 KOLTAI PARTICIPANT INQUIRY FORM RESULTS  
 TITLE OF SEMINAR: MARKETING\VELIKO TURNOVO  
 INSTRUCTOR: CHRISTINE DONNOLO  
 DATES: MAY 18, 1995\OUTREACH PROGRAM  
 NUMBER OF STUDENTS: 14**

GRADE	5	4	3	2	1	0
Q 1-ANS	64.3%	35.7%	0.0%	0.0%	0.0%	0.0%
Q 2-ANS	64.3%	35.7%	0.0%	0.0%	0.0%	0.0%
Q 3-ANS	64.3%	28.6%	7.1%	0.0%	0.0%	0.0%
Q 4-ANS	7.1%	0.0%	7.1%	35.7%	42.9%	7.1%
Q 5-ANS	71.4%	28.6%	0.0%	0.0%	0.0%	0.0%
Q 6-ANS	50.0%	42.9%	7.1%	0.0%	0.0%	0.0%
Q 7-ANS	50.0%	50.0%	0.0%	0.0%	0.0%	0.0%
Q 8-ANS	7.1%	0.0%	7.1%	28.6%	50.0%	7.1%
Q 9-ANS	71.4%	14.3%	14.3%	0.0%	0.0%	0.0%
Q10-ANS	71.4%	7.1%	21.4%	0.0%	0.0%	0.0%

**SEMINAR LEGEND**

- Q1 - The quality of the seminar was excellent.
- Q2 - The materials are well designed.
- Q3 - The content of the seminar is relevant to my needs.
- Q4 - The instructor covered material that was beyond my understanding.
- Q5 - The instructor seemed to be concerned about the participants progress.
- Q6 - The instructor seemed to be well versed in the topic as it relates to my country.
- Q7 - The seminar met my expectations.
- Q8 - The seminar materials are difficult to understand.
- Q9 - The facility was well suited for this seminar.
- Q10 - The classroom equipment used is well suited for this seminar.

**GRADE**

- 5 - STRONGLY AGREE      3 - NO OPINION      2 - DISAGREE
- 4 - AGREE                      0 - NO ANSWER      1 - STRONGLY DISAGREE

**UNIVERSITY OF DELAWARE - BULGARIA PROJECT  
 KOLTAI PARTICIPANT INQUIRY FORM RESULTS  
 TITLE OF SEMINAR: MARKETING\RAZGRAD  
 INSTRUCTOR: CHRISTINE DONNOLO  
 DATES: MAY 19, 1995\OUTREACH PROGRAM  
 NUMBER OF STUDENTS: 16**

GRADE	5	4	3	2	1	0
Q 1-ANS	37.5%	62.5%	0.0%	0.0%	0.0%	0.0%
Q 2-ANS	25.0%	37.5%	31.3%	6.3%	0.0%	0.0%
Q 3-ANS	25.0%	56.3%	12.5%	6.3%	0.0%	0.0%
Q 4-ANS	0.0%	12.5%	6.3%	56.3%	25.0%	0.0%
Q 5-ANS	37.5%	50.0%	12.5%	0.0%	0.0%	0.0%
Q 6-ANS	37.5%	43.8%	18.8%	0.0%	0.0%	0.0%
Q 7-ANS	18.8%	81.3%	0.0%	0.0%	0.0%	0.0%
Q 8-ANS	0.0%	12.5%	6.3%	50.0%	31.3%	0.0%
Q 9-ANS	25.0%	68.8%	0.0%	6.3%	0.0%	0.0%
Q10-ANS	25.0%	50.0%	12.5%	12.5%	0.0%	0.0%

**SEMINAR LEGEND**

- Q1 - The quality of the seminar was excellent.
- Q2 - The materials are well designed.
- Q3 - The content of the seminar is relevant to my needs.
- Q4 - The instructor covered material that was beyond my understanding.
- Q5 - The instructor seemed to be concerned about the participants progress.
- Q6 - The instructor seemed to be well versed in the topic as it relates to my country.
- Q7 - The seminar met my expectations.
- Q8 - The seminar materials are difficult to understand.
- Q9 - The facility was well suited for this seminar.
- Q10 - The classroom equipment used is well suited for this seminar.

**GRADE**

- 5 - STRONGLY AGREE      3 - NO OPINION      2 - DISAGREE
- 4 - AGREE                      0 - NO ANSWER      1 - STRONGLY DISAGREE

**UNIVERSITY OF DELAWARE - BULGARIA PROJECT  
 KOLTAI PARTICIPANT INQUIRY FORM RESULTS  
 TITLE OF SEMINAR: MARKETING\OUTREACH PROGRAM  
 INSTRUCTOR: CHRISTINE DONNOLO  
 DATES: APR 28, 1995\KURDZHALI  
 NUMBER OF STUDENTS: 23**

GRADE	5	4	3	2	1	0
Q 1-ANS	56.5%	39.1%	0.0%	4.3%	0.0%	0.0%
Q 2-ANS	43.5%	43.5%	13.0%	0.0%	0.0%	0.0%
Q 3-ANS	26.1%	60.9%	8.7%	4.3%	0.0%	0.0%
Q 4-ANS	0.0%	0.0%	4.3%	52.2%	39.1%	4.3%
Q 5-ANS	56.5%	30.4%	4.3%	8.7%	0.0%	0.0%
Q 6-ANS	65.2%	30.4%	0.0%	4.3%	0.0%	0.0%
Q 7-ANS	47.8%	34.8%	4.3%	4.3%	4.3%	4.3%
Q 8-ANS	4.3%	4.3%	4.3%	34.8%	47.8%	4.3%
Q 9-ANS	34.8%	56.5%	4.3%	0.0%	4.3%	0.0%
Q 10-ANS	13.0%	65.2%	8.7%	8.7%	0.0%	4.3%

**SEMINAR LEGEND**

- Q1 - The quality of the seminar was excellent.
- Q2 - The materials are well designed.
- Q3 - The content of the seminar is relevant to my needs.
- Q4 - The instructor covered material that was beyond my understanding.
- Q5 - The instructor seemed to be concerned about the participants progress.
- Q6 - The instructor seemed to be well versed in the topic as it relates to my country.
- Q7 - The seminar met my expectations.
- Q8 - The seminar materials are difficult to understand.
- Q9 - The facility was well suited for this seminar.
- Q10 - The classroom equipment used is well suited for this seminar.

**GRADE**

- 5 - STRONGLY AGREE      3 - NO OPINION      2 - DISAGREE
- 4 - AGREE                0 - NO ANSWER      1 - STRONGLY DISAGREE

**UNIVERSITY OF DELAWARE - BULGARIA PROJECT  
 KOLTAI PARTICIPANT INQUIRY FORM RESULTS  
 TITLE OF SEMINAR: MARKETING/OUTREACH PROGRAM  
 INSTRUCTOR: CHRISTINE DONNOLO  
 DATES: APR 27, 1995\ZLATOGRA  
 NUMBER OF STUDENTS: 11**

GRADE	5	4	3	2	1	0
Q 1-ANS	72.7%	27.3%	0.0%	0.0%	0.0%	0.0%
Q 2-ANS	54.5%	36.4%	9.1%	0.0%	0.0%	0.0%
Q 3-ANS	18.2%	72.7%	9.1%	0.0%	0.0%	0.0%
Q 4-ANS	9.1%	18.2%	0.0%	45.5%	27.3%	0.0%
Q 5-ANS	81.8%	18.2%	0.0%	0.0%	0.0%	0.0%
Q 6-ANS	54.5%	36.4%	9.1%	0.0%	0.0%	0.0%
Q 7-ANS	9.1%	81.8%	9.1%	0.0%	0.0%	0.0%
Q 8-ANS	0.0%	27.3%	9.1%	36.4%	27.3%	0.0%
Q 9-ANS	18.2%	81.8%	0.0%	0.0%	0.0%	0.0%
Q10-ANS	36.4%	63.6%	0.0%	0.0%	0.0%	0.0%

**SEMINAR LEGEND**

- Q1 - The quality of the seminar was excellent.
- Q2 - The materials are well designed.
- Q3 - The content of the seminar is relevant to my needs.
- Q4 - The instructor covered material that was beyond my understanding.
- Q5 - The instructor seemed to be concerned about the participants progress.
- Q6 - The instructor seemed to be well versed in the topic as it relates to my country.
- Q7 - The seminar met my expectations.
- Q8 - The seminar materials are difficult to understand.
- Q9 - The facility was well suited for this seminar.
- Q10 - The classroom equipment used is well suited for this seminar.

**GRADE**

- 5 - STRONGLY AGREE      3 - NO OPINION      2 - DISAGREE
- 4 - AGREE                      0 - NO ANSWER      1- STRONGLY DISAGREE

**UNIVERSITY OF DELAWARE - BULGARIA PROJECT  
 KOLTAI PARTICIPANT INQUIRY FORM RESULTS  
 TITLE OF SEMINAR: PRIVATIZATION IN BULGARIA\FTUI  
 INSTRUCTOR: STEFAN PETRANOV  
 DATES: MAY 2 - 3, 1995\PODKREPA\FTUI\OUTREACH PROGRAM  
 NUMBER OF STUDENTS: 27**

GRADE	5	4	3	2	1	0
Q 1-ANS	51.9%	44.4%	0.0%	3.7%	0.0%	0.0%
Q 2-ANS	40.7%	48.1%	3.7%	7.4%	0.0%	0.0%
Q 3-ANS	48.1%	48.1%	0.0%	3.7%	0.0%	0.0%
Q 4-ANS	7.4%	11.1%	7.4%	55.6%	18.5%	0.0%
Q 5-ANS	25.9%	44.4%	22.2%	3.7%	0.0%	3.7%
Q 6-ANS	74.1%	18.5%	7.4%	0.0%	0.0%	0.0%
Q 7-ANS	48.1%	44.4%	3.7%	3.7%	0.0%	0.0%
Q 8-ANS	3.7%	3.7%	3.7%	70.4%	18.5%	0.0%
Q 9-ANS	70.4%	22.2%	0.0%	7.4%	0.0%	0.0%
Q10-ANS	48.1%	44.4%	3.7%	3.7%	0.0%	0.0%

**SEMINAR LEGEND**

- Q1 - The quality of the seminar was excellent.
- Q2 - The materials are well designed.
- Q3 - The content of the seminar is relevant to my needs.
- Q4 - The instructor covered material that was beyond my understanding.
- Q5 - The instructor seemed to be concerned about the participants progress.
- Q6 - The instructor seemed to be well versed in the topic as it relates to my country.
- Q7 - The seminar met my expectations.
- Q8 - The seminar materials are difficult to understand.
- Q9 - The facility was well suited for this seminar.
- Q10 - The classroom equipment used is well suited for this seminar.

**GRADE**

- 5 - STRONGLY AGREE      3 - NO OPINION      2 - DISAGREE
- 4 - AGREE                0 - NO ANSWER      1 - STRONGLY DISAGREE

**APPENDIX F**

**UNIVERSITY OF DELAWARE - BULGARIA  
FOR MANAGEMENT TRAINING & ECONOMICS EDUCATION  
PARTICIPANTS TRAINING REPORT  
SOFIA, APRIL 1 - JUNE 30, 1995**

<i>FIRST NAME</i>	<i>SURNAME</i>	<i>AGE BRACKET</i>	<i>EMPLOYER</i>	<i>JOB TITLE</i>	<i>COURSE TAKEN</i>
MILA	BOSHNAKOVA	26-35	US EMBASSY	FOREIGN AGRIC SPECIALIST	ECONOMICS I
ALEXEI	DYULGEROV	26-35	DOBROSLAVTZI	ENGINEER	ECONOMICS I
BORYANA	POPOVA	26-35	ENERGOPROEKT	TRADE/MARK EXPERT	ECONOMICS I
VLADIMIR	YOTZOV	26-35	BULGARIAN YELLOW PAGES	GEN. MANAGER- PLOVDIV	ECONOMICS I
VESELKA	GRUEVA	36-45	MOBIKOM	CUSTOMER SERVICE REP	ECONOMICS I
IVANKA	SHOPOVA	18-25	SOFIA UNIVERSITY	STUDENT	ECONOMICS I
MAYA	BOCHEVA	26-35	UNWE	STUDENT	ECONOMICS I
MARGARITA	TOTEVA	26-35	MOBIKOM	OPERATOR	ECONOMICS I
POLINA	ROUSSINOVA	36-45	VESONIC CO.	EXPORT/IMPORT MANAGER	ECONOMICS I
NIKOLAI	NIKOLOV	26-35	TRANSPORT MED. INSTITUTE	DOCTOR	ECONOMICS I
DIMITER	MARKOVSKI	26-35	MOBIKOM	DIRECT SALES MANAGER	ECONOMICS I
MADLEN	HRISTOVA	26-35	BRUNATA BULGARIA OOD	CHIEF ACCOUNTING SRV	ECONOMICS I
RUMIANA	YOTOVA	36-45	USAID	COMMUNICATIONS CLERK	ECONOMICS I
VERA	KOYCHEVA	18-25	FLAMINGO 92 CO.	BUSINESS SECRETARY	ECONOMICS I
MARTIN	MARKOV	26-35	EUTOCOM TRADING LTD.	TECHNICAL ASSISTANT	ECONOMICS I

**UNIVERSITY OF DELAWARE - BULGARIA  
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PARTICIPANTS TRAINING REPORT  
SOFIA, APRIL 1 - JUNE 30, 1995**

<i>FIRST NAME</i>	<i>SURNAME</i>	<i>AGE BRACKET</i>	<i>EMPLOYER</i>	<i>JOBTITLE</i>	<i>COURSE TAKEN</i>
ELVIRA	KRAEVA	26-35	MOBICOM	OFFICE STAFF	ECONOMICS I
MILA	BOSHNAKOVA	26-35	US EMBASSY, FORE. AG. SERVICE	AGRI SPECIALIST	MARKETING I
ALEXEI	DYULGEROV	26-35	DOBROSLAVTZI	ENGINEER	MARKETING I
MAYA	BOCHEVA	26-35	UNWE	STUDENT	MARKETING I
POLINA	ROUSSINOVA	36-45	VESONIC CO.	EXPORT/IMPORT MNGR	MARKETING I
NIKOLAI	NIKOLOV	26-35	TRANSPORT MED. INSTITUTE	DOCTOR	MARKETING I
DIMITER	MARKOVSKI	26-35	MOBIKOM	DIRECT SALES MANAGER	MARKETING I
MADLEN	IRISTOVA	26-35	BRUNATA BULGARIA OOD	CHIEF ACCOUNTING SERVICE	MARKETING I
NEDA	ABADZHIEVA	26-35	RTC - MOBIKOM	RENTAL MANAGER	MARKETING I
BORYANA	POPOVA	26-35	ENERGOPROECT	TRADE/MARK EXPERT	MARKETING I
IRENA	TODORCHEVA	26-35	UNEMPLOYED	UNEMPLOYED	MARKETING I
ELVIRA	KRAEVA	26-35	MOBICOM	OFFICE STAFF	MARKETING I
IVANKA	SIIPOVA	18-25	SOFIA UNIVERSITY	STUDENT	MARKETING I
ALEXEI	DYULGEROV	26-35	DOBROSLAVTZI	ENGINEER	FINANCE I
VLADIMIR	YOTZOV	26-35	BULGARIAN YELLOW PAGES	GEN. MANAGER- PLOVDIV	FINANCE I

**UNIVERSITY OF DELAWARE - BULGARIA  
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PARTICIPANTS TRAINING REPORT  
SOFIA, APRIL 1 - JUNE 30, 1995**

<i>FIRST NAME</i>	<i>SURNAME</i>	<i>AGE BRACKET</i>	<i>EMPLOYER</i>	<i>JOBTITLE</i>	<i>COURSE TAKEN</i>
RUMIANA	YOTOVA	36-45	USAID	COMMUNICATIONS CLERK	FINANCE I
BORYANA	POPOVA	26-35	ENERGOPROECT	TRADE/MARK EXPERT	FINANCE I
IVANKA	SHOPOVA	18-25	SOFIA UNIVERSITY	STUDENT	FINANCE I
MARGARITA	TOTEVA	26-35	MOBIKOM	OPERATOR	FINANCE I
POLINA	ROUSSINOVA	36-45	VESONIC CO.	EXPORT/IMPORT MANAGER	FINANCE I
MADLEN	HRISTOVA	26-35	BRUNATA BULGARIA OOD	CHIEF ACCOUNTING SERVICE	FINANCE I
NIKOLAI	NIKOLOV	26-35	TRANSPORT MED. INSTITUTE	DOCTOR	FINANCE I
ELVIRA	KRAEVA	26-35	MOBICOM	OFFICE STAFF	FINANCE I
MAYA	BOCHEVA	26-35	UNWE	STUDENT	FINANCE I
MILA	BOSHNAKOVA	26-35	US EMBASSY, FOREIGN AG SERVICE	AGRI SPECIALIST	FINANCE I
VESSELKA	GRUEVA	36-45	MOBIKOM	CUSTOMER SERVICE REP	FINANCE I
DIMITER	MARKOVSKI	26-35	MOBIKOM	DIRECT SALES MANAGER	FINANCE I
NADEZHDA	SPIROVA	26-35	LESSONPEX LTD.	PRODUCTION MANAGER	FINANCE I
LYUBKA	NIKOLOVA	26-35	UNEMPLOYED	UNEMPLOYED	FINANCE I
LYUDMILA	HRISTOVA	18-25	UNWE	STUDENT	FINANCE I

**UNIVERSITY OF DELAWARE - BULGARIA  
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<i>FIRST NAME</i>	<i>SURNAME</i>	<i>AGE BRACKET</i>	<i>EMPLOYER</i>	<i>JOBTITLE</i>	<i>COURSE TAKEN</i>
BORISLAVA	NEDELICHEVA	18-25	STUDENT	STUDENT	FINANCE I
ALEXEI	DYULGEROV	26-35	DOBROSLAVTZI	ENGINEER	MANAGEMENT I
BORYANA	POPOVA	26-35	ENERGOPROECT	TRADE/MARK EXPERT	MANAGEMENT I
IVANKA	SHOPOVA	18-25	SOFIA UNIVERSITY	STUDENT	MANAGEMENT I
MARGARITA	TOTEVA	26-35	MOBIKOM	OPERATOR	MANAGEMENT I
POLINA	ROUSSINOVA	36-45	VESONIC CO.	EXPORT/IMPORT MANAGER	MANAGEMENT I
MADLEN	HRISTOVA	26-35	BRUNATA BULGARIA OOD	CHIEF ACCOUNTING SERVICE	MANAGEMENT I
NIKOLAI	NIKOLOV	26-35	TRANSPORT MED. INSTITUTE	DOCTOR	MANAGEMENT I
ELVIRA	KRAEVA	26-35	MOBICOM	OFFICE STAFF	MANAGEMENT I
MAYA	BOCHEVA	26-35	UNWE	STUDENT	MANAGEMENT I
MILA	BOSHNAKOVA	26-35	US EMBASSY, FOREIGN AG SERVICE	AGRI SPECIALIST	MANAGEMENT I
VESSELKA	GRUEVA	36-45	MOBIKOM	CUSTOMER SERVICE REP	MANAGEMENT I
DIMITER	MARKOVSKI	26-35	MOBIKOM	DIRECT SALES MANAGER	MANAGEMENT I
NADEZHDA	SPIROVA	26-35	LESSOINPEX LTD.	PRODUCTION MANAGER	MANAGEMENT I
LYUBKA	NIKOLOVA	26-35	UNEMPLOYED	UNEMPLOYED	MANAGEMENT I

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SOFIA, APRIL 1 - JUNE 30, 1995**

<i>FIRST NAME</i>	<i>SURNAME</i>	<i>AGE BRACKET</i>	<i>EMPLOYER</i>	<i>JOBTITLE</i>	<i>COURSE TAKEN</i>
LYUDMILA	IRISTOVA	18-25	UNWE	STUDENT	MANAGEMENT I
BORISLAVA	NEDELCHIEVA	18-25	STUDENT	STUDENT	MANAGEMENT I
MARTIN	MARKOV	26-35	EUTOCOM TRADING LTD.	TECHNICAL ASSISTANT	MANAGEMENT I
ROUMEN	PETKOV	36-45	ST.EKATERINA CLINIC	ADMINISTRATOR	MARKETING II
MARIA	VRANOVSKA	36-45	ELI LILEY & ELANKO	MEDICAL REP	MARKETING II
RUMIANA	YOTOVA	36-45	USAID	COMMUNICATIONS CLERK	MARKETING II
SNEZHANKA	KANU	46-55	BULGARIAN-AMER ENTERPRISE FUND	CONSTRUCTION ANALYST	MARKETING II
YORDANKA	KAROLEVA	26-35	EXPRESS-CONSULT CO.	MARKETING ASSISTANT	MARKETING II
MARINA	MALCHIEVA	18-25	ARSI BUSINESS GROUP	SECRETARY	MARKETING II
MAYA	BABANSKA	26-35	ALCATEL BUSINESS SYSTEMS	PUBLIC RELATIONS	MARKETING II
ARNO	KUIUMDZHIIEV	26-35	ROMI TRADING LTD.	MARKETING MANAGER	MARKETING II
CHAVDAR	KAPITANOV	36-45	R.T.K. FOOD	MANAGER	MARKETING II
ZOYA	GARGIULO	26-35	BULGARIAN AMER ENTERPRISE FUND	INVESTMENT ANALYST	MARKETING II
IRENA	TODORCHIEVA	26-35	UNEMPLOYED	UNEMPLOYED	MARKETING II
NEDA	ABADZHIIEVA	26-35	RTC - MOBIKOM	RENTAL MANAGER	MARKETING II

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SOFIA, APRIL 1 - JUNE 30, 1995**

<i>FIRST NAME</i>	<i>SURNAME</i>	<i>AGE BRACKET</i>	<i>EMPLOYER</i>	<i>JOBTITLE</i>	<i>COURSE TAKEN</i>
ALEXEI	DYULGERSKI	26-35	DOBROSLAVTZI	ENGINEER	MARKETING II
VLADIMIR	YOTZOV	26-35	BULGARIAN YELLOW PAGES	GEN. MANAGER- PLOVDIV	MARKETING II
BORYANA	POPOVA	26-35	ENERGOPROECT	TRADE/MARK EXPERT	MARKETING II
IVANKA	SHOPOVA	18-25	SOFIA UNIVERSITY	STUDENT	MARKETING II
MARGARITA	TOTEVA	26-35	MOBIKOM	OPERATOR	MARKETING II
POLINA	ROUSSINOVA	36-45	VESONIC CO.	EXPORT/IMPORT MANAGER	MARKETING II
MADLEN	HRISTOVA	26-35	BRUNATA BULGARIA OOD	CHIEF ACCOUNTING SERVICE	MARKETING II
NIKOLAI	NIKOLOV	26-35	TRANSPORT MED INSTITUTE	DOCTOR	MARKETING II
ELVIRA	KRAEVA	26-35	MOBICOM	OFFICE STAFF	MARKETING II
MAYA	BOCHIEVA	26-35	UNWE	STUDENT	MARKETING II
MILA	BOSHNAKOVA	26-35	US EMBASSY, FOREIGN AG SERVICE	AGRI SPECIALIST	MARKETING II
VESSELKA	GRUEVA	36-45	MOBIKOM	CUSTOMER SERVICE REP	MARKETING II
DIMITER	MARKOVSKI	26-35	MOBIKOM	DIRECT SALES MANAGER	MARKETING II
NADEZHDA	SPIROVA	26-35	LESSOINPEX LTD.	PRODUCTION MANAGER	MARKETING II
I.YUBKA	NIKOLOVA	26-35	UNEMPLOYED	UNEMPLOYED	MARKETING II

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SOFIA, APRIL 1 - JUNE 30, 1995**

<i>FIRST NAME</i>	<i>SURNAME</i>	<i>AGE BRACKET</i>	<i>EMPLOYER</i>	<i>JOB TITLE</i>	<i>COURSE TAKEN</i>
I.YUDMILA	HRISTOVA	18-25	UNWE	STUDENT	MARKETING II
BORISLAVA	NEDELICHEVA	18-25	STUDENT	STUDENT	MARKETING II
MILENA	DIMITROVA	26-35	OMNITECH LTD.	ASSISTANT	MATH & STATISTICS
ANETA	GENOVA	26-35	AII AD CAPITAL PRESS	REPORTER	MATH & STATISTICS
DESI SLAVA	VUCHKOVA	26-35	UNITED BULGARIAN	EXPERT	MATH & STATISTICS
NEVENA	ILIEVA	26-35	WORLD BANK	RESEARCH ASSISTANT	MATH & STATISTICS
LYUDMIL	SLAVYANOV	36-45	FREE-LANCE	TRANSLATOR	MATH & STATISTICS
ANTONIA	VIYACHKA	26-35	WORLD BANK	SENIOR SECRETARY	MATH & STATISTICS
LYUDMIL	SLAVYANOV	36-45	FREE-LANCE	TRANSLATOR	ECONOMICS OF FINANCIAL INSTITUTIONS & MA
GEORGI	DIMITROV	18-25	ORAC LTD.	LEGAL ADVISER	ECONOMICS OF FINANCIAL INSTITUTIONS & MA
NEVENA	ILIEVA	26-35	WORLD BANK	RESEARCH ANALYST	ECONOMICS OF FINANCIAL INSTITUTIONS & MA
MALINA	SAVOVA	26-35	IMF	ADMIN ASSISTANT	ECONOMICS OF FINANCIAL INSTITUTIONS & MA
SVYATOSLAV	BRAYNOV	26-35	INSTITUTE OF MATHEMATICS	BAS RESEARCHER	ECONOMICS OF FINANCIAL INSTITUTIONS & MA

**UNIVERSITY OF DELAWARE - BULGARIA  
FOR MANAGEMENT TRAINING & ECONOMICS EDUCATION  
PARTICIPANTS TRAINING REPORT  
SOFIA, APRIL 1 - JUNE 30, 1995**

<i>FIRST NAME</i>	<i>SURNAME</i>	<i>AGE BRACKET</i>	<i>EMPLOYER</i>	<i>JOBTITLE</i>	<i>COURSE TAKEN</i>
VALENTINA	PARVOULEVA	36-45	MINISTRY OF FINANCE	CHIEF EXPERT	ECONOMICS OF FINANCIAL INSTITUTIONS & MA
ANETA	GENOVA	26-35	AII AD CAPITAL PRESS	REPORTER	ECONOMICS OF FINANCIAL INSTITUTIONS & MA
MILENA	KUYUMDZHIEVA	18-25	VARNA UNIVERSITY OF ECONOMICS	STUDENT	ECONOMICS OF FINANCIAL INSTITUTIONS & MA
PETER	GRANCHAROV	18-25	PIERRE CARDIN REPRESENTATIVE	SALES PERSON	ECONOMICS OF FINANCIAL INSTITUTIONS & MA
VALENTINA	HARTARSKA	18-25	UNWE	STUDENT	ECONOMICS OF FINANCIAL INSTITUTIONS & MA
RADOSLAV	GANCHEVA	18-25	UNWE	STUDENT	ECONOMICS OF FINANCIAL INSTITUTIONS & MA
PETYA	TERZIEVA	18-25	UNWE	STUDENT	ECONOMICS OF FINANCIAL INSTITUTIONS & MA
ANELIA	KATCHIOVA	18-25	UNWE	STUDENT	ECONOMICS OF FINANCIAL INSTITUTIONS & MA
VANYA	ERMENKOVA	26-35	BIOMET LTD.	SPECIALIST	ECONOMICS OF FINANCIAL INSTITUTIONS & MA
ALEXANDER	GEORGIEV	18-25	UNWE	STUDENT	ECONOMICS OF FINANCIAL INSTITUTIONS & MA
ALEXANDER	NIKOLOV	18-25	UNWE	STUDENT	ECONOMICS OF FINANCIAL INSTITUTIONS & MA

**UNIVERSITY OF DELAWARE - BULGARIA  
FOR MANAGEMENT TRAINING & ECONOMICS EDUCATION  
PARTICIPANTS TRAINING REPORT  
SOFIA, APRIL 1 - JUNE 30, 1995**

<i>FIRST NAME</i>	<i>SURNAME</i>	<i>AGE BRACKET</i>	<i>EMPLOYER</i>	<i>JOBTITLE</i>	<i>COURSE TAKEN</i>
EVGENIA	CHAKAROVA	18-25	SOFIA UNIVERSITY	STUDENT	ECONOMICS OF FINANCIAL INSTITUTIONS & MA
IVA	PETROVA	18-25	UNWE	STUDENT	ECONOMICS OF FINANCIAL INSTITUTIONS & MA
DIMITER	GURDJLOV	18-25	AUBG	STUDENT	ECONOMICS OF FINANCIAL INSTITUTIONS & MA
MILENA	DIMITROVA	18-25	UNWE	STUDENT	ECONOMICS OF FINANCIAL INSTITUTIONS & MA
IVAN	DRENOVICHKI	18-25	AUBG	STUDENT	ECONOMICS OF FINANCIAL INSTITUTIONS & MA
IVA	PETROVA	18-25	AUBG	STUDENT	ECONOMICS OF FINANCIAL INSTITUTIONS & MA
VICTOR	KOLAROV	26-35	UNEMPLOYED	UNEMPLOYED	ECONOMICS OF FINANCIAL INSTITUTIONS & MA
LYUDMIL	SLAVYANOV	36-45	FREE-LANCE	TRANSLATOR	ADVANCED MICROECONOMICS I
GEORGI	DIMITROV	18-25	ORAC LTD.	LEGAL ADVISER	ADVANCED MICROECONOMICS I
NEVENA	ILIEVA	26-35	WORLD BANK	RESEARCH ASSISTANT	ADVANCED MICROECONOMICS I
MALINA	SAVOVA	26-35	IMF	ADMIN ASSISTANT	ADVANCED MICROECONOMICS I
SVYATOSLAV	BRAYNOV	26-35	INSTITUTE OF MATHEMATICS	BAS RESEARCHER	ADVANCED MICROECONOMICS I

**UNIVERSITY OF DELAWARE - BULGARIA  
FOR MANAGEMENT TRAINING & ECONOMICS EDUCATION  
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<i>FIRST NAME</i>	<i>SURNAME</i>	<i>AGE BRACKET</i>	<i>EMPLOYER</i>	<i>JOB TITLE</i>	<i>COURSE TAKEN</i>
VALENTINA	PARVOULEVA	36-45	MINISTRY OF FINANCE	CHIEF EXPERT	ADVANCED MICROECONOMICS I
ANETA	GENOVA	26-35	ALL AD CAPITAL PRESS	REPORTER	ADVANCED MICROECONOMICS I
MILENA	KUYUMDZHIEVA	18-25	VARNA UNIVERSITY OF ECONOMICS	STUDENT	ADVANCED MICROECONOMICS I
PETER	GRANCIAROV	18-25	PIERRE CARDIN REPRESENTATIVE	SALES PERSON	ADVANCED MICROECONOMICS I
VALENTINA	HARTARSKA	18-25	UNWE	STUDENT	ADVANCED MICROECONOMICS I
RADOSLAV	GANCHEVA	18-25	UNWE	STUDENT	ADVANCED MICROECONOMICS I
PETYA	TERZIEVA	18-25	UNWE	STUDENT	ADVANCED MICROECONOMICS I
ANELIA	KATCHOVA	18-25	UNWE	STUDENT	ADVANCED MICROECONOMICS I
VANYA	ERMENKOVA	26-35	BIOMET LTD.	SPECIALIST	ADVANCED MICROECONOMICS I
ALEXANDER	GEORGIEV	18-25	UNWE	STUDENT	ADVANCED MICROECONOMICS I
ALEXANDER	NIKOLOV	18-25	UNWE	STUDENT	ADVANCED MICROECONOMICS I
EVGENIA	CHAKAROVA	18-25	SOFIA UNIVERSITY	STUDENT	ADVANCED MICROECONOMICS I
IVA	PETROVA	18-25	UNWE	STUDENT	ADVANCED MICROECONOMICS I
DIMITER	GURDJILOV	18-25	AUBG	STUDENT	ADVANCED MICROECONOMICS I
MILENA	DIMITROVA	18-25	UNWE	STUDENT	ADVANCED MICROECONOMICS I

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<i>FIRST NAME</i>	<i>SURNAME</i>	<i>AGE BRACKET</i>	<i>EMPLOYER</i>	<i>JOBTITLE</i>	<i>COURSE TAKEN</i>
IVAN	DRENOVICIKI	18-25	AUBG	STUDENT	ADVANCED MICROECONOMICS I
IVA	PETROVA	18-25	AUBG	STUDENT	ADVANCED MICROECONOMICS I
VICTOR	KOLAROV	26-35	UNEMPLOYED	UNEMPLOYED	ADVANCED MICROECONOMICS I
KHALID	BADR	26-35	EMBASSY OF EGYPT	THIRD SECRETARY	ADVANCED MICROECONOMICS I

**APPENDIX G**

**PUBLIC ADMINISTRATIVE PROBLEMS, EDUCATION,  
AND TRAINING IN BULGARIA**

by

William W. Boyer  
University of Delaware

July 1995

**PUBLIC ADMINISTRATION PROBLEMS, EDUCATION,  
AND TRAINING IN BULGARIA**

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William W. Boyer\*  
University of Delaware

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The purpose of this study is to analyze the need, effort, and prospects for public administration education and training (hereafter PA) in Bulgaria, and to make recommendations for improvement. The challenge of PA requires brief assessment of its context of the contemporary social, economic, political, and educational problems of Bulgaria. The primary reason for casting such a wide net for analysis of PA is that Bulgaria is still a predominantly state-run society. Although Bulgaria's long-time communist dictatorship ended in 1989, public administration still encompasses almost all sectors of social and economic life.

Under communism, everything comprised public administration. All workers were treated like civil servants. There was no difference acknowledged between the status of the civil servant in a government administrative agency and the legal status of an employee of an industrial or economic unit (Abadzhiev 1995). In mid-1994 -- 83.4 percent of employed Bulgarians still worked in

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government units and only 16.5 percent in the private sector. Although almost 27 percent of Bulgaria's GDP was produced by the private sector in 1994, approximately 95 percent of the nation's property remained nominally in government ownership (UNDP 1995:15, 29). In this sense, then, public administration continues to embrace the great proportion of Bulgarian life, and hence PA education and training cannot be properly analyzed without reference to the broad social, economic, political, and educational fabric of Bulgaria.

#### A Precis of Contemporary Problems

Since the demise of communism in 1989, Bulgaria has made considerable progress in the building of democratic institutions and in the promulgation of basic human rights. However, five years later the rising expectations for human development are far from reality.

Bulgaria's economy has severely deteriorated. In 1994, the country's GDP was a quarter lower, and industrial output was fifty percent lower, than in 1990; inflation in 1994 was 122 percent; unemployment is now over 20 percent. By the end of 1994, the government's internal debt had reached 277.2 billion levs (about \$496 per capita), equal to half of the Bulgarian GDP of 500 billion levs for the same year. Meanwhile, Bulgaria's external debt totals about US\$11 billion (about \$1,294 per capita). Compared with relatively egalitarian distribution of the country's wealth under communism, the richest 10 percent of the population now receive 24 percent of the overall income while the poorest 10 percent receive only 3.2 percent of the income. Consumer prices in 1994 had

increased 38 times of 1990 prices, whereas the real value of the average monthly wage was 56 percent lower in 1994 than it was in 1990. Two-thirds of the population now have income below the UN minimum living standard (UNDP 1995:3-4,16-17).

Over the past five years, there has been a 27 percent decrease of children in nurseries, and a 16.7 decrease in full-time school enrollments. Health and health care, too, have deteriorated. Diseases associated with poverty, such as tuberculosis, have reappeared. Birth rates have declined; abortions are much higher; mortality rates are increasing; and the overall population of the country has decreased -- Bulgaria is undergoing a process of depopulation. Waste treatment and disposal, water rationing, and pollution, are also grievous problems.

The crime rate, moreover, has exploded. During the 1980s, approximately 50 thousand crimes per year were registered. In 1994, this figure had more than quadrupled to 223 thousand, while the number of criminals convicted plummeted (UNDP 1995:X).

The crisis in the economy has been accompanied by tensions and conflicts in all other areas of social life. Thus, according to Bulgaria: Human Development Report 1995, published by the United Nations Development Program, Bulgaria is experiencing a period of unsustainable and negative human development. Bulgaria's HDI (Human Development Index) rating dropped from 33rd place of 160 countries in 1991 to 48th place in 1994, and was projected to drop to between 54th and 56th place in 1995, positioning Bulgaria closer to the less developed than to the industrialized member nations of the United Nations (UNDP 1995:11,88).

## The Political Context

Since 1989, Bulgaria has experienced severe political instability -- six changes of government in five years. None of these governments has engaged in long-term planning nor put forward any comprehensive strategy to address Bulgaria's grievous social and economic problems -- perhaps the main reason for Bulgaria's negative human development. Political activity has been dominated by the Balkan tradition of confrontation, factionalism, and autocracy (hence the term "balkanization" is still appropriate), and has been marked by timidity and an absence of political will to restructure the economy. Accordingly, economic reform efforts have been piecemeal and inadequate.

Private and partisan interests have blocked national interests, political efficacy and trust, and hence the mass involvement in public life which democracy requires. In actual operation, effective democracy also requires extraordinary toleration of (and compromise with) opposition. In Bulgaria, however, the governmental administrative apparatus is rent with political conflict, confrontation, and desuetude. Although Bulgaria's Socialist government -- supported by the ethnic Turkish party -- has been in power since January 1995, and enjoys an overall parliamentary majority, the President is a member of the opposition party -- the Union of Democratic Forces (UDF). This situation, labeled as "cohabitation" in France, has been marked in Bulgaria by blatant hostility and the absence of conciliation or compromise.

Meanwhile, the main UDF opposition dominates a majority of elected mayors and municipal councils (two-thirds of Bulgarians

live in cities, and there were 256 municipalities in 1993). Accordingly, the political warfare characterizing relations between the President and the Socialist government also characterizes relations between a majority of municipalities and the national government. Local self-government, therefore, remains more a promise than a reality, regardless of the Local Self-Government and Local Administration Act of 1991 (Republic of Bulgaria 1991).

#### Government Administration Problems

The Constitution adopted in mid-1991 established the right to private property, and sanctioned economic initiative by private agents. The Agricultural Land Law of 1991 established the legal foundation for the return of farm land to private hands. Other measures promoting private enterprise have comprised the 1992 law on privatization, a revised commercial code, and laws on taxation, competition, accounting, banking, bankruptcy, securities, land restitution, and foreign investment.

These enactments, however, have not been accompanied by equitable and effective implementation. For example, the manner and the rate by which agrarian reform has been administered has resulted in little actual transfer of land ownership rights, but instead has permitted the wholesale misappropriation of accumulated cooperative property. Accordingly, Bulgaria is beset with systemic problems of crippled agriculture and large expanses of fallow land. As a result, a significant portion of the national wealth has been accumulated by a small part of the population, the income gap has widened, and a large part of the population has experienced dramatic impoverishment (UNDP 1995:17).

Similarly, administration of the 1992 privatization law has been largely ignored. Late in 1992, the newly-created privatization agency announced ambitious plans to privatize some 100 state firms by mid-1993. Then incoming Prime Minister Lyuben Berov proclaimed his government to be a "privatization government," and he announced a "mass privatization" plan patterned on former Czechoslovakia's voucher system. But little has happened. By mid-1995 few state enterprises (about five percent) had been privatized, mass privatization was still distant and obscure, and only modest small-scale privatization had started at the municipal level (Boyer 1995:1-2).

The present Bulgarian governmental system was established pursuant to the Constitution adopted July 12, 1991, following a "bloodless revolution" in which the long-time Communist regime gave way to a republic with a parliamentary form of government. In terms of its administrative apparatus, the government is headed by a President, Prime Minister, Council of Ministers, and Ministers. The President, elected for a five-year term, acts as Head of State and Commander-in-Chief of the armed forces, and may veto acts of the National Assembly that can be overridden by a majority Assembly vote. The Prime Minister heads, coordinates, and is responsible for, overall policy of the government. The Council of Ministers consists of the Prime Minister, such Deputy Prime Ministers as he/she shall appoint, and the Ministers who head their respective cabinet portfolios and may issue rules, regulations, instructions and orders. The Council of Ministers heads a number of other administrative agencies which are outside or independent of the individual Ministries (e.g., the Privatization Agency). The

Council of Ministers heads the implementation of the domestic and foreign policy of the Republic. The Prime Minister (as a member of the National Assembly) is elected for four years, and is replaceable -- along with the Council and Ministers -- by a vote of no confidence by the National Assembly. State employees, according to the Constitution, are the executors of the Republic's will and interests, and are to be guided solely by the law and to be politically neutral (Pomerov 1993:16-23).

The Constitution spells out the territory-based governmental system comprising municipalities, regions, and the capital city. Each municipality is governed by a Mayor (who heads municipal administration) and a Municipal Council elected for four-year terms. The Constitution forbids interference with the acts of local government except when authorized by law (Pomerov 1993:32-33).

Notwithstanding ubiquitous political instability and conflict, impartial administration of the laws by professional and politically neutral civil servants could still assure that broader national interests be served rather than partisan interests. However, political patronage persists and no merit system exists among national and local employees, contrary to the Constitutional mandate that state employees be politically neutral. Wholesale replacement of government employees takes place whenever a new government is formed at national and local levels. Political loyalty, not professional experience or competence, is the main factor determining recruitment, selection, and appointment of government employees. Administrative experience, continuity, and expertise are sacrificed for political preference. Job

descriptions are uncommon, and a position classification system that would assure equal pay for equal work is unknown. Accordingly, administration of the laws frequently is entrusted to incompetent employees (Abadjiev 1995).

In late 1994, the average monthly salary for public sector employees in Bulgaria was only 4,903 leva (UNDP 1995:8), equivalent to about US\$75 per month, or about US\$900 per year. Such low compensation means that the public sector simply cannot compete with the private sector in attracting many competent employees. It invites corruption and the loss of public confidence in governmental institutions. It also means that many government employees simultaneously must seek limited opportunities to hold other jobs to supplement their meager government salaries -- another adverse condition for effective public administration. By mid-1995, no action had been taken by the government to institute civil service reform as anticipated by the Constitution of 1991.

Recent surveys indicate that municipal governments need and want help especially in general management, the implementation of privatization, and financial and budget administration (Yanich 1993:9, and McCollum 1995).

### Problems of Higher Education

Problems connected with Bulgaria's system of higher education reflect problems of the larger society. At the beginning of the 1990s, rapid and radical changes in the system of education, commensurate with the transition from communism to democracy and a market economy, were widely anticipated. Educational reform, however, has been slow and difficult, as have been other areas of

reform.

Funding for education in general has declined in real value since 1990. Higher education, too, is suffering from a chronic financial deficit. Paradoxically, however, the relatively advanced system of higher education at the end of the 1980s -- of 30 universities and 29 occupation or sector specific institutes (e.g., for librarians) -- was expanded by 1994 to 40 universities and 47 institutes (UNDP 1995:42).

Enrollments in higher education have also increased substantially, due to the introduction of paid education for those students who fell outside the quota of the state financed students. This trend reflects changes in the educational structure of employed persons -- a relative reduction of employed persons with lower levels of education and an increase in the level of employed persons with higher education. Against a total unemployment of over 20 percent of the population in 1994, 91.4 percent of those who had completed higher education were employed -- 79.4 percent in government and 12 percent in the private sector. And, of course, levels of income generally corresponded with educational attainment.

In recent years, the number of engineering students has decreased whereas the number enrolled in the humanities and economics has greatly increased. But in terms of current enrollments in other areas and forecasts of needs, Bulgaria will have many more teachers and lawyers than it will need in coming years, and a great deficiency of medical doctors.

Despite a significant increase of university students since 1990, the number of faculty has decreased 18.7 percent -- from

16,200 to 13,200. Their replacement poses a serious problem. The relatively low level of faculty salaries has led to a "brain drain" to other areas of the economy and to foreign universities. For three successive years, moreover, there has been no government financial support for post-graduate students. One astounding result is that eight times more Bulgarians are engaged in post-graduate education and research in the USA than in Bulgaria. The majority of Bulgarians working on doctoral theses are studying in developed countries. Many will not return. Others may return to faculty positions. In any event, an increase in the quantity and quality of post-graduate students remains a serious challenge (UNDP 1995:43,44).

Although there has been an increase in academic autonomy and an expansion in access to higher education, Bulgaria's universities are confronted with still other problems, such as: a predominance of rote instead of independent learning; a lack of an accreditation system; an absence of adequate incentives for faculty research and hence its delinkage from teaching; and the existence of specialized, particularistic and fragmented subjects without regard to universal standards or national needs.

#### Status of Public Administration Education

Public administration education in Bulgaria is incipient, fragmented and weak. Although Sofia University's Law School is in the process of forming a "major" or "concentration" in PA, New Bulgarian University (NBU) is the only higher educational institution among Bulgaria's 40 universities to include public administration as a separate discipline and degree.

Sofia University's PA concentration is still in its first year of formation, as part of its five-years Master of Law degree program, and comprises only courses on the legal side of PA (e.g., administrative law, financial law, constitutional law, environmental law, local government law, banking law). According to one faculty member, who teaches administrative law, "We do not have the experience nor instructors trained in PA to offer PA-proper courses."<sup>1</sup>

NBU is the only legally approved private university in Bulgaria, aside from American University in Blagoevgrad which has neither a PA program nor prospects for one (McGlothlin 1995, and Knight 1995). NBU was formed to provide nontraditional higher education and was approved by the Grand National Assembly as an independent university on September 18, 1991. Most NBU faculty have their primary appointments in other academic institutions (New Bulgarian University 1995). Thus, their teaching in NBU is an add-on or a "moonlighting" activity, by which they can supplement their incomes. NBU students (all nonresident -- numbering about 4,500), pay tuition on average of 11,000 levs (roughly US\$170) per course per semester. Faculty are paid on the basis of the number of credits taught -- 15 hours of teaching per credit per semester (Alexandrova 1995).

The only postgraduate PA education in Bulgaria is offered by NBU. Indeed, NBU offers two completely separate Master of Public

<sup>1</sup>No students are yet enrolled in this major which has just been introduced by Sofia University's Department of Public and Legal Studies, which is one of five department in the University's Law School; the others are the Departments of Civil Law, International Law, Penal Law, and Theory of State Law (Panayatova, 1995, and Lalov, 1995).

Administration (MPA) degree programs, one offered by NBU's Department of Public Administration (DPA) and the other offered by NBU's Graduate School of Government (GSG). Both MPA programs are completely independent of one another, compete for the same resources, have completely separate part-time faculties and part-time students, and offer courses without any overlap, cooperative effort, or cross-listing between them and other NBU academic units. Each MPA program, as of mid-1995, enrolled a total of only seven part-time students, none of whom had yet matriculated, thus making evaluation difficult (Popova 1995).

DPA began offering PA courses in 1992. Unlike GSG, DPA also offers a bachelor degree program in PA claiming an enrollment of 45 students (Department of Public Administration 1994). DPA has also launched programs in sector administration -- a bachelor program in arts management claiming 55 students, and a short-term certificate program in health management (Georgiev 1995). Its MPA program comprises 52 credits (Department of Public Administration 1995).<sup>2</sup> DPA is directed by a part-time associate professor, Dr. Ludmil Georgiev, and its faculty also are all part-time. Although U.S. professors have served as consultants, DPA appears more oriented toward European models of PA education.<sup>3</sup>

In mid-1995, GSG was still in its first year of offering PA courses, having been established in September 1994. Although it offers only the MPA degree, its faculty has been actively engaged

This compares with a typical requirement of 42 credits in MPA programs in the United States.

<sup>3</sup>DPA reportedly intend to change its name to the Department of Administration, effective September 1995.

in short-term training seminars and workshops in local administration and energy (Tzekin 1995). Its MPA requires 66 credits (Graduate School of Government 1995), but this total is being reduced to 42 credits to include a practicum or research option. GSG may in the future allow credits earned in some courses of other NBU units to be applied toward its MPA areas of specialization (Alexandrova 1995). GSG is staffed by a part-time faculty and and has also relied on U.S. professors for consulting and some teaching. GSG is unreservedly oriented toward the U.S. model of PA education. Its founder and former director, Professor Dr. Georgi Tzekin, was the only known Bulgarian to have earned a post-graduate academic degree in the PA discipline.<sup>4</sup>

#### Status of Public Administration Training

Public administration in-service training in Bulgaria is in even worse shape than is PA education. No institutions exist to provide in-service PA training in Bulgaria. Ideally, PA education and in-service training in PA should be linked to enrich each other, and both MPA programs at NBU aspire to engage in such training (Tzekin 1995, and Georgiev 1995). In actuality, however, NBU training efforts have been minimal, mainly because both of its PA programs are still underfunded and in their infancy.

By virtue of a modest contract with the United States Agency for International Development (USAID), the University of South Carolina (USC) has provided some training to mayors and their

<sup>4</sup> Tzekin remained GSG's director until his untimely death July 5, 1995; DPA was formed by Professor Georgiev while Tzekin was earning his MPA from Harvard's Kennedy School. Professor Svetlana Alexandrova succeeded Tzekin as GSG's director.

staffs (mainly in six cities) in local government management, personnel systems, budgeting and finance, and use of the media (USAID 1995:4). However, USC training is not sustainable -- no training-of-trainers has been employed, no PA training institutions have been built, and some of the mayors involved may not be re-elected in which case their trained staffs, too, will likely be replaced. USC has helped stimulate interest in formation of local government associations, including an association or "coalition" of mayors, which -- when effectuated -- could articulate to the national government their training needs and requirements (Maffin 1995). Bulgaria recently became a signatory, effective September, 1995, of the European Charter of Local Self-Government (Uzunov, 1995, and Council of Europe 1995).<sup>5</sup>

Other PA training also has been ad hoc, piecemeal, and unsustainable. For example, the Soros Foundation's Open Society Fund has helped finance a seminar on local government management in Varna (Open Society Foundation 1994:67), and the University of Delaware -- through its management training and education "outreach" program (under contract with USAID) -- has conducted some workshops and seminars in local government management (Abadjiev 1995).

USAID's Local Government Assistance Program in Bulgaria aims to pursue a long-term strategy of assisting the formation of nonpartisan local government associations which, in turn, will act to strengthen local self-government, management, and democracy and

<sup>5</sup>The European Charter is adapted from the Worldwide Declaration of Local Self-Government of the International Union of Local Authorities to which Bulgaria has yet to become a signatory.

to produce in Bulgaria "an indigenous capacity to provide in-service training to local government officials and their staffs." It is noteworthy that USAID's PA-related strategy is directed to local governments only (mainly in ten targeted cities), and is long-term and indirect. Its success depends on the questionable establishment and effectiveness of local government associations, and, moreover, on the uncertain cooperation of "other donors in providing technical assistance and advisors" and "International Financial Institutions" that "are willing to lend" to local governments "for infrastructure projects."<sup>6</sup>

#### The Center for Administration

The so-called national Center for Administration at the Council of Ministers was supposedly established by a decision of the Council in 1992 to carry out the state policy in the field of public administration according to the needs of central and local government. But the Center was short-lived and ineffective. Besides conducting a few seminars, it was listed as a co-sponsor of a 1994 conference on the Bulgarian non-governmental sector, and a monthly journal, "Administration," appeared for a year under the Center's auspices until a lack of funds stopped publication. Its activities were intended to be auspicious and to include: carrying out education/training programs in public administration for

<sup>6</sup>Thus, it appears that USAID, itself, will not fund necessary institution-building to provide PA training; rather USAID appears content to rely on others to fund the needed infrastructure, and thereby restrict itself to "coordinating activities amongst the various contractors and grantees providing assistance in the municipal sector in Bulgaria" (Office of the USAID Representative, January 6, 1995:2-4).

central and local government officials; organizing university undergraduate and graduate programs in public administration; developing standards and criteria for educational and training programs for administrators of different levels of government; and providing research, expertise and consultative service in public sector management (Southern Illinois University 1994:5-6).

Reasons for failure to continue the national Center for Administration are vague. A lack of necessary funding, of sufficient interest, of political will commensurate with the continuity of highest political leadership, and of staff professionally educated or trained in PA -- all may have combined to explain this failure (Mollov 1995, and Panayatova 1995).

During the communist era, public administration training was considered important, and was well organized within the Bulgarian Communist Party's Academy of Social Sciences -- ostensibly an institutional precursor of the Center for Administration. In administrative terms, the class struggle was manifested in the selection of personnel for Academy training. Those selected were privileged and enjoyed high prestige; their careers were assured of success, and many became diplomats, high party officials, and members of the "nomenclatura" (Abadjiev 1995).

Once the decision was made by the Council of Ministers in 1992 to establish the Center for Administration, Professor Emilia Kandeveva (Ph.D. in Administrative Law, Sofia University) was appointed to direct the Center. But her tenure abruptly terminated in September 1993 for reasons unknown (Georgiev 1995, Panayatova 1995, Mollov 1995). It was at this juncture that Dr. Georgi Tzekin (later to found GSG at NBU) returned from Harvard with an MPA. He

proposed to the Prime Minister and other Council members that the Center be cooperatively operated with his projected GSG at NBU. But "difficult Bulgarian conditions" and "an important key personage" in the Council interposed to defeat this proposal (Tzekin 1995). Neither the appointment of a successor to Professor Kindeva -- Krissimira Nikolova -- nor a largely nonprofessional staff proved sufficient to salvage the Center, which was allowed to cease functioning altogether in 1994 (Georgiev 1995).

According to one knowledgeable government official, Belin Mollov (Head of the Department of Territorial Administrative Structure and Local Authority of the Ministry of Regional Development, Housing Policy and Construction), though many people had worked on this effort, there was one major drawback -- there was no "integrated approach" and no leader to combine the interests of the government and higher education. Also, funding of the Center was insufficient; PHARE (Poland and Hungary Assistance for Research and Education) had pledged 3 million ECUs (about US\$4 million), contingent on the government's progress in economic reform. Failing such progress, this funding was not forthcoming; "the previous government did not realize how important was such a center" (Mollov 1995).

There was latent resistance, moreover, to the existence of the Center from several sources. There was some apprehension that such a strong central institution would exert undue influence on the educational preparation of civil servants, and that the Center was a state structure whereas the universities were autonomous and free to teach what they wanted -- not what the government might require.

Furthermore, political instability and rivalry threatened the Center's survival. Six governments in five years was not conducive for sustaining needed political support of the Center. There was a fear that the Center would be used as a mechanism of political influence by the government in power to the disadvantage of its political opposition. Party functionaries felt that it was better not to have a Center than to allow it to be misused by another party. Then, too, there was bureaucratic inertia and opposition. Each ministry has had its own training program, albeit tenuous and intermittent given the instability wrought by wholesale replacement of personnel as each new government acceded to power. The ministries feared their own training would be ruled or threatened by the Center.

Although the Center's charge was ambitious, important and unresolved disagreements and questions plagued its early days -- questions, such as: To whom should the Center report? Who should appoint the director? What should be the relationship of the Center to the various ministries? Finally, there were critics who feared that the elitist characteristics of the former Academy of Social Sciences under the communists would permeate the Center as the Academy's institutional legacy and successor. The fact that the Center initially was housed in the Academy's former building (now occupied by NBU) and acquired much of its property did nothing to allay this fear.

A Sofia University faculty member, who was in the original working group to establish the Center for Administration, has concluded that a center that would determine the educational qualifications and requirements of civil servants, such as exists

in other European countries, is doubtlessly needed in Bulgaria, but its prerequisite is political stability that is now lacking (Panayatova 1995)

#### A Prospect for Reform

Belin Mollov has sought to initiate establishment of a PA training center, which possibly could take the form of reopening the Center for Administration. In January 1995, he submitted a report, now before the Council of Ministers, calling for establishment of a national center that would train both local and national government personnel. He proposed that initially its main focus would be the training of local government personnel, but that hopefully two centers eventually would evolve -- one for national personnel training and the other for local personnel training. Presently, however, Mollov feels that Bulgaria does not have the financial and human resources to sustain both centers.

Funding of the center could not be restricted to the government's budget funding alone. As the center would need to train and retrain active personnel, Mollov proposed it be funded in part by municipalities that benefit from the training of their personnel. Thus, the center would enter into agreements with participating municipalities whereby each municipality would pay for the training of its personnel. This would obviate a past practice, according to Mollov, of bosses getting rid of individuals by selecting them for training.

Mollov's report was divided into three parts: (1) an overview of Bulgaria's experience; (2) how past efforts have been unavailing; and (3) a proposal for establishing a training system,

with "an integrated approach," to comply with national needs. Mollov avoided the issue of suggesting a specific model for the center. This should be left to a group of experts and consultants, he explained. Once the decision is made to proceed, it could then be decided which of different models to implement. Thus, establishment of the center should be a step-by-step approach.

Mollov's superior is the Minister of Regional Development, Housing Policy and Construction who is also Deputy Prime Minister and reportedly very supportive of the proposed center. Should the Council of Ministers decide to proceed with this matter, it is likely to assign him the responsibility to establish the center. He may choose to rely on his own Ministry's national research center for territorial development and housing which, according to Mollov, has the capability to address the initiation of such an institution as a nucleus to draw on for such an effort. He cautioned that this effort must be integrated with the faculties of universities and economic institutes.

It is to be noted that the national government is in the process of considering enactment of various laws addressed to advancing local self-government, revising the country's administrative structure, reforming the civil service, and providing for local elections in October 1995. Passage of this legislation is considered prerequisite by Mollov to institutionalizing public administration training of government personnel, and this of course is an issue to be resolved one way or another -- possibly by the end of 1995 -- at the government's highest political level (Mollov 1995).

## A Summary Evaluation

It is doubtful that sustainable progress in the development of public administration education and training in Bulgaria can be realized unless and until leaders of both major political parties agree that it is in the national interest for them to support such development. Once the necessary political will is evident, whichever government is in power will then be more able to elicit funds from international donors -- to supplement Bulgaria's financial resources -- for the undertaking of requisite institution-building. Political leaders must first agree not to disagree with the necessity of supporting the establishment of interrelated components of PA education and training, the building of a politically neutral civil service at local and higher levels, and the commitment to the professionalization of a public service based on a merit system.

Without an intensive external appraisal, it is impossible to fairly evaluate the quality of either of NBU's two PA programs. At present, however, neither appears adequately responsive to the many problems afflicting the Republic of Bulgaria. These problems are essentially and ultimately public administration problems, insofar as laws enacted to address the country's ills are simply not being effectively administered. To paraphrase one U.S. luminary: "Good people can make even bad laws workable -- but bad people can never make good laws workable."<sup>7</sup>

The task ahead, then, for PA education and training in Bulgaria is evident. But neither DPA nor GSG will be able to

The actual wording is: "Good men can make poor laws workable; poor men will wreak havoc with good laws" (Landis 1960:66).

fulfill its aspirations and responsibilities without adequate funding and the commitment of full-time students and full-time faculty well-educated in the discipline of public administration.

It is indisputable that DPA and GSG are not only competitive, but their leadership appears mutually hostile and irreconcilable. No effort or conception, as of mid-1995, existed to combine the two programs (Tzekin 1995). Both DPA and GSG compete for the same financial resources, not only from tuition but also from donors, such as the Open Society Fund, founded by the munificent philanthropist -- George Soros. GSG received some funding for equipment in 1994 from this Fund (Open Society Foundation 1994:44), but its 1995 application reportedly was denied specifically because NBU had two competitive MPA programs (Alexandrova 1995). Although NBU's Vice Rector acknowledges that from a management point of view it would be best to combine the two programs, nevertheless it would be very difficult to do so or to shut one down, and in any case NBU has no plan to do either (Popova 1995).

Another donor is the European Community, through one of its "Tempus" projects, which "is aimed at developing new curricula for Public Administration education, establishing university network for coordinating and development of education in public administration, training of academic staff and students" (New Bulgarian University 1995). DPA reportedly has received some "Tempus" assistance (Alexandrova 1995).

Reasons for the paucity of public administration education are many and are reflected in Bulgaria's political, economic and educational problems discussed above. Principally, they relate to: (a) the contentious politicization and unattractiveness of national

and local governmental administration; (b) economic decline and consequent low government and faculty salaries and the lack of government funding of PA education; and (c) a tendency to associate "public administration" with bureaucratic repression of the past communist era. Accordingly, PA education has had to compete unfavorably with more popular academic programs in economics, business, political science, and law (Georgiev 1995, Georgiev "Problems," Georgiev "Public," Alexandrova 1995).

### Conclusion and Recommendations

Three sustainable and integrated public administration education/training components appear essential for Bulgaria to achieve a donor-assisted public service that is effective, professional, and responsible in the context of Bulgaria's transition to democracy and a free market economy. These components are: (1) an academic program in public administration to educate Bulgarians preparing for public service careers at all levels of government and non-governmental organizations; (2) a national institute of public administration to provide in-service training in the national administrative system; and (3) a national institute for municipal management to provide in-service training in local government.

These three components should be linked together to enrich each other. Thus, PA faculty would also participate in training, while PA practitioners would be co-opted to enrich the PA academic program. Were these components properly combined into a National Center for Public Administration, such a Center could perform most of the PA education and training functions originally envisioned

for the Council of Minister's ill-fated Center for Administration including research and outreach management consulting services for public sector organizations.

It is here proposed that the National Center for Public Administration (NCPA) be established within New Bulgarian University. NBU has several advantages. First, NBU is Bulgaria's only institution of higher education to offer academic programs in public administration (notwithstanding Sofia University's fledgling PA-related law courses). Secondly, being the only private Bulgarian university (AUB in Blagoevgrad is an "American" university), NBU as the locus for NCPA would preclude fears that plagued and ultimately doomed the Council of Ministers ill-fated Center -- mainly fears of politicization, of political and bureaucratic infighting, and of the elitist/authoritarian legacies of the former communist Academy of Social Sciences. Finally, positing NCPA at NBU would not prevent Bulgarian government funding, while making NCPA more attractive for funding by external donors. These advantages merit elaboration.

The main goal of NCPA's academic component would be to adequately prepare Bulgarians for entry into public service careers. It is true that DPA and GSG have offered PA programs at NBU for only a relatively short time. But no other university in Bulgaria has ventured down the PA road or has garnered significant experience in PA education. Though DPA and GSG at present appear to be irreconcilable and to compete for the same resources, the government and donors alike could make their funding of NCPA's academic component contingent on the cooperation of the two NBU units. One solution would be for DPA to offer only undergraduate

PA education, while GSG would offer only post-graduate education. NCPA's board could assure that DPA and GSG not only cooperate to eliminate their competition and hostility, but that they also combine their material, financial, and faculty resources to the end that only high quality PA programs be offered comprising cohorts of full-time faculty and students dedicated to serving the national interest.

Establishing NCPA in NBU would privatize the nation's principal institution for PA education and training. Privatization would mitigate politicization of the civil service, and would enhance the Constitutional guarantee of a politically neutral civil service. Privatization would not preclude government influence of NCPA to assure the professionalization of a public service based on a merit system. Also, NCPA in NBU would not pose as much a threat to ministry-specific training programs as would a NCPA within the government. Finally, NCPA in NBU would help free it from being impugned by negative memories and legacies of the former Academy of Social Sciences.

Among plausible external donors of NCPA, three donors stand out -- the European Union's PHARE program, the Soros Foundation, and USAID. As noted before, PHARE was ready to commit the equivalent of about US\$4 million in support of the Council of Ministers Center for Administration, had the Bulgarian government fulfilled its side of the initial agreement. There are three other reasons why NCPA might interest PHARE: (1) Bulgaria is a favored country for PHARE funding, ranking fourth (behind Poland, Hungary, and Romania) among 13 PHARE-funded Central and East European countries; (2) funding of NCPA is well within PHARE's objective of

supporting transition to democracy and a market economy; and (3) PHARE clearly favors the work of non-governmental organizations, which of course would include NBU (European Commission 1995:1).

A second plausible donor is the Soros Foundation's Open Society Foundation, which has already contributed significantly to NBU, including -- as already noted -- GSG. The chairman of this Fund's board in Bulgaria is NBU's Rector, Prof. Dr. Bogdan Bogdanov. Moreover, the Fund's executive director -- George Prohasky -- serves on GSG's Board.

Another plausible donor is USAID, which also has been supporting NBU. The University of Delaware (UD), under a grant from USAID, has forged a strong, successful partnership with NBU, by engaging in municipal management outreach seminars with GSG, and by strengthening NBU's business and economics programs through consulting and participant-training. During the summer of 1995, under this USAID grant, UD will open a self-sustaining Small and Medium Business Development Center Program (SBDC) at NBU to be managed by NBU and UD faculty. NBU's new SBDC will conduct a substantial outreach program in management and basic economics, executive training aimed at the productive sector, and a Small Business Certificate Program. SBDC will be well-positioned, therefore, to enhance NCPA's training efforts, particularly at the local level. Indeed, UD's program in Bulgaria has a strong municipal outreach component, which increasingly comprises training in municipal government management. It is likely that this USAID-supported outreach program, in cooperation with NBU, will also emphasize the training-of-trainers in the management of municipal privatization.

A combination of financial support by the government of Bulgaria and one or more external donors could provide funding sufficient to establish and to support the functioning of NCPA at NBU, until completely indigenous funding is forthcoming.

Human resources comprise a remaining problem to consider. Without adequately educated or trained staff in PA, success of NCPA and its component programs could not be assured. USAID has a long history of successfully supporting the establishment of sustainable PA education and training institutions in many countries. USAID typically contracted with a U.S. university's PA unit to support the building of educational and in-service training institutions in a host country. Participant-training assured their sustainability, whereby local persons were educated and/or trained in U.S. institutions, and returned to their home countries to replace American professor-advisors and trainers. Thus, after two or three years, these institutions became completely indigenous in staffing and funding. They still function decades later in many countries.<sup>8</sup> There is no reason to conclude that such a model would not work in Bulgaria.

Effective public administration training and education in Bulgaria is within reach, given the requisite will and commitment.

<sup>8</sup>Among U.S. universities that were successful USAID contractors for establishing ongoing PA programs were, for example, the following: University of Minnesota (South Korea); University of Michigan (Taiwan); University of Indiana (Thailand); University of Southern California (Pakistan and Brazil); University of Pittsburgh (Nigeria). Similarly, the University of Pittsburgh served as the Ford Foundation's PA contractor in Malaysia.

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**APPENDIX H**  
**MUNICIPAL PRIVATIZATION IN BULGARIA**

by

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July 1995

# MUNICIPAL PRIVATIZATION IN BULGARIA

by

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June 1995

Bulgaria is part of the world-wide movement toward "privatization," which has been defined as "the act of reducing the role of government, or increasing the role of the private sector, in the activity or in the ownership of assets" (Emanuel S. Savas, Privatization: The Key to Better Government, Chatham, N.J.: Chatham House Publishers, 1987). The rationale for privatization has been explained, as follows:

Privatization has its intellectual roots in free market economic theory, and its promoters have a world view that admits of few limitations. ....Although different people define privatization in different ways, the Movement itself is held together by a shared belief that the public sector is too large and that many functions presently performed by government might be better assigned to private sector units directly or indirectly, or left to the play of the market place. The private sector, it is argued, will perform these functions more efficiently and economically than they can be performed by the public sector (Ronald C. Moe, "Exploring the Limits of Privatization," Public Administration Review, Nov./Dec. 1987, v. 47, p. 453).

Although Bulgaria by law is committed to privatization, it has been described as "a non-performing country" and "an economic laggard" among ex-communist nations. The process of privatization has not proceeded very far. Only about a dozen bigger enterprises have been sold off so far as compared to thousands in some other East European countries. Indeed, the World Bank suspended funding to Bulgaria in 1995 under its Financial Enterprise Sectoral Adjustment Loan due to Bulgaria's failure to speed up

privatization.

Bulgaria's Socialist government, however, which has been in power since January 1995 and -- supported by the ethnic Turkish party -- enjoys an overall parliamentary majority, has pledged to privatize some 60 percent of state assets by the end of its four-year term. Bulgaria, moreover, is expected to launch a mass privatization scheme by the end of 1995, based on a voucher system. Accordingly, Bulgaria now has a program, commitment, and a political structure that would enable it to implement a long-delayed privatization program. Meanwhile, Bulgaria has experienced modest success in privatization of small enterprises at the municipal level. Bulgaria is highly urbanized, with about two-thirds of the population living in cities. The principal opposition, the United Democratic Forces (UDF), holds the majorities of mayors and on the city councils in most of the major cities.

#### Role of the United States

The U.S. development strategy in Bulgaria focuses on democratization and the development of a full market economy. Important parts of this strategy is for U.S. assistance to support municipalities and small business development. Of course, small-scale privatization is central, and the U.S. began such assistance in 1993.

Under a USAID contract of \$ 1, 467,968 (Project No. 180-0014), KPMG Peat Marwick (KPMG) has provided consultative services to municipalities to effect privatization. KPMG played a primary facilitating role by designing a small-scale prototype auction

program which is being successfully implemented in ten major cities (Kurdzhali, Plovdiv, Dimitrovgrad, Haskovo, Bourgas, Pleven, Blagoevgrad, Petrich, Gotze-Delchev, and Smolyan). During several rounds of auctions in the first four cities, 32 properties have been sold for more than \$2.3 million by the end of November, 1994. On June 7-8, 1995, USAID and KPMG jointly conducted a municipal privatization conference in Plovdiv to accelerate the process. Though successful thus far, much more needs to be done to accelerate municipal privatization..

The U.S. rationale for such assistance comprises the following: (1) Municipalities are the real agents for change. (2) For a strong democracy, a country must have a strong economy. (3) A strong economy allows a country to meet its social needs, to strengthen national security, and to provide a better future. (4) The best engine for a strong economy is the private sector.

### Lessons from Experience

A major question for Bulgaria is how to spread its success with municipal privatization across the country. Though Bulgaria is unique, what has been happening in other countries in its region is instructive. Several countries in the region have made a rapid transition to a market economy, as for example: Poland, Hungary, the Czech Republic, Russia, and the Ukraine. All have undergone painful but necessary transition -- they have experienced both successes and failures as has Bulgaria.

In Poland, for example -- in 1994, Poland experienced the most rapid economic growth in all of Europe, a reflection of its successful transition. Poland is the first country in Europe to

have embarked on radical privatization -- a combination of cash privatization, sector-specific privatization, and mass privatization. The first and most important component was its municipal privatization program which now accounts for the privatization of more than 10,000 small enterprises.

The story in the Czech Republic is similar. Privatization there also began with small-scale enterprises, a program that was at once dramatic, fast, and overwhelmingly successful. In less than two years, 8,000 small enterprises were privatized.

The key factor in Russia's success to date with privatization, moreover, was strong local government participation with the strong support of local leaders. Its first privatization was in 1992 in a city of 1-1/2 million population.

Privatization programs do not occur in a political vacuum. Successful privatization will occur when it is a part of a broad program of economic reform to accelerate the process of change to a market economy. The ultimate objective is to shift economic responsibility from the government to the private sector -- to private owners. A broad program should be designed for a whole network of incentives to improve the economy -- to encourage more competition in the economy rather than to depend on state control of the economy.

At all levels, competition is a major contributor of increased performance of an enterprise. The most important component of economic reform programs is privatization, itself -- which means change of ownership to private citizens. With this ownership comes responsibility and accountability -- the discipline of the market place. If the enterprise is profitable, the owner makes money; if

it fails, the owner risks possible bankruptcy. This is the essence of a market economy. It puts the owners in charge of their own destiny.

All privatization programs have the same purpose of improving efficiency and productivity of enterprises. There is a direct link between ownership and performance. The best way to begin is as Bulgaria is doing -- start at the local level concentrating initially on small enterprises and then building a national program over these small local successes. The reason? -- because the enterprise is smaller, it is less controversial and encounters less opposition -- than does the privatization of large enterprises. Without public support of the privatization process, it will not be successful. Also, because an enterprise is smaller, it is easier and less complex to consummate the process of privatization, and the process will probably be faster.

By late this year or early next year, Bulgaria should be successful in establishing a good base for mass privatization.

#### Some Bulgarian Caveats

Bulgaria's experience with privatization began three years ago -- a significant component of its economic reform. Despite some success, privatization is slowing down and this slackening is responsible in major part for the slowing down of economic reform of the country.

Existing legislative authorization for privatization has two main features: decentralization and a unified procedure. On the positive side, the same procedure is applicable everywhere. The same rules apply. This gives lawyers and business people an

opportunity to learn about auctions and tenders at the local and small enterprise levels, and then to use that experience on the national and large enterprise levels.

On the negative side, however, the process is rather complex, requiring the creation of special agencies that proliferate bureaucracy, and the finding of experts to do the job. The alternative is to rely on municipal employees which may invite mistakes, a loss of confidence, and the discrediting of the whole process. The legislative requirement to publicize the pending process of property transfer is appropriate for large-scale enterprises, but is complex for small-scale enterprises. The problem here is that the same process is required for the privatization of state enterprises as for small municipal enterprises.

To simplify procedures for municipal privatization, as suggested by some officials, by revising existing legislation, would entail public disputation, controversy, delay, and a probable loss of public confidence in and support of privatization. Bulgaria's delayed sell-offs may be attributed to the previous lack of necessary political will. Given current political polarization, public support of privatization will not be well served by further delay caused by prolonged discussion of revisions of the law. After all, the municipalities of Plovdiv and Kurdzhali were able to privatize under existing legislation.

Obvious defects in the enabling legislation, moreover, are difficult at best to overcome. For example, the problems with Article 35 make it easy for municipal councils effectively to block privatization. Some of the best properties, moreover, have been

sold under Article 35 for practically nothing. Mass privatization, furthermore, will likely be muddled by Article 15.

A number of other laws and economic processes have not been adequately linked with privatization, as for example, those relating to bankruptcy, debts incurred by enterprises to be sold, and the ownership of shares and stocks as distinguished from the ownership of land and tangibles. It should be noted, too, that no deadline has been prescribed for privatization in Bulgaria as has been done in other countries. The Czech Republic set a deadline which it met; so its success of rapid privatization simply could not be replicated in Bulgaria.

Finally, post-privatization control is lacking in Bulgaria's experience with municipal privatization. Most municipalities have forgotten to assign a person to follow-up and exercise control of the enterprises privatized to assure that the conditions and requirements attached in the privatization contract are observed, and if not -- that the agreed sanctions are imposed.

#### Acquiring Necessary Expertise

Commonly, municipalities will not have adequate funds and expertise to initiate the process of privatization. These factors should not deter the process, however, because KPMG is available to provide the necessary help, not only at the beginning stage but throughout the process.

For example, Article 35 contains a preservation list stipulating what kinds of enterprises cannot be privatized. It may be necessary, therefore, to sell off only parts of an enterprise, rather than the whole enterprise, in order to observe the

preservation list of Article 35. The problem becomes one of restructuring the enterprise through privatization.

KPMG can assist municipalities in all phases of privatization. Lack of funds should not be a deterrent. Earnings produced from sales of enterprises can pay for the costs of privatization including the compensation of employees and/or consultants.

### Legal Analysis

Bulgaria does not yet enjoy a market economy and a stabilized economic system, which are still in the process of development and transition. New laws on commerce, local government, territorial restructuring, land ownership and restitution, privatization, etc., are in process of implementation. On the other hand, courts and the judicial process are established.

Legal analysis prerequisite for municipal privatization must be a creative activity incapable of uniformity. It is mainly concerned with questions of ownership, legal independence of the property, conflicts of law, and rights of third parties (as, for example, rights of owners or their descendants of property prior to communism).

A central problem in legal analysis is that the law of ownership in Bulgaria is incomplete. Many practical questions may arise, therefore, which legal analysis must address. Which property may be privatized (Article 35 is not clear on this)? May property (a building) under construction be privatized? What should privatization procedure include? May dwellings be privatized? May converted property (e.g., rented dwellings) be privatized? What does the term "enterprise" mean? Does it include

equipment? May an enterprise in the process of liquidation (or already liquidated) be privatized? May idle property be privatized? May an enterprise involved in a labor dispute be privatized? What rights, conditions, or restrictions may properly be attached to privatization? May privatization contracts be terminated? What about unpaid taxes, rents, or duties involved? May property subject to restitution be privatized?

Legal analysis must be clearly approved and certified by municipal management. The analysis should be objective, and the management of the municipal enterprise has a right to review the analysis. If management takes exceptions, the analysis can be changed accordingly. But municipal management cannot itself conduct the analysis.

Legal analysis is important for making correct and legally sound decisions and market appraisals or evaluations, and for new owners to dispose of the property unobstructed. Otherwise, real problems for the municipality can arise.

#### Documentation and Auctions

Once a decision to privatize is made by a municipality, regulations specify that an accurate description of the property be prepared. Usually the mayor is empowered to conduct the auction. The person in charge must promulgate the date and time of the auction in a local newspaper including the description of the property. Moreover, an auction committee must be selected, comprised of at least five persons one of whom must be a lawyer. The law does not specify whether this committee may sit for one or a series of auctions. Documentation is very important. The law

regulates the documentation method, but the law's provisions are general, and most municipal properties sold have been small shops and buildings without equipment.

KPMG has prepared an auction booklet which sets forth points and stages to be observed (but it does not detail the procedures). Documentation should include the scheme of the auction procedure itself and the way to participate in the auction.

The auction itself should deal with the problem of the price of the property to be privatized. Down payments should be specified in the documentation, and should be kept at the lowest percentage to attract the greatest number of potential investors. One percent of 1 million levs as a required down payment is more attractive than ten percent. Another type of privatization is renting with a future option of buying, which should be carefully specified in the documentation and final contract.

Mistakes regarding the price can be made, because the auction is usually held in one day. To avoid mistakes, the set of documents should be complete and submitted at the outset of the auction. Sometimes, the announcement of the auction is very formal and the procedure is not well explained by the chairperson of the proceeding. If the objectives are not well explained, mistakes can easily ensue.

Those in attendance at the auction may participate, make bids, by raising their hands; only the chairperson may speak. If no one bids, deposits of registered participants will not be returned; but if even one bid is made, the auction is in session. The auction ends with the signing of the protocol.

The national Agency of Privatization has spelled out the

required procedures in general terms. If the auction is not disputed, the transaction is finalized by signing of the contract.

### Competition

All municipal properties may be sold except those excluded by Article 35 of the national privatization law. Competition is a process for privatization distinguishable from the auction method. A municipality may resort to competition when it wishes to prescribe conditions which buyers must observe, such as preservation of property, salaries to be paid, etc. Purposes may be to secure a maximum price and to revitalize enterprises and the local economy. A competition commission, comprised of at least five persons, prescribes the conditions, advertises the upcoming proceeding of sealed bidding and proposed price, and publicly opens the sealed bids.

Once the commission reports its selection to the municipal council, the council may approve or reject the recommendation without explanation. Upon the council's approval, the contract -- to be signed within two weeks -- must specify the conditions to be observed by the buyer and the sanctions to be imposed if the conditions are not observed. If conditions are too stringent, potential investors may be deterred from participating in a competition.

### Advertising and Adequate Notice

Formal promulgation of an upcoming privatization is not adequate. Promulgation must be accompanied by advertising to assure public support and participation. The community needs not

only prior information but also an explanation of the positive purposes of privatization. Results of previous municipal privatization may change public opinion to favor privatization. It is unlikely that elected local officials who face upcoming elections will initiate privatization in the absence of public support for the process.

Journalists are usually willing to treat forthcoming auctions as worthy news. Approximately five days notice in newspapers and radio broadcasts are adequate. But reporters are not obliged to include all important information, so advertisements in addition to news reports should be utilized. The municipality could also release and distribute brochures and posters that include all pertinent information.

#### The Need for Training

The foregoing analysis establishes some of the complexities of municipal privatization in Bulgaria. It is apparent that acceleration of the process requires training of municipal officials so that they may proceed with privatization with confidence. Such training may be conducted in conjunction with, to supplement, or in lieu of KPMG, as circumstances commend. Were municipal employees adequately trained, municipalities would not need to retain consultants. A trainer-of-trainers program would make training sustainable.

In any event, training in municipal privatization looms as a critical and urgent component of public administration education and training in Bulgaria.