

Vitosha Research/Sociological Program

1999 Highlights

- In 1999, *Vitosha Research* conducted 39 quantitative and qualitative research projects in the fields of social and economic research, marketing and media surveys, and public opinion polls. Work on these projects included conducting 8,000 face-to-face interviews, 150 in depth interviews and 50 focus groups.
- The collected information was summarized in 40 analytical reports, policy papers and newspaper publications.
- After the October 1999 local elections *Vitosha Research* organized a series of three seminars on “Municipal Elections in Bulgaria: a Look Ahead” to present the analyses of the election results of leading Bulgarian pollsters and political analysts.
- Vitosha Research pioneered the social assessment studies in Bulgaria. Two projects evaluating the social impact and efficiency of micro-projects implemented by Regional Initiative Fund in the country were conducted.

I. Social Surveys

The social research projects included six quantitative and qualitative studies. Fieldwork consisted in conducting about 1800 face-to-face interviews and 140 in-depth interviews. The social research projects of Vitosha Research have been commissioned by United States Agency for International Development, Regional Initiatives Fund, Democracy Network Program, Princeton Survey Research Associates, and Center for Economic Development.

Infrastructure Micro-projects’ Beneficiary Assessment

The main objective of the social assessment was to evaluate the impact of the micro-projects implemented with the support of the Regional Initiatives Fund (RIF). The research methods employed included a combination of quantitative and qualitative methods aimed at obtaining information from potential beneficiaries, the contractors,

RIF staff, local authorities, supervising organizations, and local media. In particular the beneficiary assessment sought to explore the specific social relevance of the infrastructure projects to community needs, the level of awareness of the local population about the projects, the elements of the selection procedure, the appearance of conflicts, and future sustainability of the project results. This assessment was carried out prior to project implementation and will be followed by an “ex ante” survey after the end of the implementation phase of the RIF infrastructure projects.

Results of the assessment showed that in all the settlements projects were evaluated by local population as useful. The majority of people reported that they would benefit personally from the implementation of the projects. People’s expectations focused mainly on the opening of temporary jobs and improvement of public utilities. Some problems were also identified: personal involve-

ment in the selection of particular projects was low; the level of employment at the new project sites was rather low; the attitude of the local population towards the projects was mainly passive moral support.

Evaluation of Anti-Poverty Impacts of Micro-projects

The main objective of the project was to make a social evaluation of the anti-poverty impact and effectiveness of micro-projects implemented by the RIF. The study was based on interviews with workers employed on construction sites and interviews with representatives of contractor companies implementing the projects. The more specific objectives and problem areas were employment of workers from socially disadvantaged groups: poor, unemployed and other minority groups; demographic profile and socio-economic status of employed workers; differences in the employment status of workers before and during the implementation of the projects; changes in the economic status of workers after starting work on the sites; attitudes of the workers towards the projects and assessments of their social effect.

The main conclusion of the social assessment of the RIF micro-projects' anti-poverty impact was that they have managed to reach their target group, i.e. temporary employment has been created for low-skilled workers, the majority of whom had been registered as unemployed; monthly income approximating the average monthly salary in the country have been generated and, in this respect, many of the workers, as well as their households, have improved their economic situation.

II. Economic Research

The main topics of the economic research projects were company per-

formance, macroeconomic expectations, corporate governance and local economic development. Vitosha Research conducted 220 face-to-face interviews and 3 focus groups with company managers. Throughout the year Vitosha Research also participated in the preparation of three sections of the monthly Early Warning Reports for Bulgaria.

Global Competitiveness Survey

The survey is part of the effort of the World Economic Forum at Davos to track developments of the world economy. It was conducted jointly by Vitosha Research and the Center for Economic Development. The study was based on interviews with company managers of Bulgarian and foreign companies, and provided information on the business climate in the country and the level of competitiveness of the Bulgarian economy. A total of 125 interviews with senior managers of 125 Bulgarian companies (private and state-owned) and 32 foreign companies were conducted.

The results of the survey provided valuable information about the state of the economy and the existing opportunities for export-led growth. Bulgaria was included for the first time in the official annual report of the World Economic Forum "Global Competitiveness Report 1999".

Corporate Governance in Transitional Economy

This project was commissioned by the Center for Economic Development and included a focus groups study with directors of privatized companies, line ministry and agency officials, representatives of capital market institutions, and journalists. The main objective of the study was to obtain information about the perceptions of corporate governance among different groups, and the practically implemented corporate governance models and their efficiency

and to assess the role of the state in introducing efficient management practices.

The study showed that the principles of corporate governance are rather known more in theory than in practice. The establishment of professional standards of corporate governance is considered a necessary condition and important incentive for the development of the capital market. Several important problems have also been identified: opinions were expressed that the development of corporations, and especially the establishment of public companies in Bulgaria, occurs not according to the logic of economic necessity but under administrative pressure; the role and functions of the owners (shareholders) and management executive bodies have not yet been clearly defined and differentiated; the establishment of proper legal channels and mechanisms for ensuring free, quick and cheap access to information on the joint-stock companies was unanimously indicated as a key precondition for the realization of the principles of corporate governance.

Early Warning System in Bulgaria

The project started in November 1997 and is coordinated by the United National Development Program (UNDP). Work on the project is carried out by a group of analysts from the Department of International Relations Association, CSD, British-Bulgarian Social Surveys, and Club *Ekonomika 2000*. Early Warning Systems explore the possibility of anticipating and responding to crisis situations before they become too violent, or mitigating their effects once underway.

Work on the project includes the publication of a monthly Early Warning Report monitoring of the dynamics of the overall economic, social, political, religious and ethnic environment in

Bulgaria. Interest in the project has increased. The report has been made available on the Internet at www.undp.online.bg/ewr.

Corruption Monitoring System of Coalition 2000

Vitosha Research was extensively engaged in conducting the surveys included in the Corruption Monitoring System of *Coalition 2000*. The CMS includes a comprehensive set of qualitative and quantitative surveys aiming at different target groups (general public, businessmen, public officials, professionals, etc.). In 1999 a total of 5 quantitative and 5 qualitative surveys were conducted. The basic functions of the CMS itself are related to its major outputs: the Corruption Indexes of *Coalition 2000* and the Corruption Assessment Report. Corruption indexes summarize the most important corruption indicator variables to evaluate and measure the proliferation of corrupt practices in different spheres of society. The Corruption Indexes of *Coalition 2000* were published three times in 1999.

The results of the CMS show a **positive change in attitudes against corruption (i.e. higher intolerance)**. Citizens are less likely to accept various forms of corruption as normal, or use corrupt practices as a means of coping with problems. A climate of intolerance towards corruption and a critical attitude towards corrupt public officials, including in the high ranks of power, is being fostered in society.

For the most part public opinion consistently qualifies as corrupt the following sectors: customs, tax administration, court system (including judges, lawyers, court officials, prosecutors), and the police. Public opinion has become far more critical towards corruption and the policies claiming to fight it. In 1999 there was a tangible fall

in public confidence that the authorities are truly taking steps to counter corruption.

Factors Influencing the Spread of Corruption

According to the public many of the factors contributing to the spread of corruption are immediately related to the structure and functioning of the public sphere. It is commonly believed that this sphere is both conducive to corrupt practices and does not create regulatory and functional preconditions for curbing those practices.

Main Factors Influencing the Spread of Corruption in Bulgaria (%)*

	February '99	April '99	September '99
The desire for fast enrichment by those in power	53,5	52,9	54,8
Low remuneration	51,9	51,5	43,6
Inadequate legislation	41,1	38,8	37,8
Lack of strict administrative control	35,2	36,4	33,8
Conflict of official obligations and private interest	25,1	25,8	28,3
Ineffectiveness of the court system	26,4	19,6	27,5
The moral crisis in the period of transition	19,4	19,4	19,4
The problems inherited from the communist past	10,9	6,8	7,4
The specific characteristics of Bulgarian culture	5,7	6,9	4,7

Source: *Coalition 2000 CMS*

* Notes: 1. Indicates the percentage of those citing each of the factors quoted.

2. The total sum of percentages exceeds 100% as up to three factors have been evaluated.

III. Marketing Research

The basic topics of marketing research projects were:

- Internet services: focus group discussion with Internet users aimed at exploring the motivation of the clients to become Internet users, the level of knowledge about Internet services market, and evaluation of Internet providers.
- Carbonated soft drink usage and consumption: brand image and carbonated soft drink usage; tracking the effects of the advertising campaign of Schweppes in the media.
- Evaluation of packaging and labels of new brands of mineral water. The survey explored consumers attitudes towards different packaging and labeling.
- Assessment of energy consumption patterns of the population in the municipality of Sofia. The survey focused on household energy consumption patterns and also explored energy needs, assessment of the quality of services provided, as well as evaluation of alternative household heating models.

IV. Media Research

In 1999 media research focused on foreign radio station programming evaluation (Voice of America, Deutsche Welle, BBC), structure and dynamics of social attitudes towards media in Bulgaria and assessment of media audiences of Radio Vitosha in Sofia. A total of three quantitative and five qualitative media projects were conducted. They included focus groups, face-to-face interviews and desk research. The media research projects were commissioned by the InterMedia Survey Institute (Washington D.C.), ARC Fund and Vitosha Radio (Sofia).

V. Public Opinion Surveys

A total of four public opinion research projects were conducted in 1999. The basic topics covered were: public opinion about politics and the economy, NATO and the European Union, public opinion about the war in Kosovo, opinions about charitable donation making. The projects were commissioned by the United States Information Agency, the Sociological Research Center of the Ministry of Defense (Bulgaria), and SOS – Kinderdorf, Bulgaria.

VI. Publications

Research findings were widely disseminated in the press. More than 30 newspaper articles were published in the papers with national distribution. The following analytic reports and policy papers were also prepared in 1999:

- Institutional Infrastructure of the NGO Sector: Organizations with Socio-Economic Orientation, March 1999
- Regional Development and Local Government Reform: Condition, Factors, Trends and Roles of "The Third Sector", April 1999
- Corporate Governance under Conditions of Transition to Market Economy, March 1999
- The Public Attitude to NATO - Structure, Dynamics, Trends, June 1999
- Attitudes towards Corruption in the Healthcare and Educational Systems in Bulgaria, June 1999
- Beneficiary Expectations and Evaluations of the Results of Micro-projects Implemented by the Regional Initiative Fund, October 1999
- Evaluation of Micro-projects Anti-Poverty Impact, November 1999
- Structure and Dynamics of Social Attitudes towards Mass Media in Bulgaria, October 1999

VII. Conference and Seminars

Vitosha Research staff members participated in several international and national conferences and seminars:

- International conference “NATO at 50 and in the Future: Public Opinion in the East and the West”, June 1999, Sofia, Bulgaria
- Anticorruption Workshop – United Nations Interregional Crime and Justice Research Institute; July 1999, Budapest
- International conference “10 years after”, Freedom House, July 1999, Budapest, Hungary
- Annual Conference of Hungary Sociological Association, July 1999, Budapest
- Public discussion “The corruption problem in public administration”, July 1999, Lovech, Bulgaria
- Social Impact Assessment Seminar, UNDP, August, 1999, Sofia, Bulgaria
- 9th International Anti-Corruption Conference “Global Integrity: 2000 and Beyond”, October 1999, Durban, South Africa
- Seminars “Municipal Elections in Bulgaria: A Look Ahead”, October-November 1999, Sofia, Bulgaria
- Second Annual Meeting of the Anti-Corruption Network for Transition Economies, November 1999, Istanbul
- International Development Law Institute seminar “Legal prevention and judicial control of corruption”, November 1999, Rome, Italy
- ISPAC Conference “Responding to the Challenges of Corruption”, November 1999, Milan, Italy (International Scientific and Professional Advisory Council of the United Nations Crime Prevention and Criminal Justice Program)
- International Conference “Contribution of Social Research to the Economic and Social Recovery Policy”, November 1999, Sofia,

Bulgaria

- International Meeting “Ten Years Later. Lessons Learned for the Future”, November 1999, Sofia, Bulgaria

VIII. Ongoing Projects

In cooperation with a consortium of research agencies from Central and Eastern Europe lead by Gallup – Hungary, Vitosha Research participates in the Eurobarometer for the Commission of the European Union. The “Eurobarometer” project is an international three-year study including an annual tracking of social attitudes that is to be conducted in the countries applying for membership in the European Union.

Corruption Monitoring in Southeast Europe is another important project launched by Vitosha Research, jointly with CSD, in November 1999. It aims at studying corruption as a key element of regional stability in the context of the Stability Pact. Within this project a system for monitoring the level of transparency, efficiency and corruption of public administration in Bulgaria, Macedonia and Albania will be developed and tested. This regional system is based on the already existing Corruption Monitoring System of *Coalition 2000*, implemented by Vitosha Research in Bulgaria.

Vitosha Research is also actively involved in the implementation of the “Accountable Government in the East-Central Europe: Self and Public Perception” in partnership with NGOs from Romania and Slovakia. The objective of the project is to assess the level of transparency, accountability and responsibility of the public administration on a comparative basis, and to explore the public expectations and

attitudes about these issues. The project will provide systematic regional information on the institutional culture

of the central government administration and parliamentary agencies in Bulgaria, Romania and Slovakia.

Preconditions for Corruption and Frequency of Acts of Corruption

Public opinion is becoming less tolerant towards corruption and less inclined to use corrupt practices (Figure 1). A positive development is also to be observed with respect to the sector (Figure 2). Nevertheless, the actual frequency of citizens involvement in acts of corruption remains unchanged.

Figure 1
Preconditions for Corruption

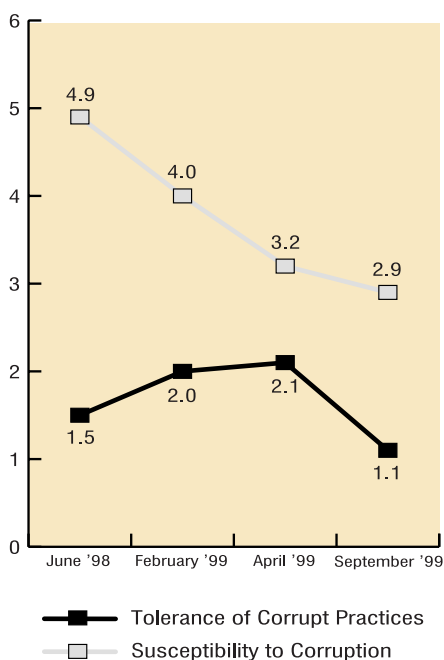
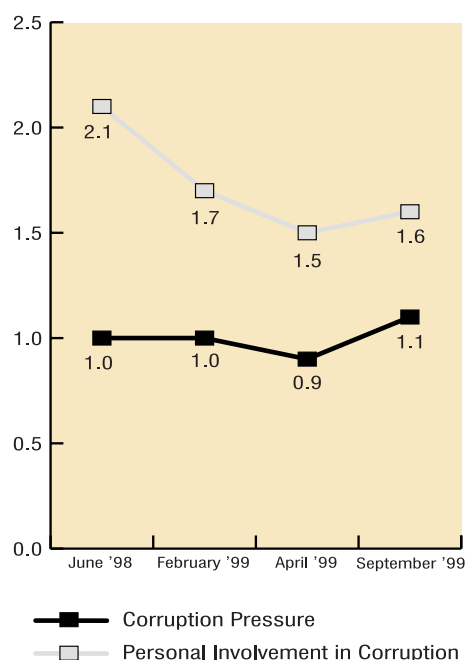


Figure 2
Frequency of Acts of Corruption



Source: *Coalition 2000* Corruption Monitoring System.