

1. THE GENESIS OF DRUG USE AND ABUSE IN BULGARIA

The use of hemp and opium was widespread even at the beginning of the 20th century, yet it rarely went beyond sporadic/medical use. Marijuana had mainly medicinal application, although there is evidence of recreational use as well. In some areas—like the Southwest of Bulgaria—opium (or “afion,” the Turkish word used by the locals) was traditionally cultivated for export. It was used as a means to comfort babies, but as a result of certain political measures this custom died out toward mid-20th century. Although opiate dependency was generally perceived as a deviation, afion fiends were more often ridiculed than condemned. Drug use up to mid-20th century was concentrated in the rural areas where drugs were produced. Urbanization brought that tradition to an end.

As the 1960s approached, non-medicinal illicit drug use in Bulgaria was still an exception to the rule. Apparently, the only group of addicts were medical opiate users who treated their chronic pain with opium, davilla tincture, morphine, or lidocaine. Experts estimate the number of addicts prior to 1968 at 100 people.

1.1. MEDICAL OPIATES, TRANQUILIZERS, AMPHETAMINES (1968 – 1990)

The first cases of non-medicinal opiate use among young people in Bulgaria were recorded at the end of the sixties, and—as revealed in interviews with long-time users and former Ministry of Interior (Mol) officials and in certain records from that time—the 1968 International Youth Festival in Sofia was its catalyst. In Europe and the USA, psychoactive substances, in particular marijuana, were one of the symbols of alternative youth culture. Most probably, Bulgarian youth participating in the festival had the chance to taste this chemistry of pleasure amid the numerous motley parties. Until then, Bulgaria had been one of the most hermetic states of the Soviet bloc, so the festival was the first chance for people to make contacts with those from beyond the Iron Curtain.

As the rural type of marijuana use had nearly died out, young people willing to expand their experience with drugs were driven into the orbit of medical opiates. The low price and unproblematic access to these drugs made them the natural choice of the first wave of dependent opiate users in the country.

Another source of drug dependency emerged in the 1970s, as the children of Bulgarians working abroad returned home and formed closed circles of users; they did not offer drugs out of the circle for fear of disclosure. Nevertheless, a permanent, though slow, increase of the number of registered dependent persons could be observed after 1975. A subculture of drug users, whose core value was the passive rejection of official ideology, was gradually forming in the larger cities, mostly the capital, Sofia. The state responded by clamping down on schools, universities, and medical institutions. Addicts were put through extreme treatment and forced into

mental institutions. Medical opiates were placed under special control.² This pushed addicts to seek other sources of psychoactive substances, i.e. the non-controlled medicaments in the late 1970s. A popular “tea” was made from poppy straw, a waste product that could be bought in the villages in the Pirin mountain, where it is traditionally grown as a medical and oil-yielding plant.

Moreover, a black market for medical opiates developed, selling medicines either stolen or swindled from pharmacies and hospitals. Nothing, however, like organized crime—that could structure the drug market and profit from existing demand—had yet crystallized at that time.³ The lack of any specialized police units until 1990 implies that the drug problem was within certain limits and could possibly be handled by the two drug officers operating in the capital, Sofia, where almost 90% of opiate users resided.

It should be noted that in contrast to other East European countries, Bulgaria has a constant external drug risk since the heroin trail to Western Europe runs through it. According to official statistics, in the late 1980s, record amounts—even for the whole of Europe—were detained at Bulgarian borders. Yet, there was no heroin within the country.

Among the explanations of why Bulgaria was untouched by heroin, we can underscore the fact that it was impossible for a large drug market to evolve under a totalitarian Soviet-style police apparatus. Secret services held the “drug channels” through the country in check. Western states often hint that these channels might have been used to harm other states. However, no official statement by Western anti-drug services considers Bulgaria as a key player in the drug business.

The total number of dependent drug users in Sofia registered at the MoI at the start of 1990 was 1,300, while those outside of the capital were less than 100. Ministry of Health figures approximated that those diagnosed with abuse/dependency (ICD-9, codes 304 and 305) in the mid-1980s was roughly 1400 people.⁴

Indeed, the non medicinal use of soporifics and tranquilizers was also growing in that period. In 1980, around 16% of registered addicts stated that these medicaments were their preferred drug. A large portion of opiate and tranquilizer addicts (36%) were also addicted to alcohol.

Another trait of the period was the use of amphetamines. They were taken by university students during the exam season to enhance concentration and brain effectiveness, i.e. restricted to situations in which their use was considered indispensable. Amphetamines were perceived as medication and very few consumers developed a heavy dependency (as little as 2.3% of registered dependent drug users had a primary diagnosis “abuse of stimulants”) or associated themselves with drug addicts. With the crackdown on legally produced amphetamines in the late 1980s, their use dwindled.

² Control over the amount of opiates doctors are allowed to prescribe, special cases for opiate storage, prescriptions protected from counterfeit, etc.

³ It is arguable whether there was any organized crime in Bulgaria up to 1990.

⁴ National Report on the drugs situation in Bulgaria, 2000 (стр. 9)

Other mid-80s fads among high school students were crude hallucinogens like parkisan and glue sniffing. The practice became even wider spread in the following years to subside ten years later with the appearance of marijuana.

1.2. THE ARRIVAL OF HEROIN (1990-1991)

Causes

There are several factors that accelerated the spread of heroin in Bulgaria:

1. The dissolution of the Soviet model of total control over society made access to drugs rather easy and for a time devoid of any risks.
2. Due to the opening of the country, and the transition to a market economy, psychoactive substance seekers and providers could exploit the market mechanisms of the economy of crime. It was only a matter of time before the supply funneled into the domestic market from the heroin channel that passed through Bulgaria.
3. A number of small, but well-knit congregations of drug users had formed in Bulgaria, many valuing opiates over all other drugs. Most of them wanted to try heroin which had been nearly inaccessible, but had the halo of the # 1 Drug. This group of 1,200-1,500 people would become the core of the snowball that would grow exponentially in the 1990s.
4. The shattering of social and economic realities drove a number of people of various ages to seek oblivion through heroin—it is a stronger and initially cheaper substitute for alcohol. This was especially true in some neighborhoods populated by Roma.
5. The pattern of growth of dependent users in Bulgaria follows the pyramid effect. Bottom level pushers were often seriously addicted. Since they had no regular income, they were compelled to find at least 10 clients to secure their normal fix. Each newly dependent person would, in turn, have to find their own customers (a strong dependency takes 5 to 6 months to develop). Due to the pyramid effect, between 1992 and 1996 dependent drug users increased by 50% a year.
6. Domestic security services had strong bonds with the old political system, and were subject to political pressure. At the start of transition they lost most of their social privileges, thus deepening the institutional and personnel crisis in the security services. Later on, criminal enterprises and gray economic groups entered the pressure game as well. Thus, the law was evaded already at all levels of law enforcement—from the regular police officer to the supreme judge. If street dispersal of heroin was merely ignored by the police when it first started, even in the mid-1990s law enforcement officials were engaged in corrupt assistance of drug sales.
7. A huge portion of society was completely ignorant about drugs. As a result, many young people would risk experimenting with the first drug they came across.
8. Educational and healthcare institutions continue to regard drug users as a marginal group of insignificant size. What is commonly meant by “prevention” is either the widespread notion that the less you speak about drugs, the better, or the mixed messages that misinform young people rather than make the risks of drug use clear to them.

The fall of 1990 can be pinpointed as the beginning of heroin use in Sofia. The long-term opiate users we interviewed claimed that the earliest source of heroin were a group of Iranian citizens then living in the Hemus Hotel in downtown Sofia. Some of them were political refugees, supposedly no longer targeted by the former secret services. “The Iranians from Hemus” used to take high quality heroin, whose shipment was unimpeded by the secret services prior to 1990. Thus, the contact between Bulgarian opiate addicts and the Iranian immigrants was only a matter of time.

Puzzling out the arrival of heroin brings to the surface certain causes that produced inevitable effects. First and foremost, the political transformations in the spring and summer of 1990 demoralized the security services, which slackened control over opiate addicts in Sofia. As for the Iranian immigrants, the police refrained from action, assuming that the case was under the jurisdiction of the state security service. Second, in the mid-1990s foreign nationals transiting through, or temporarily residing in, the country (Turkish drivers and retailers from the Middle East), as well as the agents of trafficking channels that used to be under surveillance, were no longer contained. The Iranian refugee circle likewise rode the wave of change and started using their personal supply channels to profit from the emerging Bulgarian market.

One could argue that, initially, the Iranians did not aim at a mass market or excessive profits. Despite the considerable amounts of premier quality heroin, in the first two years, they sold it

only to people they knew well and did not deal to strangers, even when offered large sums. In the late 1990s, other temporary residents joined in the business. Our interviewees reveal information about Albanians, Kurds, Lebanese, and Turks marketing small quantities of heroin, who, passing through the country in transit, ran the risk of selling drugs independently.⁵ In any event, the main heroin supply for Sofia came from the Hemus Hotel Iranians. **All instances of heroin sales testify to the existence of “small networks” gravitating around certain individuals rather than a heroin market methodically set up by international crime groups.** It was a minor market not worth penetrating in the early 1990s. As ascertained in studies on trafficking in Bulgaria,⁶ investment in common consumer goods was much less risky than trading in drugs. The huge socialist era commodity deficit created business opportunities securing between 1 and 2 million consumers per year and a nearly 50% profit from import of “white” and “black” household appliances, cigarettes, alcohol, and other goods in high demand. In contrast, the drug market could never have exceeded 5,000-6,000 people by the mid-1990s, even if the number of heroin addicts had had a yearly growth of 50%.

The survey makes it clear that within the span of a few months in 1990, most opiate addicts in Sofia had switched to heroin due to the continuing strict control over medical opiates and the comparatively easy access to heroin which, moreover, has a much stronger effect. **According to expert opinion, destroying the Iranian channel at an early stage would not have checked the heroin epidemic, but would probably have delayed it by a couple of years.**

1.3. THE FIRST HEROIN OUTBREAK (1992-1994)

Despite growing usage rates, around 1992 heroin was available only at a limited number of spots. The hottest sales spot in Sofia was **the underground shopping area of the National Palace of Culture**. The above mentioned Iranian refugees moved their business there, selling ever bigger amounts with diminishing caution. Between 1990 and 1991, heroin was circulated mostly among “old opiate addicts.” This explains the small number of registered drug incidents. In 1990, a total of 183 cases in which emergency medical assistance was sought were recorded, while in 1991 that number was 195, i.e. up by only 6.6%.

However, in 1992 incidents with addicts grew by 31%, unleashing, in most experts' opinion, the heroin epidemic. There were several small-scale outbreaks in various residential areas of the capital. Within three to four months in areas like Zona B-5, Lyulin, and Mladost dozens of new addicts were hooked.

Retail drug dealing was taken up by Bulgarian citizens who were already addicted to heroin and had criminal records. Sales followed the pattern of old users, with pushers allowing their acquaintances to sample heroin. Thus, those already addicted became the first street-level dealers, spontaneously starting a pattern of diffusion. The strategy of these opiate addicts was to use their circle of friends as

⁵ The interviews revealed that the second sales site in front of the Rubin Bar was initially supplied by Roma who stole heroin from an Albanian courier.

⁶ See CSD Report: Corruption, Trafficking and Institutional Reform, 2002; Smuggling in Southeast Europe, 2002; Corruption and Trafficking: Monitoring and Prevention, 2000.

sources of income to pay for their daily fix. The second level of the heroin market remains to be revealed, i.e. who it was that supplied the retailers. Obviously, a small portion of Bulgarian drug addicts had the resources or the contacts to access European heroin channels. As mentioned above, back then international drug networks ignored Bulgaria as a potential market.⁷ As noted in the interviews, street dealers bought substances from foreigners. As with the Iranians, the drugs more than likely came from foreign residents and transiting emigrants, and were meant for personal use. So, initially it was the community of Middle Eastern citizens that delivered the heroin, which was further circulated by Bulgarian street dealers. In 1992, however, deliveries became more organized. **The upsurge of “Arabic companies” saturated the market not only with gray and black import consumer goods, but also with heroin.**

It should be pointed out that until 1992 the number of drug addicts in the countryside was extremely low. Until 1998 in cities with population over 100,000 like Stara Zagora, Pleven, Yambol, and Dobrich, registered dependent users were no more than 10-15 people in each, while in smaller towns drug addicts were nonexistent, and people were aware of the issue only because it was brought up by the national media.

Before 1995 the heroin available in Bulgaria was fairly strong and low-priced.

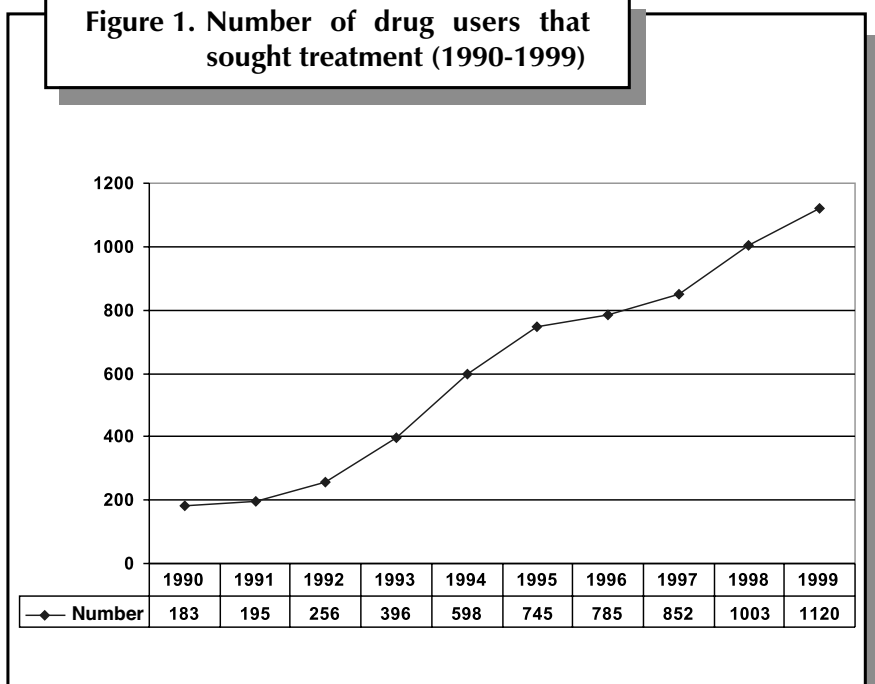
While experienced opiate addicts injected heroin, most of the novices started to mix it with tobacco and smoke it—a very convenient method, requiring no preparation or skill. This was rather misleading to a number of young people who would smoke a joint with the false assumption that it was a special kind of grass. Another important fact is that initially heroin was the only illicit drug in Bulgaria, while later, the use of marijuana often preceded the heroin stage. The most widespread rationalization of marijuana use in the period of 1992-1994 was that it was “a cross between cigarettes and alcohol that makes a party swing,” and that it involved almost no risk. Yet marijuana at that time, or rather the bulk of products dubbed marijuana, was rather low in active ingredients. In other words, many young people who assumed they were using marijuana were unaware of its actual effects. It might be speculated that such fake marijuana, lacking any effect on the user, led many young people to believe that opiates—and heroin in particular—were the only true drugs. Quality marijuana was either imported or locally produced by a handful of devotees of the older generation and was used by a small circle of connoisseurs, rarely reaching the market.

The easy transition from legal drugs (cigarettes and alcohol)⁸ to marijuana and then to heroin was also influenced by the inadequate messages of preventive discourse that rendered marijuana an entry drug that inevitably led to heroin. A heroin dependent woman eager to safeguard young people from replicating her own mistakes commented: “It’s a fact that grass is the first step to harder drugs ... and these kids (learning about it) are thinking: ‘After I try this I should move to the next one.’” This is how the transition to injecting heroin could appear to be the most natural thing. In this way, an ever-increasing share of addicts had followed the course of pot smoking to heroin smoking to heroin injections.

⁷ The hypothesis that these were drugs sold by couriers off their regular routes to Western Europe is rather unsound. Such activities would not only be unprofitable for the couriers (often unaware of what the transited commodity is), but would also be rather risky for them.

⁸ As evident from surveys (see Part 3), the level of teenage cigarette and alcohol use in Bulgaria is exceptionally high when compared to both Western and Eastern Europe.

Figure 1. Number of drug users that sought treatment (1990-1999)



Source: Annual Report of National Drugs Council, 2001

Medical statistics show that **the period between 1992 and 1994 was a turning point** (see Figure 1). In 1993, people who sought help in relation to drugs rose by 55%, in 1994 this figure rose by 51%.

Cases in Plovdiv first, and later in Varna and Bourgas, followed Sofia. If at the beginning heroin was bought from "Arabs living in Sofia," later on "Arab sellers" settled in Varna and Plovdiv. Police and special services **data for the period imply that Bulgarian organized crime and gray economic groups were not yet interested in the drug market.** They were engaged in expanding their zone of influence for consumer goods like petrol, alcohol, and cigarettes. The embargo regime over Yugoslavia provided even greater prospects for that.

Between 1992 and 1994, rival security firms⁹ occasionally became involved in drug distribution. There were few "security actions" taken by security guards upon drug selling venues or against clients. In 1994, when takeovers and mergers between security firms started to make some of them national chains, e.g. VIS-1 and Club 777, drug trade was still considered an "unwanted activity" and drug sellers were viewed as marginal.

In late 1993, the first heroin sellers in Bulgaria, the Iranians from the Hemus Hotel, were shot dead by the police.¹⁰ Despite conflicting evidence, this case provoked the assumption among drug circles that policemen should be bribed in order to tolerate drug selling activities. In 1993 the Central Service for Combating Organized Crime (CSCOC) made its first seizure of a sizeable amount of heroin (2 kilograms), notably owned by a Bulgarian citizen. The operation was conducted two years after the

⁹ "Security firms" in Bulgaria are a phenomenon yet to be explored, and could be defined as one of the sources of organized crime in the country. The phenomenon of forcing companies and individuals to pay for security services evolved in a number of SEE countries after 1990. A feature that distinguishes Bulgaria from the other countries is that the security companies were formed by former sportsmen. Such organizations were based on friendly circles established as early as secondary sports schools, and were based upon the charisma of their leaders. Networks of friends from sports like wrestling and boxing became the core of security companies and were dubbed "wrestlers," which turned into a common word for using violence. Soon, policemen and criminals joined the companies. Gradually, such wrestler firms grew into large chains controlling dozens of cities throughout the country and performing a growing number of "black favors," from extortion of debts to vandalizing the property of rivals.

¹⁰ For more information on the assassinations that started on 6.12.1993 and finished on 21.12.1993, see the issues of the daily *Standard* between 7.12.1993 and 30.01.1994.

establishment of the Drug Department at CSCOC. The inadequacy of institutions at the time is apparent from the fact that three years after the ingress of heroin, they were still not showing any commitment to what was happening in the streets.

1.4. THE END OF THE FIRST HEROIN WAVE (1995-1997)

Between 1995 and 1997, the growth rate of the number of drug-users seeking specialized help for drug problems dropped (see *Figure 1*). In 1995 the increase was 24.6%, down from a 51% increase in 1994. In 1996 the increase was as low as 5.4%.

A series of events in the gray and black economy at this time most certainly affected the Bulgarian drug market. In late 1994, after the establishment of a licensing regime for security firms by Reneta Indzhova's provisional government, the larger of **these quasi-criminal structures went on building networks throughout Bulgaria, responding to the new legal requirements**. Security companies that were refused licenses evolved into, and registered as, insurance companies. These became notorious for the use of violence in their activities. It was then that the biggest criminal insurance companies VIS (Vassil Ilyev Security, later to become VIS-2) and SIC (Security and Insurance Company) came to light.¹¹

Taking control of residential areas, these major crime enterprises started to inhibit and even pursue street dealers. It is arguable whether this was a purposeful policy or some kind of image improvement campaign, but the protection of children from street crime and drugs was certainly consistent with the idea of guaranteeing the security of the population.¹² The first police hunts for drug dealers in Sofia date back from early 1995. Experts, however, claim that the reduction of supply was due to the jettisoning of Arab companies. Hundreds of small and medium companies from the Middle East were intimidated by crime groups and the police.¹³ **They were driven out of the market niches that they had occupied since 1990-1992**. Although these efforts aimed mainly at firmly establishing criminal players in the consumer goods sphere, they had a strong impact on drug channels, too. The deteriorating purity of street heroin at that time proves this hypothesis.

While crime enterprises were alleged opponents of heroin dispersion, there is evidence of initial contacts between them and worldwide drug networks at that time. The end of the embargo over Yugoslavia in 1995 reopened the former heroin trail through Bulgaria to Western Europe. At about the same time, Kosovo "liberation armies" started funding themselves largely through the trafficking of heroin to

¹¹ This report does not aspire to discuss the development of criminal insurance companies in Bulgaria. Nonetheless, a synopsis of their activities is necessary for the purpose of tracking drug diffusion and use.

¹² The new insurance companies had undertaken campaigns aimed to prove that they were much more effective than their traditional counterparts. The media published articles focusing on cases of vehicles and stores insured by them that very seldom would become objects of violent acts, arguing that any stolen property was found in most cases, while damages would be paid at a very short notice. In addition, there were claims that such companies protected the residential areas in a way regular police forces could not.

¹³ Following the security companies licensing campaign, the newly emerging insurance companies attempted to collaborate closely with the police.

Western Europe, and considerable loads of it passed through Bulgaria. In 1996, a shipment of 600 kilograms cocaine was seized at the Varna port.¹⁴ No large shipments of cocaine followed it (until the summer of 2003) which, in addition to the information gathered by the police after a series of killings in the period 1999-2001 (See Part 2), testifies that international channel logistics¹⁵ were backed by Bulgarian crime enterprises.¹⁶

1.5. CLOSING DOWN INSURANCE COMPANIES AND THE ENCROACHMENT OF ORGANIZED CRIME OVER DRUG DEALERSHIP (1997 – 2001)

The political turmoil of March 1997, and the introduction of the currency board with its respective financial constraints (June 1997), caused profound transformations in the criminal and quasi-criminal structures as well. The state's pressure over the most conspicuous of the crime enterprises—in the insurance business such as SIC, VIS-2, Corona Ins., Zora Ins., Apolo&BalkanCo., and Spartak led to a partial dissolution of their structures. In 1998 these companies were removed from the insurance market by law, which resulted in the loss of their main source of income—the insurance of vehicles and shops.¹⁷ Thus, their local branches started looking for new sources of revenue. According to special services sources, former insurers began to participate in drug transit, import, and distribution for the first time in 1997.

Between 1997 and 2001, several distinctly novel patterns of drug distribution and use emerged. **Bulgarian criminal groups were already fully involved in heroin distribution and transit** (as well as in cocaine deals, although not as fully).¹⁸ Consumption of heroin rose and soft drugs use soared, while synthetic drugs demand reemerged. Though these trends might seem to interlock, their logic and pace are rather singular. These separate trends are reviewed below.

¹⁴ A group of dock workers that decided to break open a container labeled "Jeans," discovered an unidentified powder inside. They panicked and informed customs officials of their find.

¹⁵ Similar cases were simultaneously recorded in Croatia and Bosnia (see *Smuggling in Southeast Europe*, 2002). Bulgarian special services and customs sources have confirmed the creation of the so called Spanish channel (from Latin America, through the Balkans to Spain), involving crime organizations from at least three Balkan states—Bulgaria, Croatia, and Bosnia-Herzegovina.

¹⁶ The pattern that was most probably followed was that of commodity smuggling, in which no accidents are allowed to happen. The commodity is strictly watched from warehouses, through transportation, to border crossing. Each shipment is guarded by border and traffic police officers as well, and even by the regional services for combating organized crime.

¹⁷ Opinions about the extent to which former criminal insurance companies have remained key players in the insurance market vary. Certain facts imply that they have managed to reform and adapt to the new conditions, yet on the whole, they have lost their influence on a national level and thus, most of their sources of funding.

¹⁸ Organized crime's involvement in drug diffusion at that time can be deducted from the rising number of Bulgarian nationals detained for drug trafficking, as well as by the interviews with experts at the Customs Agency and NSCOC. Other sources are the interviews with long-term drug users and drug prevention and treatment agencies.

A. The Involvement of Organized Crime in Heroin Transit Channels and Their Capture of Domestic Markets

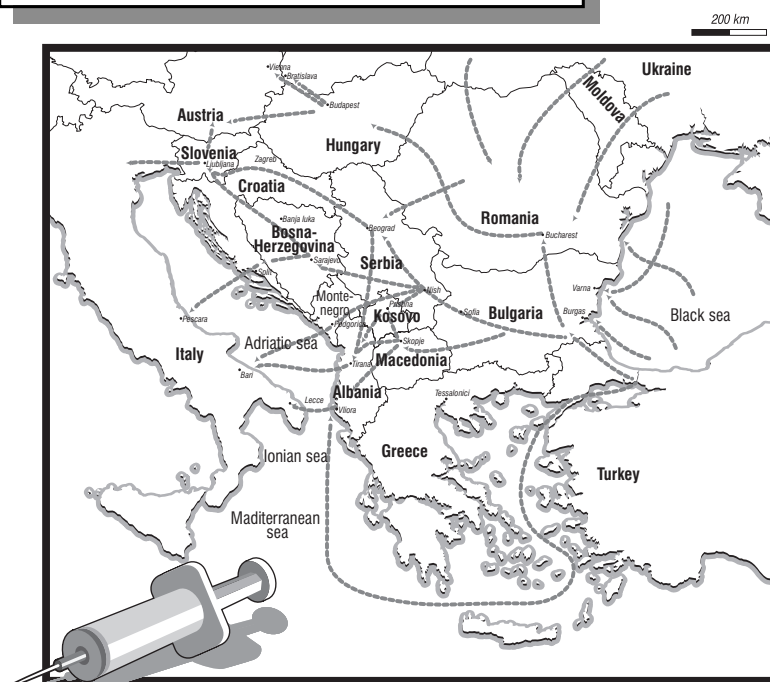
If there were relatively few drug users and addicts when democratic changes began, by the end of the 1990s the **domestic drug market had expanded enough to catch the attention of local criminal structures**. From 1990 on, the heroin market has been increasing by 25 % per year.¹⁹ Insurance companies' loss of secure revenues naturally led to crime groups overtaking drug import and distribution. The ousting of Middle East drug suppliers (or their integration in local crime groups) started in 1998. Domestic supply within the bigger cities (Sofia, Plovdiv, Varna, Bourgas, and Rousse) was also redistributed. During this period, heroin was sold by small groups of 5 to 10 people. The customary structure was a boss who oversaw a couple of street dealers. The supply usually came from Turkey. The "hostile takeover" of drug dealership had started as early as 1996, initiated by the "Orbita Hotel guys" (SIC), and followed by Korona Ins. By late 1998, the process was accomplished. The recruitment scheme worked as follows: after identifying the network owners (usually covering 1 or 2 areas of the town), they were given the choice of entering a partnership or abandoning their market. The forms of partnership offered were either a) protection, for a fixed weekly or monthly fee; b) the purchase of substances exclusively from the crime structures; or c) payment for settlement of specific problems, such as debt collection or complications with the police.

These offers were made in one of several ways: a) through the demonstration of force involving two, three or more tinted glass cars; b) through threatening or battering a couple of dealers and fining them; c) through meetings (talks over a drink which sometimes could last for several days); d) a mixture of the above, which was most commonly the case.

When intimidation of independent drug dealers became a regular practice, they started seeking shelter with the larger organizations. Street dealers found their superiors, or were pushed out by those remnants of the former large insurance companies that had managed to prevail over an area. The establishment of heroin networks in mid-size cities like Pleven, Sliven, Stara Zagora, Yambol, Dobrich, Haskovo, etc. took no longer than a year. And although the number of potential users there was low, 2,000-3,000 heroin users were added to the general national count within a couple of years. Because of such developments, experts speak of a "second outburst of the heroin epidemic."

¹⁹ This rate is based on statistics for the annual increase of registered dependent drug users who have sought help.

Figure 2. Heroin smuggling routes through Southeast Europe



Bulgaria is the crossroad of three main drug smuggling routes through the Balkans branch:

- The bulk of Asian heroin traveled from Bulgaria through the former Yugoslavia prior to 1991. During the war in Bosnia-Herzegovina, this route was temporarily cut off and two alternative routes took over. After 1995, this “classic” route was again revived.
- The northern route leads through Romania, and from there either through Hungary to the Czech Republic and Slovakia (and from there to the EU), or through the Ukraine to Poland (and from there to the EU).
- The southern route leads from Bulgaria through Macedonia and Kosovo to Albania.

One of the consequences of the war in the former Yugoslavia is that now the illegal drug trade encompasses all of the countries in that region.

Source: Smuggling in Southeast Europe, Sofia, 2002

Apart from the transformations of the domestic market, **certain changes in drug transit through the country are noteworthy.** Prior to 1997, Bulgarian criminal structures took part in cross-border drug trade networks only incidentally. **The fall of the insurance businesses, however, incited brisk contacts with world-scale drug organizations.** In that period, Western anti-drug agencies detected encounters between Bulgarians and representatives of well-known Turkish, Albanian, Caucasian, Italian, and Western European drug organizations. Initially, the local structures of the former insurance business participated in transfer operations.²⁰ The first large-scale services they offered to international drug organizations were probably the escorting of couriers through Bulgaria.²¹ Another type of service delivered by former insurers at that time was the provision of no-contact channels—shipped boxes or containers were supervised and guarded in Bulgarian warehouses and duty free zones, often without any information about the kind of goods being shipped. Bulgarian crime groups that acted as a link in these channels were rather primitive, consisting of no more than 10-12 players and a boss. The different groups had no coordination between themselves. Their links swayed between sporadic collaboration and frequent periods of hostility.

²⁰ Experts in combating organized crime maintain that although the largest insurance companies, SIC and VIS, were represented throughout the country, most of their local branches acted as independent entities rather than as lower ranking units.

²¹ Unfortunately, Bulgarian security services have rather meager concrete information at their disposal about the what and when of these events. The information available concerns mainly reception and escort of Albanian and Turkish mules.

In 1998, the importance of Bulgarian organizations outgrew courier and guarding tasks to include greater responsibilities, like securing hiding places and carrying out the actual shipment. Possibly at that time, warehouses for parceling out big shipments were set up. The actual cause of the increased significance of Bulgarian channels is unknown. It could have been the ever larger output from Afghanistan, the blows administered to traditional channels from Turkey to Italy, or the war effort in Kosovo. In any case, **the only available data of captures made within the country are for the years prior to 1998.**

Preparation for the war in the former Yugoslavia, and the war effort itself in 1998-1999, obstructed the old heroin route through the Balkans; thus, newly established contacts and emerging channels had to be suspended for a year. These outer limitations, however, enabled a mapping out of domestic areas of control. **Criminal networks affirmed their zones of influence precisely at that time.** In bigger cities, such zones were controlled by two or three groups while smaller towns were monopolized by local structures. Unfortunately, no reliable data for the period of 1999-2000 is available from police or other relevant agencies. Meanwhile, however, specialized drug combating units were formed in Sofia and Varna—the two most challenging drug-related sites.

In late 1999 and early 2000, the external situation likewise changed. With Kosovo under international administration, Albanian extremism in Macedonia on the rise, and overproduction of drugs in Afghanistan (which brought about a slump in heroin prices in Turkey) supposedly record amounts of heroin were trafficked through Bulgaria. The 1,860 kilograms of heroin captured at the Bulgarian borders in 2000 is convincing evidence to this fact, as is the record domestic shipment of 129 kilograms. Regarding heroin use, the year 2000 was a peak year according to a variety of data and expert assessments (see Part 2). Since the Turkish and Albanian mafia preferred to pay in kind, Bulgarian traffickers had to make their profit through the selling a certain amount of drugs on the domestic market. In keeping with this pattern, an agent making a successful shipment would keep between 1/10 and 1/20 of it. After a series of significant border captures in the first half of 2000, upcountry territory was increasingly used to store and reload drugs coming from Turkey. The first disclosure of a warehouse for drug storage by NSCOC was made in September 2000, in the village of Garvanovo, in the Haskovo district.

Supply and distribution on a national scale was still the domain of the former structures, like SIC, VIS, and some smaller insurance companies that would not admit outsiders. The growing heroin traffic within the country led to a new, violence-laden redistribution of markets in 2000. A total of seven bombings were carried out in Varna in an attempt to threaten or murder drug dealers, while in Bourgas two dealers were assassinated. **Heroin was obviously the backbone of new crime enterprises**, yet soft and synthetic drugs had started to tempt organized crime as well.

B. The Surge of Soft Drug Use

The fast onslaught of heroin may be contrasted to the rather low pitch of soft drug use after the 1990 reforms. A certain swell did occur yet this happened no earlier than the mid-1990s. There are several **factors** defining soft drug use as a whole:

Bulgaria's climate is favorable for the growing of marijuana in most parts of the country, Southern Bulgaria being the most suitable.²² The plant quickly became a profitable means to make a living for many rural inhabitants.

Marijuana users tend to grow a few plants per year, too, to satisfy their personal needs. Our long-use interviewees stated that in recent years fairly good seeds were easy to find.

Marijuana use escalated not only in schools, but all over the country. Certain groups of adults started to try the drug (rightfully considered much less harmful than the feared heroin).

In the period 1998-1999, **two hostile marijuana markets emerged in Bulgaria**. The bigger proportion of marijuana was distributed by pushers who were in direct contact with producers and **sold the drug to friends** at low prices for insignificant profits—a feature typical of the early stages of marijuana market growth in developed countries. Experts claim that as few as 10% of users consume 90% of all marijuana, and that regular users are accustomed to buying particular amounts from petty dealers.

A certain percentage of marijuana output and circulation was increasingly **run by organized criminal groups**. As underlined above, up to the crucial 1997, the domestic market as a whole—let alone the highly decentralized trade in soft drugs—was outside the province of crime enterprises.

In the late 1990s, however, a school market evolved in the larger cities. This market did not emerge out of the blue, but was paved by individual entrepreneurs who, even in the early 1990s, provided the link between suppliers of the cheap agricultural product and the respective demand for it. The distribution scheme had only to be decked out in a marketable form, i.e. the ready-made joint. Thus, an alternative to alcohol and cigarettes was offered—a cheap ready-made drug that spares the young, inexperienced users the technologically complex drug production process. As with heroin, this market was penetrated by organized crime groups as soon as it was sufficiently big and developed. Police sources reveal that during this period “easy riders” were discarded after targeting the respective markets/schools, and were replaced by young people involved with local gangs. Supply was no longer dependent on incidental individual entrepreneurs. Well structured supply channels appeared instead, and potential clients were waylaid at every corner—at the schoolyard during breaks, between classes, at disco clubs, and at parties. Hence, within the following two years, a consumption boom developed among high school students in several of the biggest cities, as well as in most former district centers. Some experts consider that if it wasn't for the low quality of joints and the absence of a pot smoking tradition Bulgaria would probably rank first in pot use in the same way it has achieved the top tobacco-use rates.

²² It is believed that even in the 1980s certain amounts were cultivated in the Petrich area especially for export to Greece.

At the end of this period, joint quality was still dropping, while many pushers who hadn't dealt in hard drugs as a matter of principle, were literally forced to sell heroin. On the other hand, the stagnation of the heroin market forced certain dealers to diversify by selling marijuana (e.g., some pushers in the Sofia residential area Druzhba). This implies that one of the goals of organized crime was merging the marijuana market, and targeting teenagers with heroin. This is, indeed, a matter of concern.

There was one more domain quickly taken over by organized crime, namely the **export of soft drugs**. The mid-1990s marked the beginning of organized marijuana export channels to Greece. Earlier, it had been conducted by a small number of individuals from Southwest Bulgaria, whose success tempted local criminal structures to take hold of all Greece-bound export. Since the price of pot in Greece is four times higher, Bulgarian marijuana users speculate that all quality marijuana is exported, while only leftover "trash" is offered to domestic consumers. Marijuana cultivation, cropping, transportation, and the hire of Greek dealers are low-risk endeavors. Certain sources hint that similar patterns are starting to be employed for Central Europe as well.

C. The Penetration of Synthetic Drugs

The use of synthetic drugs, mainly amphetamines, became widespread in the late 1990s, although there was evidence for their appearance as early as 1991-1992, in discos, bars, clubs, and other youth hangouts. **Amphetamines have a long-standing history in this country due to the fact that Bulgaria was a major exporter—chiefly to Arab countries—in the 1970s.** In the wake of Bulgaria's ratification of a number of international arrangements that classified amphetamines as psychoactive substances, amphetamines remained in Bulgaria undestroyed. **This output was later distributed along illicit channels within the country.** That the stored quantities were huge is clear from their continuing availability even now. The Czech Republic, for instance, is a contrasting example, with only the occasional use of amphetamines recorded up to 1991-1992, due to the lack of such tradition (see above).

Apart from the amphetamines left in storage, their production shrank, but did not cease altogether despite international commitments. Documents published after the democratic reforms testify to a continuing export of the drug Captagon²³ to the Middle East until late 1989. As for the post-1990 period, there is unofficial information about **informal state channels for Middle East bound amphetamines, later privatized by state security officers, foreign sales representatives, and chemists who had sustained them.**²⁴ As with the importing of heroin, amphetamine exports were assisted by Middle Eastern citizens. As stocks gradually exhausted, the need for more production emerged. But because of increased risk after the Captagon disclosures,²⁵ professionals who knew the production technology, assisted by former

²³ A report by the Government of Dimitar Popov published in 1991 testifies to its continuing export in the form of medicaments.

²⁴ According to Bulgarian special services, even in the early 1990s, these preserved amphetamines were exported through Turkey to various Middle East countries by exploiting previous contacts with the Arab world.

²⁵ Bulgarian pharmaceutical companies were privatized in the late 1990s.

state producers, created small illegal workshops (about 20-30 such shops were set up within a couple of years according to some indirect assessments).

Synthetic drug production in the 1990s could only be compared to the situation in Poland. Polish output had become a big hit in Western Europe. Likewise, Bulgaria had a large number of qualified and experienced chemists capable of developing simple and inexpensive technological solutions. This could happen due to **existing markets in which the Bulgarian product was well-known and accessible through established delivery channels**. The enterprise involved only minimum risk since institutions with anti-drug functions had little experience. Because the technological chain of production was split, all disclosures of illegal workshops—and the subproducts found there—could not, in fact, be declared illegal.

Polish synthetic drugs are known to be of higher quality, and are therefore successfully marketed in EU countries, while Bulgarian ones are targeted at Middle East markets where they sell at lower prices.

The expansion of amphetamine export was paralleled by enlargement of the domestic market. However, no consistent picture of the situation at that time can be described due to inconsistent information. Up to 1997-1998 amphetamines, too, were chiefly sold by individuals and, as with heroin and soft drugs, the entry of former insurance companies into the business instituted a more purposeful marketing course.

It is a coincidence that crime groups which made sizeable profits from the embargo over Yugoslavia—from contraband goods to “insurance” endeavors—**sought to launder their money by investing in discotheques, night clubs, and other entertainment venues for young people. It was in these venues that the well-functioning network of amphetamine sales was developed.**²⁶ Former insurance companies took hold of the elite places, thus securing a good share of their income from sales of synthetic drugs. Mass marketing was achieved through using the brand name Ecstasy, the highly reputed Western drug, yet what was sold under this label in Bulgaria were amphetamines. Thus, believing they were using Ecstasy, most young Bulgarians were served a locally produced con.

A fact worth mentioning is the success of the Bulgarian special services in discovering several small synthetic drugs laboratories, loaded with dozens of kilograms of drugs. The most substantial capture of Bulgarian output so far was made in late 1997, when 330 kilograms of amphetamine base powder and 666 kilograms of Benzylmethylketon (BMK) were seized in the Opitsvet laboratory.

²⁶ The surge of amphetamine use was not provoked solely by crime enterprises. Bulgaria could not have resisted the growing popularity of synthetic drugs on a world scale. This class of drugs was inseparable from a particular type of imported music, clothes, and leisure activities that were emulated in Bulgaria.