

# Economic Policy Review



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## In the issue:

**IME November Events**

**Balance of Payment for the First 9 Months of 2006**

**Let Us Welcome Tax Competition!**

**29th of May – The Day of Tax Freedom**

**Waste Tax**

**The Old New Beginning in The Postal Services, To Be Continued**

**Should the Students Freeze?**

Institute for Market Economics is a winner of a 2006 Templeton Freedom Award



## IME November Events

November was a busy month for IME. We organized two major events that in our point of view are both important and interesting.

### *IME Alternative State Budget*

On November 12, 2006 IME presented its fourth Alternative State Budget for 2007 that underlie an alternative government policy which would accelerate the rates of economic development

and would lead to an increase in the welfare of Bulgarian citizens.

The media coverage of the press conference was outstanding. More than 40 media (press, Internet, TV and radio) were covering the event. The presentations will be soon available in English. The Bulgarian version can be downloaded [here](#), as well as the [video](#) from the event.



*IME Conference on "Economics, Capitalism and Happiness in the EU"*

On November 25th, 2006 IME hosted a conference on capitalism and happiness. The discussed topics were fiscal competition and decentralization, the concept of happiness, EU regulation, business and productivity. The speakers were Dr. *Barbara Kolm-Lamprecht*, Secretary General, F. A. v. HAYEK Institut, Vienna, Dr. *Pierre Garelo*, Director, Institute of Economic Studies-Europe (IES), Dr. *Remigijus Simasius*, President, Lithuanian Free Market Institute, (LFMI) and Dr. *Krassen Stanchev*, Executive Director, Institute for Market Economics (IME).

All presentations (in English) from the conference can be downloaded from IME webiste – [www.ime.bg/en](http://www.ime.bg/en). The video can be accessed here: ([first part](#), 2 hours; [second part](#), 1 hour).



### **Balance of Payment for the First 9 Months of 2006**

Dimitar Chobanov

The Bulgarian National Bank published recently the preliminary data for the balance of payment for the first 3 quarters of 2006. Both, the current account deficit and the financial account surplus are growing. The aggregate account for the first 9 months is positive and arrives at 1 285.8 million leva.

The current account development is characterized by growth of the export (F.O.B) with 30.9%, which is higher than the growth of the import (F.O.B) with 26.4% for the first 9 months of the year. The different growth is not enough though to change the balance between the import and the export. The export increase is so far with real value of 2 099.6 mln. Euro while the import value reaches 2 578.4 mln. Euro. Thus, the deficit on the trade balance grows which reflects the current account automatically.

The export structure is substantially changed from 2005, and now the share of energy resources grows with 4.3 percentage points, the raw materials with 1.5 percentage points, while the share of investment commodities decreases with 0.7 percentage points and the consumer goods with 5.1 percentage points. The reason behind this development is the increase of revenue from the energy resources (77.1%), which is far more pronounced than the increase in the consumer revenue with 8.1%.

The structural change of the import is similar to the one noticed in the export. The shares of energy resources and raw material resources increase respectively with 3.2 and 0.1 percentage points, while the shares of consumer and the investment commodities decrease with 0.8 and 1.9 percentage points.

The transformation of the foreign trade is caused by the price increase of fuel and some basic raw materials in the international market, which reflects trade internationally (the relationship between export and import). Moreover, the imported quantities of petrol and other fuel which are processed and exported has been increased substantially. The data shows that approximately 2/3 of the import increase of energy resources is caused by export increase.

The revenue increase from the services offered by local residents is by 11% for the considered period, while the received services increased with 20.1%. A matter of importance is the fact that the increase of the tourist services to foreigners is quite insignificant – just 4.5%. Overall, the positive balance in the service sector decreases with 95.8 million euro.

The income and the current transfers also influence the increased deficit in the current account. The net income decreases by 173.5 mln. Euro, which is caused by the increased payments on foreign direct investment in the country that cannot be compensated by the remittances of the Bulgarian citizens working abroad. Moreover, the net current transfers

decrease by 119.8 mln. Euro because of the small percentage of free-of-charge revenue from Bulgarians living abroad, and the increased revenue from EU funds by 17.6 mln. euro. The reason behind the drastic decrease of private transfers can be found in the economic stabilization of the country, and the unification of families abroad from one perspective and the methodology of reporting from other.

In the financial account the surplus has been increased by the impressive 128.4% compared to the same period in 2005 and currently reaches 3 287.8 billion Euro. The foreign direct investment in the country is 2 845.1 billion Euro, which is approximately 11.8% from the anticipated GDP of the country for the whole 2006. These results are caused by the enhanced stability of the country, the positive expectations from the EU membership, the improvement of some strategic elements in the business environment (i.e. the change of the direct corporate taxation), and the good correlation between income and investment risk.

Another aspect of the financial account, which deserves attention, is the considerable difference in the foreign deposits in local banks. Approximately 983.3 mln. Euro have been withdrawn from the banks only in the last 3 months. A possible explanation is the changed politics of the BNB in regards to credit activity made in June, 2006. Recent changes abolish the previously imposed limits, which respectively

allows corrections in the balance structure and smaller deposits from the mother bank institution. It is highly probable though, that these resources have not been removed from the economy, but just invested under different heading.

Overall, the aggregated balance of the current, financial and capital accounts, adjusted for statistical error, is positive. This is a sure sign for the solidity of the Bulgarian economy. The attraction of foreign capital though is not a single-act but rather a continuous process, which is becoming more and more dynamic with the increased competition from neighboring countries. They are taking more steps now to improve their business environment; respectively each postponement of the reforms can be seen as missed opportunities for rise of employment levels and income in the Bulgarian economics.

#### **Balance of payments positions for the first 9 months of 2006 (millions. Euro)**

	2005	2006	Change
Current account	-2398.4	-4095.6	70.8%
Capital account	-1.8	8.5	-572.2%
Financial account	2815.6	6430.4	128.4%
Errors	454.9	171.5	-62.3%
Aggregate balance	870.4	2514.7	188.9%
Reserves and other funds	-870.4	-2514.7	188.9%

*Source: Bulgarian National Bank*

### **Let Us Welcome Tax Competition!**

Pierre Garello<sup>1</sup>

Today, the level of taxes in the most European countries is probably higher than it has never been in the history of those societies. Simultaneously, partly as a consequence of globalization and democratization, tax competition is becoming more intense. This relatively recent evolution has led to various reactions. In particular, inside the European Unions, some (like the OECD) have warned us against the dangers of such competition, and Bulgaria, who just cut its corporate tax down to 10% (the lowest rate in Europe), surely knows

what I am talking about! But, as I will show, such worries are unfounded, and we should welcome and whole heartedly embrace competition in all fields, including taxation.

To understand the effect of tax competition it is useful to recall, first, the nature of taxation and, second, the nature of competition. Taxation has been used for centuries to finance the production of various goods and services. Historically, the first service financed through taxes (often in kind taxes) was probably physical security: the lord was protecting his vassal against aggressive neighbours. Then, throughout centuries, as the power to tax increased (due in part to technological progress, in part to democratization and majority voting, and in part, of course, to increased wealth), the list of services financed this way kept increasing. Today, taxes are used not only to provide physical security (justice, national defence,

<sup>1</sup> *Director of Research Department, IREF; Professor of Economics, University Paul Cézanne, Aix-Marseille III.*

police), but also to promote growth (via public investment), and to offer a large array of goods and services which, although they can be provided by private means, are judged to be so essential to our societies that taxation is justified. This list of goods and services is virtually endless and includes education, health insurance, retirement plans, leisure (public swimming pools, theatres, etc.), culture, garbage collection, water and energy supply, roads and bridges, transportation, Christmas decoration... and, a fair amount of redistribution towards the poor.

It is not the place here to develop a detailed analysis of this expansion of state prerogatives.<sup>2</sup> Two general remarks must be made, however, because they are directly related to our topic. Firstly, the financing and the production of services are two separate things which should not be confused. Whenever it is decided that taxation should be used to finance some services, it is always a good idea to have it produced by private companies which will compete to offer the best price/quality ratio. Secondly, and more importantly, it should never be forgotten that taxation relies on coercion. This, indeed, has heavy consequences, starting with the obvious fact that, since citizens do not voluntarily contribute, some will try to avoid the constraint. As a matter of fact, the favourite national game, in many countries, appears to be how to pay as less tax as possible (tax avoidance and tax evasion)! But, to resort to coercion has another important consequence: contrarily to what happens when people freely engage in trade, when actions are taken under coercion one does not know what individual really want. In other words, to rely on a political decision process backed by the use of force makes it virtually impossible to know what individuals prefer. It is therefore likely that people don't get what they want, and, as we will see, this is precisely why tax competition must prevail.

Competition *is* freedom, and those who do not like competition are those who don't like freedom. Indeed, when I am free to choose, I can say no to A and yes to B, so that, A and B are, in a way, competing. The immediate consequence of this obvious fact is clear. If they wish to trade with me, A, B and all the others will have to take

my preferences seriously into consideration. They will have to do their best to satisfy my needs because this is the surest way for them to satisfy their own needs. This is why competition is a remarkable discovery process; an unsurpassed engine for growth. But, of course, competition—that is, freedom—is demanding. As we just say, when you are free, you are free to say no, and people must therefore accept the idea that you don't want to buy what they have to offer. As a matter of fact, a free environment gives you incentives to anticipate, to innovate, to adjust rapidly, and it requires that you accept setbacks and move forwards. For all those reasons, it is no wonder that societies which have welcomed competition have developed more rapidly and more peacefully.

Having clarified the true nature of taxation and of competition, we are now in a position to evaluate the merits of tax competition. Taxation, as recalled above, relies on the monopoly of force given to the taxing jurisdiction (If you don't pay your tax you go to jail!). How, then, can freedom be part of the story? Where is your freedom to choose in tax matters? Economists have, I believe smartly, summarized the situation by saying that the tax payer can express his choice by one of two ways: *voice* or *exit*. *Voice*: the tax payer is free to participate to the political decision process fixing the level and nature of public spending and taxation. *Exit*: the tax payer is free to leave the jurisdiction for a jurisdiction where, in his view, the level and nature of public spending is more to his liking. Now, it is essential to note that the two dimensions through which individual can express their preferences—voice and exit—reinforce each others. To the extent that they have no possibility to exit, tax payers' voices will have little power. If, on the contrary, the cost they have to pay for exit is low, then they can credibly threaten to stop paying tax in this jurisdiction so that their voices are more likely to be heard. Hence, freedom to choose in tax matters—and therefore competition, and all the positive dynamics attached to it—will be increased each time the costs of exit will be reduced. More generally, democracy (in the sense of respect for individual rights) will have little or no meaning without a real possibility to exit, that is, without tax competition.

To the extent that we wish to promote freedom, prosperity, peace and democracy, the only coherent attitude is therefore to welcome tax competition and everything promoting it. Fiscal

<sup>2</sup> For such a detailed study, and in particular a study of the link between taxation and growth, the interested reader can look at some recent studies from [http://www.irefeurope.org/IREFs\\_Research/IREFs\\_Reports.html](http://www.irefeurope.org/IREFs_Research/IREFs_Reports.html)

decentralization within a sovereign tax jurisdiction is, for that reason and to the extent that it is well done, a move in the right direction. The cost of moving from one municipality or district to another is lower than the cost of moving from one country to another. In the same vein, tax competition between nations within the European Union is also something to be cherished. But why, then, was the recent decision made by the Bulgarian parliament to reduce corporate taxes so harshly criticized by some EU members? I think the answer is clear. As was recalled earlier, freedom is demanding. When some heads of States realize that exit costs are lowered and that some of their tax payers are ready to leave (because, in their judgment, the public services they get do not justify the tax

they pay); those heads of States tend to organize themselves to stop competition and increase those costs of exit. This is what tax harmonization within the EU would do for us. Tax harmonization does not mean more, but less freedom. It does not bring harmony but uniformity: if successful, everyone will have to “buy” the same type of public policies and this, we know from logic and from experience, mean lower quality in the long run.

Voices in favour of tax harmonization and tax centralization at the EU level are libertycide and we must hope that many individuals will join Bulgarian MPs and speak against them.

### 29<sup>th</sup> of May – The Tax Freedom Day

Adriana Mladenova

According to calculations made by the Institute for Market Economics, 29<sup>th</sup> of May is the day of freedom from government involvement for 2007. On this date the citizens stop working for the government and start working for themselves.

We come up with this figure as explained below. If the government takes the total average income of citizens until fulfilling the budget revenue for 2007, then exactly 149 days or exactly till 29<sup>th</sup> of May Bulgarian citizens are working for the state that spends and allocates funds. After this date, each citizen is free to earn and spend for himself.

The idea to calculate Bulgaria’s tax freedom day has been adopted by the initiatives undertaken by the “Fraser Institute”, Canada and the Cato Institute, Washington, which are estimating the Tax Freedom Day each year.

The data for 2005, 2006, and 2007 can be found in Table 1. Under “Budget revenue” we included

the revenue government is collecting both from taxable and tax-exempt income of the citizens, but the subsidies received from third sources (i.e. revenue from EU pre-accession and structural funds) has not been incorporated in the “Budget revenue”. In the data used, the estimated and predicted budget surplus has been included. In 2005, the budget surplus is 4.6% of the GDP. In 2006, based on careful analyses of the budget expenditure until September of the current year, we expect a surplus of 3.1% of the GDP. In 2007, our conservative forecast estimates are for budget surplus of 1.3% of the GDP. It is realistic to assume higher surplus in 2007, but based on the uncertainties of the EU membership we are careful in making brave scenarios.

As it is obvious from the data in Table 1, even though the corporate tax has been reduced to 10%, the tax freedom day will not come earlier in 2007 than in 2006. What is even more striking is the fact that the re-allocation of resources has an upward shift, respectively the role of the government in the everyday life is not decreasing but just transforming.

Table 1

(Mln. leva)	<i>Reported</i>	<i>Assessment</i>	<i>Forecast</i>
	<b>2005</b>	<b>2006</b>	<b>2007</b>
GDP at current prices (aggregate income)	41 948	46 704	51 141
Budget revenue (without subsidies)	17 467	19 008	20 931
Number of days until realization of the revenue	152,0	148,6	149,4
<b>Tax Freedom Day</b>	<b>01<sup>st</sup> of June</b>	<b>29<sup>th</sup> of May</b>	<b>29<sup>th</sup> of May</b>
<b>Budget redistribution (without subsidies) as % of GDP</b>	41,6%	40,7%	40,9%

Sources: 2005 State Budget Execution Law, 2006 State Budget Execution Law, Draft Law on 2007 State Budget, IME calculations

## Waste Tax

Svetla Kostadinova

This week, the parliament approved some amendments, which will affect the tax assessment on real estate property, and therefore will increase the property tax, the waste fee and the real estate transfer tax in 2007.

Since the majority of the Bulgarian population will be affected by this change, it would be useful to assess for whom the tax increase will be beneficial and whether there is any real meaning behind it.

The increase of the property tax and waste fee will not be substantial considering the market real estate prices in Bulgaria. These two taxes have been falling behind the rapid development of prices in Bulgaria through the recent years, thus they do not pose significant burden for the owners of property. The sole concern from the approved legal change stays with the waste fee. In fact, it can easily be called tax not just fee, since the revenue collected from it is allocated for certain reasons – garbage collection, trucking and disposal. Exactly because waste tax is used for specific services, these services can easily be “privatized” and the tax abolished.

Currently there are a few basic problems from the existence of waste tax:

1. The municipality is spending the collected money without any control by the civil society.
2. The municipality makes contracts for the collection and disposal of garbage with private companies. Nevertheless, there are cases of non-beneficial for the citizens contracts where the concessionaires are earning profits, the

quality of the services is low, and the financial resources are spent irrationally.

3. There is no motivation for the concessionaires to improve the service, since they have monopolist status. Citizens do not have any other option even if they are not satisfied with the service.
4. The competition in providing these services is utterly reduced (the companies in the big cities are offered some options to choose from)

For the situation to be changed the municipality’s responsibility for the collection and disposal of garbage should be re-directed to the private sector on the principle of individual contracting. How can this be achieved?

To start with, the waste tax should be abolished. The waste collection and disposal should be based on contract base and the payment for these services arranged between the company exercising them and the owners of the property. When there are a few companies offering the same services in a particular area, the competition among them will flourish and the final product and price will be better for the citizens.

Private contract between the citizens and the company would allow greater control on the quality of the service and liability before the penalty when the service is not exercised properly. The service fee can be calculated on the volume of the collected garbage or can be a permanent duty plus additional percentage from the volume of the collected garbage. This would be determined by specific company and the citizens/customers.

Moreover, the price of the service will be more flexible, i.e. if there are unoccupied apartments within the building, they will not pay the same price for waste collection and disposal as the occupied ones. Another advantage would be elastic supply of services according to time of collection, and separation of the waste. Besides, the price of the services can depend on the distance of the dumping-hall from the particular region.

Last but not least, it is important to point out that the expenses on levying the waste tax and the administrative expenses of the municipal administration will be significantly decreased after its abolition.

Another issue, which can be considerably relieved, is the one connected to separate collection of waste. This has been in place in Bulgaria since 2005 but the effect is still not substantial. If services on waste collection are completely privatized, the companies can even offer lower prices for partitioned waste, since it can be recycled. In numerous countries waste that can be recycled if collected in special dustbins, which are trucked, free of charge. This can effectively reduce the waste collection expenses for citizens and subsequently increase the share of waste, which can be recycled, and therefore decrease the amount of waste at a certain dumping-ground, respectively increase its sustainability.

The waste tax is used by the municipality not only for the collection and disposal of garbage but for keeping the city clean. If the waste tax is abolished, the municipality can use other revenue for financing this activity:

1. Revenue from privatization of the municipal companies and sales revenue from municipal property;
2. Revenue from concessions

3. Increased revenue from the approved increase of the real estate tax from 2007

4. Saved revenue from the increased effectiveness of the administration.

For 2006, the revenue allocated for collection of waste in Sofia is 27 820 000 leva out of 85 326 000 leva, or approximately 33%. These expenditures can easily be decreased if public bidding for the waste service is announced. The public bidding will eventually decrease the price of the service.

But again, the waste collection expenditures should be covered by some revenue and we suggest it to be from the property taxes that accounts for 87 350 000 leva in Sofia Municipality in 2006. The breakdown is the following:

- property tax – 24 mln. leva
- inheritance tax – 150 thousands leva
- vehicles tax – 18 mln. leva
- real estate transfer tax – 44.2 mln. leva
- other taxes -1 mln. Leva

From the data above, it is evident that waste tax can be completely abolished, and waste collection and disposal services exercised by private companies, which will be responsible in front of the citizens, not the municipal administration. Thus, eventually the quality of the services will increase and the price will decrease.

In order to achieve these, two crucial things should exist:

1. Fiscal decentralization of the municipalities – to allow them decide on their own fiscal policy and use the collected revenue by their own judgment
2. Provision of transparent, open and democratic procedures for public procurement procedures.

### **The Old New Beginning in the Postal Services, to be Continued**

Metodi V. Metodiev

Through the last couple of year we have been witnessing the pointless delay of the complete liberalization of the postal services in the country by the government.

In 2002 the government decided to continue the monopoly of the Bulgarian post EAD on the so called reserved services (parcels up to 150 gr.)

of the universal postal service aiming, from one side to assure smoother transition to full liberalization of the market, and on the other side to meet and implement the new EU criteria and directives in the postal services. It was expected the state monopoly in the sector to be decreased by piecemeal (from 1<sup>st</sup> of Jan, 2006 and 1<sup>st</sup> of Jan, 2007 respectively) decrease of the limits of weight and price of the services, included in the reserved sector. The deadline for full liberalization of the sector according to the EU should be 2009.

The fundamental characteristics of the postal monopoly do not differ from these of any other controlled by the government segments in the economy: lack of competition, especially in particular regions within the country; lack of innovation; low service quality and overall incredibly low effectiveness of the sector.

Two basic goals need to be achieved by the government: faster completion of the processes of liberalization and privatization.

1) The first step is *liberalization* – this will be abolition of the state monopoly by liberalization of the reserved services. In this way, different companies will compete to offer these services. The abolition of license fees, minimum weight limits, price requirements, etc. is to be done as well.

The liberalization of the sector, though just partial, for general contentment is already a fact. One result from it is the granted license to Tip Top Courier Jsc. on 20.11.2006 for 20 years period to provide universal postal services. The acquired licence № 3 for postal operation provides the company with the opportunity to start offering postal services from 2007. Everyone is looking forward to seeing the positive results from diversification of the monopolist sector. Basically, these results will be summed up to establishment of competition in the sector, which will lead to better quality, more innovations, prices determined by the market, aggregate optimization of the resources to meet the economic needs and better effectiveness and quality of the service itself.

2) The expected continuation of the process of liberalization is *privatization* of Bulgarian Post EAD. Privatization is characterized by restriction of the government control in the economy and transfer of ownership of particular assets. The general truth stipulates that “the freedom of trade is fundamental principle, and each government restriction has to be exceptional, legitimized and well argued. The state ownership over assets is part of the state’s involvement into the economy and as such should be argued. If there is a lack of sound arguments, the state ownership is illegitimate.”

There are a few methods of privatization, but the most effective is privatization through the stock exchange. This way, both the principles of market economy with free competition and achievement of the optimal price, and the transparency in privatization will be fulfilled.

In addition, it should be mentioned that now is the best time for privatizing Bulgarian Post EAD since the company has had positive financial account for four consecutive years, which will attract more investment interests.

There are numerous examples of successful privatizations in the postal services. The Netherlands, Belgium, and Germany have already privatized partially or completely the postal services.

### Should the Students Freeze?

Veliko Dimitrov

No matter how different is the current year from the previous one, there is always one similarity: in the Bulgarian education someone somewhere is constantly freezing in winter time. According to representatives of educational institutions, the money, which the government is allocating, is never enough for heating the buildings, thus the students (sometimes the professors as well) do not attend the classes and the problem with heating of the educational buildings becomes the central issue of debate for the Bulgarian academia. Because the low temperatures in the classrooms and university auditoriums are really a serious problem, the state is forced to allocate

additional amount of money from the budget in order to handle these problems. The most recent example is the Sofia University “St. Kliment Ohridsky”(SU), whose unpaid bills for heating the state promised to clear out. The prime minister, the president and other public officials were notified about the crises situation and for a short period of time the problem became national.

The predictable explanation of the crises situation is that the budget subsidy for SU is too small to cover the expenses of the university and in order the problem not to be repeated this subsidy has to be increased. If a comparison is made though between SU and the other big university in Sofia – University of National and World Economy (UNWE), the allocated resources per student for 2006 in SU are visibly bigger:

Table 1

	SU	UNWE
<i>Subsidy – in leva</i>	30 920 119	13 741 449
<b>Average number of students</b>	17 295	10 576
<i>Subsidy per student (in leva)</i>	<b>1 788</b>	<b>1 299</b>

Source: Ministry of education

Regardless of the biggest subsidy for SU in comparative perspective, obviously the resources were not enough. On the other side, the lower subsidy allocated to UNWE did not prevent it to assure heating, which does not mean this was or will be always the case. In other words, a direct relationship between the allocated resources and the establishment of relevant educational environment does not exist. This can be explained by the fact that the current liquidity depends on the revenue and the expenses and it is important how, when and what for the revenue is spent.

Thus, one possible conclusion would be that the way in which the academic system in Bulgaria functions is not the proper one. It is true that in Bulgaria (and not solely) the state subsidy for education are never enough to satisfy the demands of the system and its representatives. It is not a question only of having or not having heating though, the problem is deeper and goes down to quality of education, organization, effectiveness of the academic institutions, professional qualities of the professors, and so on. Should we question all the above?

One of the most prominent arguments supporting state subsidies for education is the existence of external benefits, and also the participation in the academic process of students from families with lower incomes, which would not be possible if the universities were private.

**Regarding the external benefit:**

These benefits exist when the consumption of the particular good/service brings benefit for the society as whole, not only for the consumer of the good him/herself. According to some people, this is the sole reason behind state subsidy for the education. But again, if the public education can teach young, smart and qualified professionals then respectively the private education can do the same. According to the

world’s practice and experience, the qualification and the back-up behind the diploma is far better when received in private universities than in public ones. Respectively, the potential external benefit for the society should be bigger from the private education. In regards to the higher price of private education, it is a matter of argument too. The average semester fee in the SU is 100 lv. but we should add the state subsidy for each student of 1 788 per year, or 894 per semester. This sums up to 1000 lv. per semester. For the sake of comparison, the same price per semester in one of the Bulgarian private schools is around 800 lv. in which a free access to foreign universities’ and international organizations’ data is included, as well as limited number of free copy services. As it is clear the price per semester at the public university is much higher than the one in the private school<sup>3</sup>. Another difference is that on the first place the expenses are covered by all taxpayers and after by those who benefit from them.

**Regarding students from low-income families and the possibility to drop out of the education system:**

- Higher competition among private universities will not only improve the provided services but will also reduce universities’ fees;
- Online education offers opportunities (if they present it in Bulgaria) for lower expenses for educational institutions and respectively lower universities’ fees;
- The private universities offer various opportunities for sponsorship through scholarships, work-study positions, etc.
- There are plenty of opportunities for financing the education by taking a credit.

<sup>3</sup> In some other private schools maybe the price is different, but in the same line of thought the supermarkets from different class are not seldom as well.

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