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# Bulgarian agriculture: macrosocial transformation and social interrelationship

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## Abstract

The aim in this article is to present a conceptual model of the transformation problem in Bulgarian agriculture and the process of its development. The model allows analytically distinguishing activities in the economic, political and socio-cultural spheres with an impact on the quality of the living environment. With the help of this model, main mechanisms (tools) could be highlighted to illuminate the researched process with examples of the transformation in other Central European countries after 1989. The research is aimed at revealing the paradigm of social interrelationship and synergistic opportunities for potential benefits from combining the influence of the political factor – the transformation and the community agricultural policy; and economic activity – the socio-economic prerequisites and the national socio-cultural specifics with the human living environment. The research reveals processes of structural dichotomy, concentration of agricultural land in an ever smaller number of farms and expansion of the production of extensive crops at the expense of intensive productions.

**Key words:** macrosocial transformation; social interrelationship; Bulgarian agriculture

## Българското селско стопанство: макросоциална трансформация и социално взаимодействие

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## Резюме

Цел на настоящата статия е представяне на концептуален модел на проблема с трансформацията в българското селско стопанство и процеса на развитието ѝ. Моделът позволява аналитично да се разграничат проявления в икономическата, политическата и социокултурната сфера с отражение върху качеството на жизнената среда. С помощта на този модел биха могли да се открият основни механизми (инструменти) за осветяване на изследвания процес с примери от трансформацията и в други централноевропейски държави след 1989 г. Изследването е насочено към разкриване на парадигмата на социалното взаимодействие и синергийни възможности за потенциални ползи от съчетаване влиянието на политическия фактор – трансформацията и общностната земеделска политика; и стопанската дейност – социално-икономическите предпоставки и националните социокултурни специфики, с жизнената среда на човека. Изследването разкрива процеси на структурна дихотомия, концентрация на земеделска земя във все по-малък брой стопанства, разширяване на производството на екстензивни култури за сметка на интензивните.

**Ключови думи:** макросоциална трансформация; социално взаимодействие; българско селско стопанство

## Introduction

The relevance and reasons for conducting the research relate to the complex processes taking place in Bulgarian agriculture in the last three decades, the genesis of which dates back to the macro-social transformation in the 1990s. The present research is a modest attempt by the author to form an explanatory line of/for the complex state and dynamic changes in Bulgarian agriculture. This could not be explained, much less analyzed, without knowledge of the content of ongoing processes and knowledge of the logic and metamorphoses of our overall social and economic development, the dominant of which is macrosocial transformation. As Emile Durkheim, one of the classics of the social sciences, taught us: *“The only way to prove movement is to walk”*.

Knowledge of the complex mechanisms that drive the economy and its role in the state of the socio-economic system of society, applied to agriculture, frame the subject spectrum for the analysis of public relations in the sector and focus the importance of macro-social transformation for the final economic results in the primary sector. This is a multi-layered framework, in the center of which are also positioned problems with the land factor, which have a connotation of complex natural-social significance. On the one hand as a basic production economic unit, on the other as an irreplaceable natural resource, in a coordinate system between non-renewability and an imminent part of the human living environment. The balance in this complex equilibrium depends on political decisions that aim to ensure and parallel the processes related to the unimpeded functioning of the economic system of agriculture and the processes related to the protection of the land resource and the natural factor as part of the living environment of the individual, the local community and society. The essential characteristic of the analysis of public relations in Bulgarian agriculture after the macro-social transformation is also complicated by the specific features of agriculture as the main and primary sector in the system of the country's national economy. This pre-determines the systematicity in studying the dynamics and character of these relations and the

creation of a conceptual model based on the paradigm of social interrelationship.

Changes in Eastern Europe in the 1990s began in a theoretical vacuum due to the lack of a ready-made project to explain and practically guide the events. The idea of the transition presumed the simultaneous and rapid achievement of three goals: first, market mechanisms were to replace centralized planning as the main organizing factor in the economy. Second, the authoritarian political system had to change in the direction of developing a competitive democratic policy that also includes an active civil society. Third, the artificially homogenized culture had to return to the normal state of pluralism typical of industrialized societies. There was an expectation that as a result of these changes, in just a few years, market-oriented, democratic and pluralistic societies would emerge, joining the center of modern and post-modern civilization.

Project of the Bulgarian transition seemed clear and feasible and was based on unequivocal goals. Real developments, however, soon had a sobering effect. Painful changes push to a careful analysis of historical experience, to a diagnosis of the contemporary situation and attempts to predict future trends in social development. First, expectations for a relatively short-term transition period were not met. At the very beginning of the changes, Ralf Dahrendorf (1990) warned about the failure of optimistic expectations. In stark contrast to his warnings, influential politicians announced just a few years later that the transition was already over in their countries. Today, the social space in the Eastern European region is considered in a much more differentiated way than at the beginning of the changes. Each country in the region has developed its own profile. Seen from another perspective, the social space in the region is increasingly interpreted in the context of progressive globalization. Qualitatively new information on the interaction between local, national, regional and global processes has been accumulated.

The new definitions of social space and time pose dramatic challenges to scientists and politicians, as well as the question why are ongoing processes so difficult to manage? It can be argued

that the central issue is the competitiveness of individual national economies in global markets. The issue of competitiveness itself is not limited only to investment, labor productivity and pricing. Also related to it are political stability, social integration and cultural unity. This conclusion points to the thought that the most complex problem of transformation is actually the mutual coordination of changes in the main spheres of activity carried out by a growing number of social subjects. Supranational structures help manage the increasing complexity of social structures and processes. At this stage, the European Union is the most successfully operating such organization. Proof of this is the wide range of decisions on common scientific, technological, monetary, social and cultural policy of its members.

Given this experience, it is understandable why influential models for reforms in Eastern Europe came from institutional decisions within the EU. These patterns significantly influenced the adaptation of the eastern part of the continent to the ongoing globalization. Due to the geographical proximity, common traditions and interests, the countries of the Union are not understood only as a point of reference in the transformation of Eastern European societies. Their integration in the EU is also understood as an elevator that is able to bring them up to the standards of the information society (Castells, 1999: 336).

The opening of Eastern European societies to EU integration schemes is certainly not the radical solution to their problems in adapting to changing global and regional conditions. The integration of the European continent is part of the challenge itself, because it raises many difficult questions. How does the substantial agricultural sector in the Eastern European region respond to continental integration? This question acquires concrete contours in the analysis of the character of the character of macrosocial transformation in Poland (Golinowska, 1997).

The uncertainty in the assessments of the long-term economic, political and cultural perspectives of Eastern European societies is outlined. The multiple levels and directions of their transformation predetermined the significant potential for failures in its management. The processes

were filled with tensions and conflicts, with risks of high intensity (Genov, 2019).

The main reason for the variety of strategies, tactical approaches and achieved results lies in the differences in the inherited situation “*The only way to prove movement is to walk*” path dependency and in the differences in specific management decisions – quality of decisions. Together, they caused a variety of results in the national transformation, generally reflected in the changes in the GDP in the 1990s of the countries closest to Bulgaria as a degree of development and starting positions for transformation. Bulgaria is an example of intense risks because it experienced a series of crisis situations during this period. The modest economic stabilization of 1994 and 1995 was not consolidated, and economic instability in 1996 turned into an economic collapse. After the political turmoil and early elections, the new government introduced in 1997 the financial institution of the currency board.

The data from table 1 are an eloquent indicator of the potential of economic development in individual countries before the transformation and of the results after the changes in their societies. The Polish economy is a benchmark for successful macro-social transformation. A decade after the turning point, GDP reached 117.1% over 1989.

## Material and methods

The subject of research are the relationships between politics, economic activity and the human living environment, the relations between

**Table 1.** Real GDP in the period 1980–1998 (1989 = 100)

Country	1980	1989	1998
Bulgaria	76,2	100,0	69,0
Poland	91,1	100,0	117,1
Rumania	88,5	100,0	76,1
Slovakia	-	100,0	99,8
Czech Republic	-	100,0	95,3
Hungary	86,3	100,0	95,3

Source: *Economic Survey of Europe, 1999: 65.*

the three spheres and the state of interpenetration between them during the macro-social transformation in Bulgaria.

The research uses the scientific method with components of observation, analysis and verification. To achieve the set goals, the research uses a number of modern scientific quantitative and qualitative methods, systematic and comparative analysis, in-depth research, graphic, monographic method; the chronotopy method, empirical sociological research, questionnaire survey; focus group, expert evaluation.

The analysis in the research is carried out on the basis of different periods of time, which allows, by delimiting the time sections, to better highlight the manifestations of processes and trends in Bulgarian agriculture after the macro-social transformation.

In the course of the analysis, we adhere to the thought, with the power of a postulate, according to which economic knowledge is the basis on which a way of thinking can be developed, instead of proposing utopian solutions. Economic thinking, not the ready-made answer, is a much more powerful means of illuminating real-world processes. Economic thinking is in a logical-consequential relationship with the scientific approach widely used in the analysis of ongoing processes in the socio-economic system of society. The philosopher and historian of science Thomas Samuel Kuhn (Thomas Samuel Kuhn 1922–1996) is considered to be its progenitor. The creative process is an emanation for the dynamic development of all theoretical schools and currents. In 1962, Kuhn published the monograph “Structure of Scientific Revolutions”<sup>1</sup>. An emblematic work in which he structured the stages in scientific research and the theories derived from them as: “paradigm”, “normal science” and “scientific revolutions”. A paradigm is a model, a sample, a way of thinking, which is applied in the development of science in different eras and is perceived as a benchmark. Normal science is characterized by a smooth development relative to the ecosystem of the economic environment. There is continuity in scientific ideas. In scientific rev-

<sup>1</sup> Kuhn, T. D. The Structure of Scientific Revolutions. Chicago: University of Chicago Press, 1962.

olutions, a new qualitative state of science is observed. Dominant views and methods of work are rejected (Kuhn, 1962: ch. 4). A follower of Kuhn is Schafersman Steven D. Schafersman (1997)<sup>2</sup>, who further develops a number of new and builds on existing ideas about the scientific method and its validation in its application to economics.

## Results

### *Social interrelationship and transformation*

A leading theoretical construct that can be used to study the complex macro-social processes after the transformation is the idea of establishing a sociological paradigm, at the center of which is the analytical concept of social interrelationship (Genov, 2019). In the paradigm of symbolic interactionism, social interrelationship is understood as generating and sustaining symbolic exchanges between subjects. In Genov’s interpretation, social interrelationship is defined as the exchange of matter, energy and information between individual and collective social subjects (actors). The other two axes of the definition are the relations between the interacting entities and the processes at the micro-, meso- and macro-social levels of interrelationship. Importance of the social interrelationship paradigm is increasingly being rediscovered, which can also be connected to the PEST model, but goes beyond the technical and technological reading of the interaction. Social interrelationship nowadays also emphasizes the emanation of interaction, with a focus on the philosophical connotation/load of this process. The theme of interrelationship is central to the work and scientific contributions of Karl Heinrich Marx (Karl Heinrich Marx, 1818–1883). Considered one of the fathers of the social sciences, the philosopher Marx laid a methodological foundation for analyzes in the fields of economics, sociology and politics. According to him, “the private interest of the individual must coincide not only with the collective and public, but also with the general human interests”. The assessment of

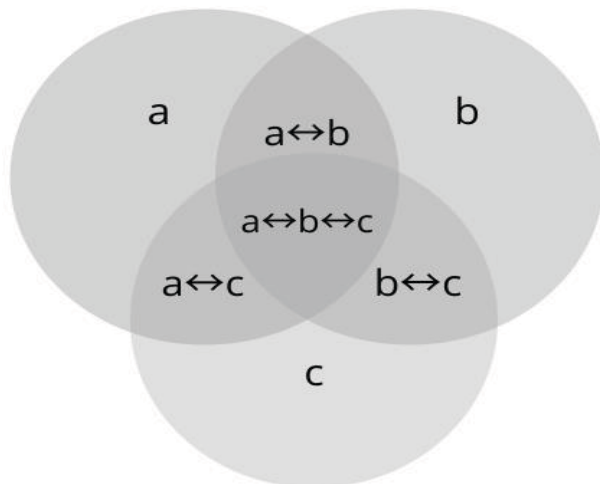
<sup>2</sup> Steven, D. Schafersman (1997). An Introduction to Science. Scientific Thinking and the Scientific Method. <http://www.geo.sunysb.edu/esp/files/scientific-method.html>

contemporary public opinion on the work of one of the fathers of the social sciences is the fact that in 1999 the BBC in its poll declared Marx as the thinker of the millennium.

Social models in economics are complex constructs that can be used to study/evaluate socio-economic processes and conditions in societies. Talkott Parsons (1902–1979) studied social activity as a continuation and further development of M. Weber’s work. In addition, Talkott continues functionalism and elevates it to the level of a systemic macromodel. The AGIL paradigm is an acronym from Adaptation, Goal Attainment, Integration, Latency. The theory studies the role of “actors” in the activities and relations in society, the functional imperatives of the system in society, the main spheres of activity and the relevant institutions, the institutional and normative construction of society. The problem of sustainable functioning and achieving equilibrium in the public system is central (Parsons, 1970).

Our view of a conceptual model of social interrelationship is illustrated in the following diagram:

Diagram 1. Model of social interrelationship



*Legend:*

- a – political environment;
  - b – economic activity;
  - c – human living environment;
  - a↔b – interdependence: political environment↔economic activity;
  - b↔c – interdependence: economic activity↔human living environment;
  - a↔c – interdependence: political environment↔human living environment;
  - a↔ b↔c – anthropocene, the age of man
- Source: Author’s diagram.

The conceptual model uses the principle of the structural organization of multilevel systems. A conceptual model is only a diagram that illustrates/defines the properties of the elements of the planned structure and its cause-and-effect relationships necessary to achieve the stated goal of the project.

The increasingly greening of economic activity and the “greening” of citizenship is a transformation similar to the macro-social transformation that is taking place politically on a global, European and national scale. Ideology creates both opportunities and bottlenecks for progressive political changes seeking justice in the sustainable development of society, socio-economic development and its reconciliation with the preservation of the living environment of man, community and society. Normative economic theory/normative economics, in opposition to positive economics, expresses value judgments about economic justice and what goals public policy should set, what critical ideological values accompany the post-industrial eco-modernizing state. Achieving ideals such as dissolving the nature/culture dualism, unifying the interests of the private and public spheres does not always necessarily promote justice. In fact, the state implements these ideals by supporting corporate, social and environmental responsibility, dismantling the welfare state, embracing market globalization, green consumerism and “livability”. Rather, as Scerri (2012) argues, the greening of citizenship evokes a new grammar of justice that centers on a “well-being test”.

***The Binomial Society-Nature***

Production is a process of creating the necessary material goods for the existence and development of both the individual and society as a whole. This is a postulate of economic knowledge, which explains the fact that since ancient times man, as a part of nature in order to survive, is obliged to protect it. At the same time, in the course of the development of human society, changes occur in the attitude of man to the surrounding world. The process of change is an emanation of human life and a kind of standard for the development of society. More than 2,500 years ago, Heraclitus be-

queathed the philosophical code to decipher this phenomenon: “*Panta rhei, panta chorei*” (Everything flows, everything changes).

The perception that nature is a source of inexhaustible goods leads to confirmation in the public consciousness of the thought of complete domination over it. From the dawn of the industrial age, until now, for several centuries, society has been taking more and more resources from nature without considering the risk of their depletion. In the future period, if these processes are not actively countered, the environment for human development would suffer certain unfavorable limitations. This is a reason to declare the Anthropocene, the age of man, at the beginning of the 21st century.

It is a postulate of basic economic knowledge that for the implementation of social production, the presence of the three factors of production is necessary: purposeful human activity or labor itself, capital and land. It is undeniable that the production of food products is the most important condition for the life and development of both the individual and society as a whole (Marx, Maslow). Hence the significance for the study of the role of agricultural production in economic life and in the material sphere of any national economy, as well as the relationships of interdependence with the living environment.

Given the limitation and specificity of resources in agriculture and the role of the sector in creating value in the national economy, as a result of the application of the paradigm of social interrelationship, some problems stand out when using the natural factor in the economic activity of subjects in the primary sector and the significance/relationship them with the sustainable preservation of the qualitative characteristics and quantitative parameters of the natural and biological resources used in agriculture in the dynamically changing political environment after the macrosocial transformation.

Society and nature are part of a common system and are in a variable relationship with each other on the principle of feedback. Therefore, the social and natural environments of man cannot be separated from each other within the general ecological system. They are a function of the unity be-

tween phenomena in nature and the consequences of human activity on them. This unity is not subject to the laws of nature alone, nor to the particularities of the social environment alone. The human environment is created under the general and complex impact of natural and social systems.

Natural systems consist of organic systems in which the balance of living matter, energy and information is maintained, this is the balance in natural ecosystems. These essentially “logical” structures obey their own internal laws, ensuring both their dynamics and the internal stability and balance of the entire system.

Social systems, including political and economic, are characterized by the fact that they are created with a view to satisfying the needs of both the individual and society as a whole. By their nature, they are closed and, unlike natural systems, do not have the ability to self-regulate and self-restore.

Natural and social systems do not function in isolation and independently of each other. They are in an active relationship and are in a process of continuous interaction where they complement each other. Therefore, the human environment is that set of natural conditions and social phenomena in which man develops as a natural and social being. As part of this environment, it has a significant adverse effect on her. In the course of their production activities, society and economic systems interact with ecosystems and the biosphere as a whole. This complex two-way process results in significant changes in both nature and society.

At the beginning of the last century, the philosopher Chardin, the biologist Rois and the biogeochemist Vernadsky justified the leading role of human reason in the relationship between man, society and nature. This view is the basis of their concept of the so-called “Noosphere”. By analyzing the relationships in the three-level chain “man – society – nature”, Vernadsky emphasizes that thanks to human creative behavior and rethinking, the biosphere becomes a noosphere, i.e. in the realm of reason.

Unlike the ecosystems of other living creatures, that of man also includes the results of his work as a rational being. Because of this, Vernadsky defines it as an ecological force. The changes that human

activity causes in nature lead to long-lasting consequences and affect the natural human environment – the biosphere. Contemporary trends in the human-society-nature chain outline a crisis point in humanity's relationship with nature. This has given rise to increased international and interdisciplinary research to uncover the ecosystems that make up Earth's biota and the role of human activity. As a continuation of the noosphere theory at the beginning of the 21st century, the Anthropocene – the age of man – was announced.

Humus<sup>3</sup> from Latin – earth, soil is the main source of mineral substances and energy necessary for all plant species. The affinity between humus and homo<sup>4</sup> is a trace of cognitive science, which deals with the cognitive ability of humans to create and use systems of symbols with a particular meaning. Scholars of the age of encyclopedic knowledge probably knew the symbolic load of this relationship, which can be a subject for reflection even today, in the Anthropocene era.

To a large extent, the complexity of the processes affecting the activity of the actors in the economic system is dominated by processes with a higher hierarchy, of a political, global and regional nature. Macrosocial transformation is a process of a similar rank.

Macrosocial transformation in our country was carried out with consulting assistance from world authorities. Due to the absence of active expert analyzes and Bulgarian opinions, the reforms were carried out with a political motive<sup>5</sup>. The absence of in-depth scientific analyzes of the effect of the change of the social model was largely due to the unpreparedness for such a cardinal change and the underestimation of the effect on society. This also explains the subsequent results in the economic situation after the mac-

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<sup>3</sup> humus (lat.) land, soil.

<sup>4</sup> The generic name homo homō (from Latin man) in turn derives from the Old Latin form hemō (“earthly being”), cognate with the word “humus”.

<sup>5</sup> A World Bank country study. Bulgaria Crisis and Transition to a Market Economy. Volume I. The Main Report. 1991. The World Bank Washington, D.C. „Bulgaria became a member of the World Bank on September 25, 1990. A World Bank economic mission visited Bulgaria from June 27 to July 13, 1990. This study represents the work of this mission“. The authentic announcement of the first World Bank report of 1991.

rosocial transformation. Bulgaria, due to lack of time, unreservedly accepted the expert opinion of the world consultants and the solutions proposed by them for moving to a new social model of development. The pragmatic approach was accompanied by a strict framework of technical assignments, which had their parameters, indicators and deadlines. Compliance with folk-psychological specifics was absent for the same reasons. The approach of Poland and Czechoslovakia was different. In the transformation, the “social vector” was taken into account, the change was projected in relation to the economic system towards which the political reforms were oriented (Bures, J., 2012; Aslund, A., Djankov, S., 2014).

The reform in the primary sector in our country started with the restoration of property rights “within real borders”, legally regulated by the Law on the Ownership and Use of Agricultural Lands from 1991. The decision was political, it was implemented under the influence of motives to restore justice, some of which contradicted economic and legal logic. A right that was not taken away, was restored, given the essential specifics of small-scale farms, the cooperation of agriculture had to take place when there was private ownership of the land. The preservation of rent, as an economic expression of the private right of the cooperators as owners of the land, was, in our opinion, an example of social interrelationship in the transition from a private to a planned farm.

Macrosocial transformation led to cardinal changes in agriculture. Due to generational dynamics and a generational vacuum, land was restored to persons whose residence and profession were outside rural areas (Yovchevska, 2016:52 et seq.). The old borders of the properties were unknown and unrecognizable by the heirs. By virtue of the Inheritance Act, land properties continued to be divided. These were prerequisites for the growth of uncultivable land in Bulgaria.

In this conjunctural environment, the restored right to land ownership was an essential argument for fulfilling the liberal idea of market power embodied in the theory of globalism. The state withdrew from the economy, including and from supporting the agricultural sector. This further complicated the making of workable decisions when

appropriating agricultural land ownership. The lack of direct contact with the village for a large part of the heirs of the former owners of the “returned” land plots further hindered the inclusion of agricultural land in economic turnover. The Law of Inheritance continued to operate, under which the land was increasingly fragmented. Bulgaria acquired over 1,000,000 landowners. The majority of them did not know where their property was located and did not intend to take action to realize it. With the created complex socio-political environment, the philosophical maxim uttered by Seneca junior was relevant for Bulgarian agriculture: “*Even after a bad harvest one must sow*”.

After the implementation of in-kind restitution borders and the liquidation of the established economic structures in Bulgarian agriculture, the internal factors for the demand for agricultural land were severely limited. The political decision to change the organizational form of the production process was carried out in the absence of scientific expertise for economic expediency. Motives were “restoring justice” at odds with economic logic. The result was fragmented land ownership and agricultural lands taken out of economic turnover, reduced production, broken balance links at the sub-sectoral and sectoral level, as well as an interrupted process of adding value in the processing of agricultural production.

In the ongoing processes during the transition in our country, the essential nature of the change was not taken into account or economized. The new/future economic conjuncture was not predicted/economized. The fact that in the period 1945–1990 the emphasis was placed on the form of management of land resources and not on questions of ownership was not observed. In the transformation of the social model of society after 1990, the motive/emphasis was the implementation of in-kind restitution. The prioritization of the property rights on the agricultural land took place at the expense of the economic goods that could be rented from the land use. A self-serving restoration of the right to property was being carried out, regardless of the economic consequences of such a mechanical reform.

As a result of all these factors internal to the country and the sector, land relations emerged

slowly and chaotically. The institutional environment did not favor the processes for their development and improvement. The ownership of agricultural land in Bulgaria was not taken away, but is societized. The land is restored according to a complex administrative-bureaucratic procedure. After the transformation of the socio-economic model of society, the sectoral legislation in the field of agriculture and its part regulating the use of agricultural land, changed dynamically (Georgiev, 2019:19-27) and further aggravated and complicated the economic situation. Changes to the Law on the Ownership and Use of Agricultural Lands (LAW) began immediately after promulgation. Numerous amendments blocked public relations in the use of agricultural lands<sup>6</sup>.

Restoration of land ownership was a complex process combining political, social, geophysical, etc. problems before reaching economic rent by the new owner of the restituted land. This was also one of the reasons for the short-term leasing of agricultural land. The data of the Ministry of Agriculture show that in the first years after the restoration of land ownership, one-year leases prevailed. Given the guaranteed market for agricultural produce, the lessees grew mainly wheat or corn on the leased areas, which had not yet been restored to the former owners. The beginning of the first large-scale farms with the potential for competitive and modern agricultural production was started. This often led to a violation of the correct crop rotation, as a result of which erosion processes were accelerated, the risk of diseases and pests increased, and soil fertility was depleted. The removal of these adverse influences was related to the application of chemical agents in economic practice, which was a risk factor for the protection of agricultural land as a natural factor and worsened the quality of the human living environment. In the period of recovery of the economic system of the sector, these negatives were concomitant and somewhat inevitable.

An irrevocable condition for observing the ecological and economic principle in agro-ecosystems is the application of such technological solutions that ensure a high economic result from the investments of labor and capital, while preserving

<sup>6</sup> <https://www.lex.bg/laws/ldoc/2132550145>



and improving the fertility of the soil is imperative for traditional agrarian structures. This also corresponds with the interests of the property owner and society in order to preserve/protect the land as a natural resource and an irreplaceable factor of production. He is still empowered only legally. Guaranteeing the stability of the three-level chain: man – society – nature, will be on the agenda after ensuring economic activity.

The political decisions of *socium* to preserve the living environment are gaining more and more essential importance at the beginning of the 21st century, during the Anthropocene. Positive beginnings for preserving the quality of the land resource are the 4-year term for the lease of agricultural land and notarization of the contract provided for in the Lease Law. These political and normative actions are a confirmation of the concern of the society not only to accelerate the development of land relations in our country, but also to focus on the preservation of agricultural land in our country and also confirm the presence of elements of the paradigm of social interrelationship. This will stimulate the lessee to apply the best technological solutions in agricultural production, which in the long term will provide him with a guaranteed high income, combined with a sparing attitude to the land resource. The interest in preserving and even increasing the soil fertility of the leased agricultural areas is stimulated in order to obtain permanently high yields. As a result of the changed conditions, in practice there are already concluded contracts significantly exceeding the rental term mentioned in the law. This can be considered as a positive sign of the favorable influence of political decisions on the improvement of public relations, the improvement of economic activity and its combination with the principles of sustainable agriculture in our country. In this case, during the change of the system of agriculture from the imperative principles of the centralized plan and the transition to the free market, there is a parallelization of the interests of the owner of the agricultural property, the tenant and the society as a whole, given the protection of the land as a natural resource and the main production factor in agriculture. This synchronicity between *socium*, ad-

ministration and economic actors is a positive remark for Bulgarian agriculture during the macrosocial transformation in our country. The genesis lies in deep socio-cultural traditions that have a multi-layered socio-economic profile. The possibilities for providing sustenance, securing a livelihood, production and export of raw materials and processed agricultural products are part of the sources for shaping the social fabric mark of the Bulgarian society in different historical periods and during macro-social transformations, as well as a manifestation of the paradigm for social interrelationship. It is directly related to ensuring the economic activity of the actors in agriculture in a way that corresponds to the conditions for the implementation of economic activity, adaptively plastic to the political and socio-economic processes in society.

Social interrelationship is the paradigm that could be used to explain why, when there is uncertainty in ensuring the production of necessary products or raw materials, the subject organizes and finds a technological solution that provides value addition with the lowest inputs to complete the production process. An example of this is establishing an interaction/combination of the potential of the biological/ecological factor and its “economization/renting” as an example of the cultivation of protein crops in the period after the macrosocial transformation. Social interrelationships in agriculture have remarks at the micro, meso and macro levels. The expansion of the areas with leguminous crops grown in the mixed farms during the crisis years of 1996–1997 is a marker of a motivated decision of the entities in the Bulgarian agriculture with the aim of optimizing production and ensuring the economic year in a way that guarantees own fodder for feeding the livestock in the farm and, accordingly, ensuring food sovereignty of the family. Here, the paradigm of micro-level social interaction is deeply layered of an economic, ecological and social nature. It is a marker of environmentally friendly activity, not always realized, but rediscovered as an effective solution when combining the potential of the biological factor with the desired result of economic activity. The Bulgarian subjects in agriculture have the heritage of the traditions

of their ancestors and capture the impulses of the “Green Transformation” emerging towards the end of the 20th century (Kabadzhova, 2022; Tsvyatkov, 2022). A number of the author’s case studies show that farm activities are carried out by actors with the awareness that land is a “family value” and a “source of goods/income”. The development of the economic environment, favored by political decisions to combine economic and ecological principles, is an expression of the paradigm of social interrelationship.

The political decision for the country’s accession to the CAP is accompanied by significant changes in agricultural holdings and in the used agricultural area, presented using the graphical method in Fig. 1.

The processes in the graph show a trend of increasing inequality. Fewer and fewer entities in agriculture manage ever larger UAA. This phenomenon is in dissonance with the social interrelationship paradigm and with the CAP 20–23 + policy to support small and medium-sized farmers.

The information collected is in response to the obligations to society, which must be objectively and impartially informed about the state and trends in the development of agriculture in the

EU Member States, incl. in Bulgaria. We back up the view that representative data<sup>7</sup> is the wealth that generations of data users – politicians, researchers, business representatives, citizens – will reach for the purposes of their projects, comparisons, analyzes, models and strategies.

With the help of the graphic method final data from conducted statistical observations in 2007, 2010, 2013 and 2016 are presented (Fig. 1). The observation period covers the first 10 years of Bulgaria’s full membership in the EU–27 and reflects trends that mark the development of our agriculture in the implementation of the CAP.

The analysis of the presented information reveals a process of pronounced and increasing dichotomy<sup>8</sup> between the used agricultural area and the structure of the economic entities operating in the Bulgarian agriculture. Economic behavior aimed at extracting rent in the absorption of European funds is observed. This may explain the presence of the dichotomy and its growing into

<sup>7</sup> The texts of Regulation (EU) 2018/1091 of the European Parliament and of the Council on integrated agricultural statistics require that representative information be provided for 98% of the utilized agricultural area and 98% of the livestock units in each Member State.

<sup>8</sup> From Greek: διχοτομία – “splitting in two”

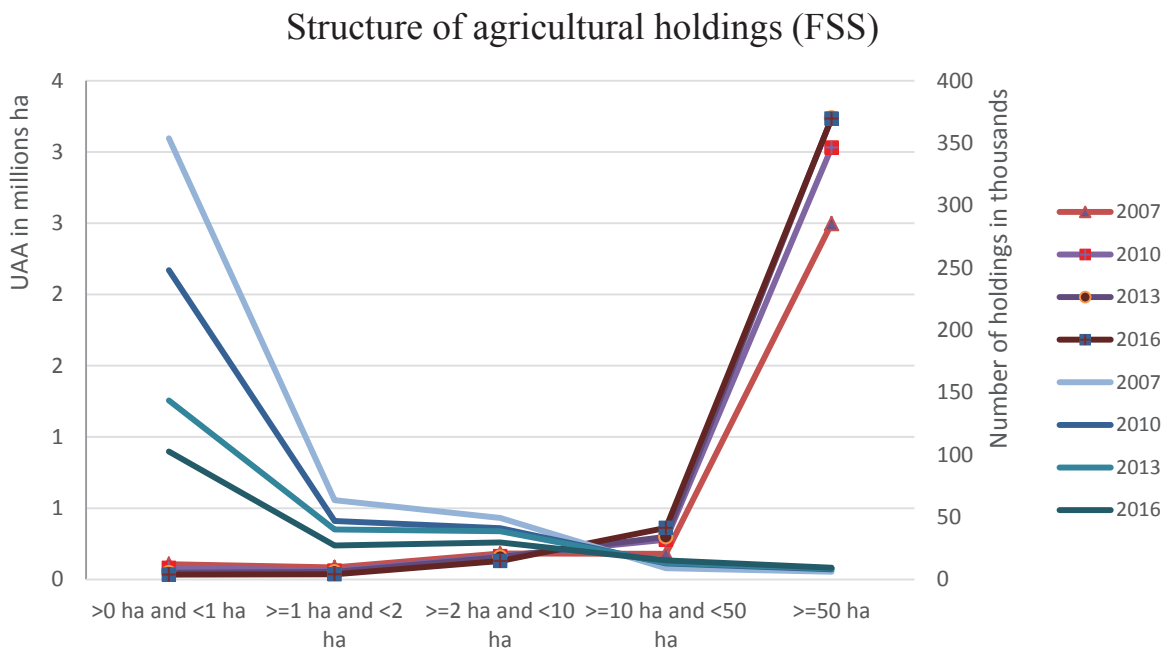


Fig. 1. Distribution of holdings by size UAA

Source: Ministry of Agriculture, Food and Forestry, Department Agro-statistics, DG ARP, FSS.

inequality (Stiglitz, J., 2012; Piketty, T., 2014). As early as 1993, in Lecture to the memory of Alfred Nobel, Douglass North shared that the institutional-cognitive approach could explain uneven economic development<sup>9</sup>. Probably, the cognitive principle should be strengthened in the analysis of modern processes of inequality.

The implementation of the CAP leads to an increase in the size of UAA in large farms. Subsidizing production per unit area, as a way to support actors in the sector, is an easy to administer process. This was the main argument to make the choice in 2007. With the relatively modest national support for agricultural production and expanded opportunities of foreign trade, Bulgarian agriculture is increasingly acquiring a monocultural appearance. Large farms industrialize production processes, cultivating crops with fused surface and modernizing technological solutions with the help of support from European funds.

<sup>9</sup> Nobel Lectures in Economic Sciences, Vol. 3 (1991-1995): The Sveriges Riksbank (Bank of Sweden) World Scientific Publishing Company, 1997 by Torsten Persson (Editor) 280 pages, ISBN: 978-9810230593. <https://www.amazon.com/Nobel-Lectures-Economic-Sciences-1991-1995/dp/9810230591>

The increased modernization, the higher competitiveness, the achieved volumes of production with high quality indicators are positive effects for the improvement of the economic situation in the Bulgarian agriculture and increase of the value created by the sector in the national economy. At the same time, the number of small farms is declining, a process that can be interpreted as the normalization of the economic environment after the numerous problems in the transformation of the social model three decades ago and the restitution of the land to the former owners “in real boundaries“. Given the specifics of Bulgarian agriculture and the monopolistic quality of natural resources for growing crops, this phenomenon of dichotomy in the sector is the reason for a number of issues burdened with socio-economic content. This process also hinders crop diversification (Aleksandrova, Kabadzhova, 2020).

It turns out that the initial reading of the results of the functioning of the economic system in Bulgarian agriculture validated the postulate that business follows money. Convergence has been achieved in the implementation of the SAR (Ivanov, 2020). Some authors place Bulgaria into



Fig. 2. Holdings specialized in cereals, oilseeds, protein crops, vegetables, flowers and mushrooms  
 Source: Ministry of Agriculture, Food and Forestry, Department Agro-statistics, DG ARP, FSS.

a separate cluster, calculating the productivity of one AWU (Rađenović, Ž., 2022). At the same time, if the analysis is located in the coordinate system of natural resources – economic results, a number of discrepancies are revealed. Despite the rich natural and climatic conditions for the production of fruits and vegetables, after the application of the CAP, unfavorable tendencies are registered concerning the intensive crops in Bulgarian agriculture (Fig. 2). The growth of extensive crops is significant. The trend of increasing the number of farms growing cereals, oilseeds and protein crops is sustainable. This trend has been registered right after the transformation (Meekhof, Schmitz, Penov, 1994). The return on investment in the cultivation of these crops is accelerating (Mikova, 2020). Despite the registered slight decrease in the number of farms, given the updated technologies and innovative technical and often digitized solutions in the cultivation and harvesting of production in intensive crops, the valuable economic results of extensive crops are increasing. This, if we return to the postulate of money, ensures stability and keeps those employed in the grain sector. At the same time, the decline in intensive production is significant (Fig. 2). During the first three years of the observation period, vegetable farms were halved. This coincides with the period when the nomenclature “vulnerable sectors” appeared in Bulgarian agriculture. Production in the vegetable, fruit and livestock sectors fell into the group of vulnerable. A kind of paradox for which no ready-made solutions are found in economic theory (Kuhn, 1962).

The holistic study of matter, in which living and non-living conditions are intertwined, of biological, ecological, economic and social laws, is a complex process (Vlaev, M., 2020; Stanimirova, Kerechev, Ivanova, 2021). Further complicated by the agenda of political decisions and institutional actions (Georgiev, 2021; Mihailova, 2022). Following the introduction of support to vulnerable sectors, there has been a slowdown in the initial collapse in the number of agricultural holdings in the Vegetables sector. The return on investment is still unsatisfactory. The analysis of the data from Fig. 2 provokes a very serious expert approach in which opportunities can

be found for rediscovering the givens of the natural factor and revealing synergy opportunities for improving the state of Bulgarian agriculture in economic, social and socio-cultural terms.

Preliminary results from the 2020 census (CENSUS, 2020) indicate that the dichotomy process is intensifying<sup>10</sup>. Published preliminary data report a serious decrease in the number of UAA farms below 10 ha compared to 2010. In case of the smallest, those up to 1 ha, only one-fifth remain. In 2020, farms with UAA up to 2 ha are only one third of those in 2010, and farms with UAA up to 10 ha decrease by 60%. The opposite trend is in the case of economic units managing large-scale farms. Their share increases by 28% in 2020 compared to the 2010 census. This process of UAA consolidation leads to the fact that 9% of the agricultural farms in Bulgaria (with 50 and more ha) manage 85% of the land with agricultural purpose in our country. This stabilizes the process of expanding monopoly production, stimulates the cultivation of extensive crops and limits the production of value-added agricultural products. The nomenclature of cultivated crops decreases sharply and the country has to import fruits, vegetables and livestock products, nomenclatures for the production of which Bulgaria has unique natural and climatic conditions.

## Conclusions

Macrosocial transformation is a complex process accompanied by cardinal changes and many problems in Bulgarian agriculture. The exhaustion of the planned economy creates conditions for a transition to a free market, which turns out to be a difficult and controversial process. The social model of the transition in Bulgaria is realized with political motives, variable economic results and due to strong socio-cultural traditions with a preserved living environment in the course of agricultural activity. This is also confirmed when applying the author's conceptual model. Social models are complex macro models with an accurate assessment of ongoing processes. The noticed dichotomy could

<sup>10</sup> MAF, Agrostatistics. Bulletin N 390.2021 [https://www.mzh.government.bg/media/filer\\_public/2021/05/05/census2020\\_publicationpreliminarydata.pdf](https://www.mzh.government.bg/media/filer_public/2021/05/05/census2020_publicationpreliminarydata.pdf)

be reduced with the application of CAP 2023+ in Bulgarian agriculture. The support of the European policy for small and medium-sized agricultural structures, short supply chains, farmers' markets, producer associations are potential opportunities for overcoming structural imbalances and developing intensive sectors in Bulgarian agriculture. This will contribute to societal benefits in applying the paradigm of social interrelationship in the Anthropocene era.

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