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**THE GREAT DEPRESSION AND THE NEW PROGRAMME FOR THE  
BULGARIAN ECONOMY (1929-1934)**

(Summary)

The years of the Great Depressions were only a link in the long process of economic development which began after 1879. At the end of last century with particular acuteness before the Bulgarian political elite emerge the question of the model of the future economic development of this country. For a number of reason was chosen a markedly protectionist formula in which were embodied the hopes for the establishment of a local industry. The crisis in the 30s raised a big question mark before the economic elite whether the sacrifices in this respect were justified. The views were sharply divided. The one current insisted on the rehabilitation of agriculture and on redirecting State care from an industry languishing despite the preferences grated for decades, to the occupation of 80% of the country's population. The "traditionalists" were considerably less numerous. In their view the State should not desert its policy so far of industrial protectionism.

The "agrarian" current acquired its distinct shape in parallel with the Popular Bloc taking power. One of the main pillars in it, the Bulgarian Agrarian Union, tried to implement its ideas of restructuring the Bulgarian economic model, putting the accent on the villages. For the other partners in the Bloc the need for a reorientation of the economy was a product of the specific economic changes that took place among with the crisis. In this country it was a crisis of the unstable development. In the past five decades of free life in the country failed

to build up a stable economic structure. Despite the considerable sacrifices by the state, the result was far from the desired one.

The structure of the economic priorities adjusted itself to the new conditions. The State was no longer capable of protecting an industry that brought in low dividends. The new economic orientation had two basic aspects: transformation of agriculture and binding it to industry, on the one hand, and restriction of industrial protectionism, on the other.

During the crisis industry started a process of getting rid of the super protectionism that had developed after the War. The crisis and the ideological views dominating in the ruling Popular Bloc led to the placing of the national industry on more competitive basis. Agriculture was regarded as a raw materials base of industry. It had to direct its output to export. By standardization and grading of the products, by stronger control of quality and by shortening the time of transporting them to the consumers, chiefly in Central Europe, the products of Bulgarian agriculture and livestock breeding contributed to a lasting trade and payments balance of the country. After the mid-30s the deficits in the economy gradually vanished and the State now had bigger resources for special public programs. Thus the war found the Bulgarian national economy in more mature stage of development.