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Sociological Interpretations

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Introduction: On the Social Reality of Organic Farming and Its Sociological Interpretations

Almost four years ago, part of the authors of this book approached researchers from the Swiss Research Institute of Organic Agriculture FiBL with a proposal for a joint project. This led to the project *Addressing socio-economic regional disparities: the potential of organic farming for strengthening rural areas in Bulgaria* (*Bulgaria Organic*), financed by the Bulgarian-Swiss Research Programme (2011-2016). The partnership between Swiss and Bulgarian researchers enabled exchange of knowledge in the fields of sociology, political sciences, and agricultural economics. But it also did something more: it allowed the Bulgarian team to introduce a new field for research and to investigate how a new social reality was created by various actors and their institutional, network and market interactions.

The social reality of organic farming in Bulgaria turned out to be multilayered. On the one hand, organic farming can be presented as an integrated agricultural production system based on environmentally friendly principles of sustainable use of natural resources and production of high-quality and healthy food. Its main characteristic is that it avoids the use of synthetic pesticides, herbicides and genetically modified organisms, using, instead, natural methods of disease control, such as crop rotation, intercropping, green manuring, and stimulation of natural plant and animal defence mechanisms. Insofar as organic farming employs techniques that help sustain ecosystems and reduce pollution, it provides a specific type of public goods related to environmental protection (Stolze & Lampkin 2009). Yet organic farming is not merely a radical alternative to the so-called conventional production of agricultural and food products. It is a phenomenon that shows a series of transformations in the relationship between humans and nature, whose immediate result are changes in contemporary consumer behaviour and choice of foods, in European and national agricultural policies, as well as in farming practices themselves. These transformations date back to the early 20th century, when the idea of organic farming appeared in Europe, as well as in other parts of the world, as a concept uniting different discourses: on the loss of the rural way of life and traditions, caused by the modernization of agriculture, on the quest for alternative ways to revive social life in rural areas, on the need to find a new, environmentally friendly way of food production, to overcome the rural-urban and producer-consumer divide, and to create alternative ways of relating to others and to nature (Tovey 1997).

In the period between the two World Wars, many European countries were faced with problems related to decreasing agricultural yields and declining quality and nutritious value of agricultural and food products. These problems gave rise to heated debates on the use and effects of pesticides, herbicides and

mineral fertilizers, especially against the background of discoveries of residues of toxic elements such as arsenic, copper or mercury in foods due to the use of chemical substances in agriculture. The intense processes of industrialization of the agricultural and food sectors and of rural-urban migration made it all the more urgent to question the mainstream consumption models and attitudes towards food, land, and nature. Spontaneous grass-root reactions against those negative processes began to appear already in the first decades of the 20th century. In 1927 the first standards for organic farming were developed in Germany under the influence of various social movements for change in the attitude towards land and the way of life (Arbeitsgemeinschaft Landreform and Deutsche Gesellschaft für Lebensreform) (Lockeretz 2007:15-16). In the 1930s and 1940s, organic farming methods were also introduced in other European countries, such as Switzerland, Austria and the UK, and led to the emergence of new farmers' movements, organic farms and training centres. In the 1950s, organic farming gained a foothold in France under the name "*agriculture biologique*", and in the 1960s the Swiss Farmers' Movement for a Native Rural Culture (Schweizerische Bauern-Heimatbewegung) developed an original organic farming practice called "organic-biological agriculture" (Lockeretz 2007: 10-18).

At the beginning of the 1970s, the growth in the number of farmers' movements led to the establishment of the International Federation of Organic Agriculture Movements (IFOAM). From a sociological point of view, it is interesting that organic farming was developed not merely as a critique of conventional agriculture – it was developed on the basis of knowledge and by actors who did not necessarily have experience in the sphere of agriculture or agricultural sciences (Michelsen et al. 2001:6). In this sense, organic farming became a social reality thanks to the interaction of different stakeholders and interests: of farmers, consumers, scientists, activists and defenders of various civil rights. Hence, organic farming has a profoundly social origin. It is a discourse expressing a specific value-attitude towards land and nature, a social movement in itself, but also an institution in that it has succeeded in formulating its values and principles and in transforming them into norms for production of agricultural and food products (Michelsen 2001:7-8).

Part of those norms have been objectified in regulations and standards for production, processing and labelling. In fact, if until the beginning of the 1980s organic farming developed mainly under the influence of farmers' social movements and interested consumer groups, it subsequently became an object of political attention (and influence) in Europe: initially in countries like Denmark, Austria and Switzerland, which were the first to introduce national legislation on organic farming, and later also in the European Community as a whole. Organic farming turned into a political issue as the negative environmental and other effects of the postwar development of agriculture – in particular, soil and water pollution with pesticides and herbicides, and agricultural overproduction – became ever more tangible in Europe. This necessitated introducing policies to support

agri-environmental practices, including organic farming practices, as a means of reducing pollution, regulating agricultural output, and improving food quality.

Compared to the Common Agricultural Policy (CAP), which was born after the Second World War, organic farming is a new field of political regulation within the EU. It was defined as a specific sector of agriculture in 1991, when the first regulation on organic farming – Council Regulation (EEC) No. 2092/91 – was adopted. From 1992 onwards, organic farming was included in the national rural development programmes. The main objectives of the policy laid out in the first European Action Plan for Organic Food and Farming (2004) tied support for organic farming to its potential to create a specific market responding to a consumer demand for organic products, which would not only provide opportunities for private economic benefits but also deliver public goods in the food sector and contribute to the protection of the environment and animal welfare, as well as to social rural development.

Bulgaria's EU accession negotiation process, which started in 2000 and led to full membership in 2007, introduced organic farming into the Bulgarian context, too. The lack of an explanation and analysis of how this process actually occurred, who the main actors involved in various aspects of organic farming were, how these alternative farming practices and policies developed, and how and whether they have had an impact on rural areas, were only part of the questions that inspired the Bulgaria Organic Project. The overall aim of the Project was to study the development of organic farming in Bulgaria in terms of institutional, entrepreneurial, market, and social (collective) practices. To achieve this aim, the Project set itself several research tasks. The *first* one was to understand the institutional development of organic farming in Bulgaria, and more specifically, to identify and analyse the role of various institutions and organizations in it in the 1990-2012 period. The analysis was based on data collected from different sources by the following methods: (1) twenty-two semi-structured interviews with experts in the field of organic farming; (2) publicly available data in the Ciela Info Register and in the specialized press; (3) secondary analysis of literature; (4) archival materials from meetings of working groups, committees, etc.; (5) analysis of legislation relevant to organic farming. One of the main contributions of the institutional analysis is the finding that in Bulgaria, unlike in Western Europe and some Central European countries (e.g. the Czech Republic and Hungary), organic farming did not emerge under the influence of a social movement of farmers, farmers' and consumer organizations. It emerged within the framework of academic and non-governmental organizations back in the early 1990s, initially receiving support from organizations outside the EU (mostly from Switzerland) and, from 2001 onwards, also from the EU (pre-accession and operational programmes and funds). Collective forms of action of agricultural producers are to be found only after 2008, when various stable organizational forms – such as that of the Association of Organic Producers (Bulgarian Organic Products Association) appeared in Bulgaria. However, the absence of spontaneous regional or professional forms of association directly supporting the marketing of produce

or defending producers' interests at the regional level attests to a significant lack of trust and is one of the factors hampering the development of the organic sector. The role of the state in the process of institutionalization of organic farming is contradictory: although various strategic documents define organic farming as one of the national priorities in Bulgarian agricultural policy, the support it gets from the state is contradictory. This conclusion is based on an analysis of the collected data, which shows that there is a lack of coherence between the political discourse, as expressed in regulatory/legislative and strategic documents, and the instruments for implementing organic farming policies. Although this lack of coherence was partly remedied by the provision of EU funding (compensatory payments) for agri-environmental activities, the results of the implementation of organic farming policies are modest. At present, the total area under organic farming in Bulgaria is only 1% of the utilized agricultural area (UAA). Although in the 2010-2012 period the number of registered producers, processors and traders of organic agricultural and food products (the so-called organic operators) increased several-fold, consumption of organic products in Bulgaria remains much lower than in the other EU member countries.

Attempting to attain a deeper understanding of those national specificities, the *second main task* of the Project was to analyse the policies on organic farming development in Bulgaria in the 1990-2012 period. More specifically, the analysis focused on the creation of networks for organic farming policymaking and development. It used data from sixteen semi-structured interviews with actors actively involved in policymaking, data from the analysis of legislation, and data from the secondary analysis of literature. The analysis was conducted with the help of the social network analysis software UCINET 6.0, and the networks themselves were visualized by another software, Visone. This specific network analysis made it possible to identify the types of actors playing a dominant substantive and organizational role in organic farming policymaking, as well as the types of relationships between them – relationships of interdependence, or of mutual opposition which, however, may also lead to coalitions forming "centres" of the network. The analysis shows that unlike in the countries of Western and Central Europe, where farmers' organizations are actively involved in organic farming policymaking, in Bulgaria farmers do not directly participate in the design of organic farming policies. The dominance of advisory, academic, and certification organizations in the networks for policymaking and development until 2010, combined with the lack of political support for organic farming development and the existing conflicts between various state institutions, led to the elaboration solely of regulatory instruments for policy implementation – that is, to the promotion of organic farming as a concept and to regulation of its existence. There were, however, no financial and communication instruments ensuring the promotion and development of actual organic farming practices. The establishment of associations of farmers and traders after 2008 and their active inclusion into the network

coincided with the commitment of the state to provide support for organic farming under pressure from the EU and led to the introduction of the necessary instruments and to actual implementation of the relevant policies after 2010.[1]

Understanding the effects of the process of top-down institutionalization of organic farming and the functioning of networks for policymaking and development at the micro-level – that is, at the level of organic operators – was the *third research task* of the Bulgaria Organic Project. The main challenge for the Bulgarian team was to find an answer to the questions of *who* (actors) has started organic farming in Bulgaria, *when* (period of development of organic farming in the country), *how* (activity and resources), and *why* (motivations). In order to collect the necessary data, the team conducted thirty-two in-depth interviews with organic operators (producers, processors, traders) in three regions in Bulgaria: North-West (Severozapaden), South-West (Yugozapaden), and South-Central (Yuzhen Tsentralen). Those three regions were chosen on the basis of several main criteria, such as traditions in organic farming, number and size of organic holdings (organic farming is characteristic mainly of small farms), variety of crops grown, and existence of areas protected under Natura 2000. The respondents were selected to represent the widest possible range of activities conducted in the organic farming sector in the form of production, processing and trade of agricultural and food products and combinations of those activities, as well as of organically raised crops and livestock species. The criteria applied in their selection included year of engagement in organic farming activities, present status (in conversion or certified organic[2]), size of the holding/farm, and degree of involvement in the food chain (engagement in one or more activities). Two main sources were used in the selection process: publicly available lists of organic operators in the control system of three certification organizations in Bulgaria, and the public register of organic operators published on the website of the Ministry of Agriculture and Food. The data obtained from the interviews made it possible to identify various sociological problems that are analysed in this book.

Svetla Stoeva's article attempts to join a contemporary debate in entrepreneurship research – namely, the debate about *which are the sources of entrepreneurial opportunities*. Following the thesis of Shane and Venkataraman (2000), the author addresses the question of *how* opportunities for entrepreneurship in the sphere of organic farming have appeared in Bulgaria, *who* (what actors) has discovered those

[1] For the results of the analysis of organic farming policymaking networks in Bulgaria, see Slavova, Moschitz & Georgieva (2016).

[2] According to Bulgarian legislation, conventional farmers who want to switch to organic farming must undergo a conversion period of at least two years (depending on the crops grown). During that period they have to prove that they have created conditions for organic production without using pesticides and synthetic fertilizers that are prohibited in organic agriculture, and that they are complying with European Community (EC) standards and rules of organic production. Proof thereof is provided by the certification company in the form of a certificate of compliance with EC organic production rules.

opportunities, and *in what form* they are used: in a productive form or not. Starting from the assumption that entrepreneurial opportunities have an objective as well as a subjective component, the article focuses on *the role of various factors of the institutional environment* in creating opportunities for organic entrepreneurship. To this end, it uses some contemporary applications of the neo-institutional approach in sociology to study the relationship between institutions and entrepreneurship. The analyses of Lee and Sine (2012), Mayer-Schönberger (2010), Companys and McMullen (2007), and Jacquemin and Janssen (2015), serve as a basis for examining the changes in the *normative* and *regulative* elements of the institutional environment as sources of opportunities for organic entrepreneurship. The author's findings show that the opportunities for organic entrepreneurship in Bulgaria were created within the framework of two types of "*projects*": a "*normative project*" implemented by various "*normative institutional actors*"; and a "*political project*", that is, the various *government interventions* (policies and regulations) in the organic farming sector. The analysis of the results of the implementation of the "normative project", which was realized in the 1990s, shows that by promoting organic farming values and practices and providing various resources in the form of expertise, specific know-how as well as financial and logistical support, the normative institutional actors created conditions for internalization of organic farming as an entrepreneurial opportunity and for the emergence of the first, pioneer entrepreneurs in Bulgaria. The analysis of the results of the implementation of the "political project" shows the contradictory role of government interventions in the sector. On the one hand, policies and regulations helped organic farming to "leave" rural areas and to "transcend" the boundaries of the farm – that is, to be recognized as an entrepreneurial opportunity by a wide circle of actors from "the city", including by representatives of agribusiness. On the other, they created opportunities for the emergence both of productive forms of organic entrepreneurship, where the economic benefit comes from the addition of value to, and marketing of, organic products, and of forms where the economic benefit is limited to the opportunity for receiving subsidies. On the basis of the results of the analysis, the author offers a discussion of the problem of the social significance of organic entrepreneurship and arrives at the conclusion that apart from the purely environmental effects of the emergence of this phenomenon, its social effects are not sufficiently visible yet. At the same time, data from the case studies make it possible to identify various "uses" of the idea of organic farming, as well as the hypothesis that the significance of organic entrepreneurship transcends its purely environmental effects. Organic farming is internalized as an opportunity to preserve, revive, and continue family farming traditions and values, to respond to consumer demand for clean products and foods, to enter new markets, to attract new investments and partners.

Answers to the questions of *who* undertakes organic farming, and *why*, are offered by Zdravka Georgieva in her article, in which she formulates and analyses the main motivational profiles of organic operators in Bulgaria. The article also contains

information about how organic farming policies could be developed in Bulgaria so as to address the motivational interests of operators. The analysis uses Anthony Giddens's (1984) structuration approach, which focuses on the dynamics between micro- and macro-level in the interaction between structures and individual actors. The motivation of operators to enter the organic sector is assumed to be influenced simultaneously both by structural factors of the environment and by the personal subjective interpretation of each operator. The main line of distinction and analysis of the motivators for entry into the organic sector is drawn between idealistic and value-oriented motives and beliefs in organic farming principles, on the one hand, and instrumental or economic motives, on the other. This distinction allows the author to develop a typology of the motivational profiles in three main categories of operators: "*pragmatists*", "*idealists*", and "*mixed*". The category of "*pragmatists*" comprises operators who are driven, according to the author, by instrumental or calculative economic motives, but also two very different types of operators. One type consists of those who were motivated to enter the sector because they wanted to keep up with market trends and market their produce as organic. The author contrasts this type of operators with those who undertook an organic commitment because of the available subsidies but failed to market their produce as organic. Unlike the "pragmatists", the category of "*idealists*" comprises operators who, according to the author, do not perceive organic farming as a standard economic activity, but rather as a carrier and expression of a specific philosophy. To the "*idealists*", organic farming is less a matter of economic motivation and calculation than a "calling", a way of life, an attitude towards nature as a whole and towards the quality of produce. The author defines this type of operators as authentic carriers of the idea of organic farming in that their motivation is related to their daily activities in production, processing or trade, and hence, consumption of clean products, but also goes beyond their immediate environment in that it is associated with the desire to preserve the natural environment as a whole. The category of the so-called "*mixed*" operators comprises respondents who hold an ambivalent position in relation to the dichotomy between instrumental and value-oriented motivators. The author's main findings show that economic and instrumental motives are among the most important ones in the complex set of factors determining the decision to start organic farming. The idealistic motives were the most important ones for the first operators to enter the organic sector in Bulgaria, but in the context of development of the sector, economic profit and marketing on the international scene, as well as compensatory payments, became the major factors for entry into it. At the same time, insofar as the organic sector depends not just on the policies implemented in a particular national context but also on the EU's Common Agricultural Policy, it is precisely "*idealistic*" motivators that have become key in ensuring sustainability over time. Hence, the main conclusion drawn by the author is that "*idealistic*" motives are more sustainable because of their potential to attract operators to the organic farming principles.

Petya Slavova's article analyses *how* the exchange of organic products is done. Analysing the relevant literature, the article shows that the market of organic products is not governed by a single principle of coordination, but by *configurations of different worths* which the actors interpret in different ways, guided by different *values*. Priority is given to some worths at the expense of others depending on the market situations in which the exchange of organic products is negotiated. The market of organic products, understood as *configurations of worths*, is examined through the prism of the concept of orders of worth introduced by Luc Boltanski and Laurent Thévenot (1991), who are representatives of the so-called French Convention School. This concept offers a "key" to understanding what is actually being exchanged by actors in the market, and how, as well as how they form the market of organic products together. This conceptual framework provides a more in-depth analysis that goes beyond the strictly economic logic where price and profit are of primary importance, and which better corresponds to the complex nature of organic production and the organic market. The conceptual framework of the analysis is built on the concept of "*market situation*", characterized simultaneously by the *values* and *worths* guiding actors upon market exchanges, the different *clienteles* they form by relying on different *instruments*, and the specificities of the different *marketplaces* at which they exchange their products. Using this concept of market situation, the author analyses four situations of exchange. The *first* involves export-oriented market exchange and uses international trade fairs and exhibitions of organic products as a marketplace for negotiating exchanges. The *second* situation concerns the domestic market of organic products in Bulgaria, which is done at different marketplaces that are coordinated by different orders of worth: farms, farmers' markets, and shopping websites, on the one hand, and supermarkets and specialized organic shops, on the other. The *third* situation is related to the so-called "*closed markets*" – that is, to situations where there is little, if any, choice of marketplaces and of contractors, therefore leading to the establishment of specific relationships of "bondage" between the exchanging parties. The last, *fourth*, situation deals with the "*impossible*" markets, that is, the obstacles hindering the "meeting" between demand and supply. Such a situation is to be observed when politics interferes in the economy, that is, when interest in subsidies replaces interest in market exchange. These markets attract producers who undertake exchanges not because they can make a profit and/or because they share the values of organic production, but because of the opportunity to receive subsidies. The main conclusion of the study is that the market of organic products in Bulgaria is a non-homogeneous structure that is coordinated simultaneously by different orders of worth specific to the different market situations. This market, according to the author, remains mostly dominated by the social, that is, by the situational, the subjective, and the variable, and not by the transparency of rules objectified in standards and certificates.

The establishment and maintenance of networks of interaction between organic operators themselves, as well as between organic operators and the relevant

organizations, institutions and actors, is an important condition for developing and promoting organic farming as a sustainable element of agriculture and food production. Such interaction is impossible, however, if organic entrepreneurs cannot identify and formulate common problems and goals of their development so as to form communities capable of supporting collective values and actions. Dona Pickard's article is devoted precisely to this problem. The analysis of the collective action of organic operators in Bulgaria draws on Robert Putnam's (2001, 2004) theory of social capital to identify the factors for the creation, development and maintenance of different forms of social capital and its influence on the propensity for collective social action. The main focus is on one of the key elements of social capital – namely, "associational involvement" understood as a propensity for participation in formal and informal associations aimed at achieving common goals. In the majority of the case studies, the author finds that the interactions are limited with regard both to the local community (aloofness from the neighbouring community) and to the community of organic producers. This aloofness is due to distrust in local and central government institutions and is directly related to the lack of associational involvement. The data on the differences between the type of operators (producers, processors and traders) in terms of the influence of their social capital on their propensity for collective action show that there is a connection between the high levels of collectivity among producers, who demonstrate a value-attitude towards organic production and are more market-oriented, and for whom subsidy reception is not a prime goal. As regards traders and processors, the author finds a more visible connection between propensity for collective action, on the one hand, and associational involvement and awareness, on the other. The author proposes an original theoretical model of social learning in "communities of practice", as defined by Etienne Wenger (1999). On the basis of this model, she examines the theoretical possibilities for development of propensities for collective action among organic operators in Bulgaria. In view of the finding that the operators characterized by the lowest levels of associational involvement are also those who have the lowest value-attitude towards organic production, the author concludes that the potential for development of collectivity where it is absent among operators tends to be low. This is due to the fact that learning to associate with others is a process of participation in the practices of a concrete community and construction of identity with regard to this community. In this sense, according to the author, social learning still appears to be a challenge in a context in which the organic sector is not identified as a community of entrepreneurs who share a common profession and who have common goals and direction of development. The author also points out some structural barriers to the development of collectivity among organic operators in Bulgaria. Such are, for example, the lack of trust in institutions and the feeling of many of the respondents that that they are struggling with institutions in their operations, and that this struggle is unequal and therefore doomed to fail. As regards the prospects for development of the sector, the author outlines a comparatively

positive scenario. It is true, on the one hand, that those who have undertaken agri-environmental commitments because of the available financial support demonstrate lower tendencies towards collectivity and less feeling of belonging to the organic community. This raises barriers to their involvement in collective action and excludes them from the potential internal social resource of the organic sector. Yet, on the other hand, the sector is attracting a significant number of actors with already existing networks of interaction, who have the potential to transmit these resources (including the models of their utilization) to other actors in the sector.

We hope that the analyses published in this book will enable the reader to understand *how* organic farming emerged and is practiced in Bulgaria in terms of institutional, market, and collective forms, *who* the organic operators are and *of what type*, *how* they perceive their activity, *what are the main problems* they think are hampering the development of the sector, and *which* elements are key to developing sustainable organic farming practices.

This book is the first sociological attempt to trace, from a historical perspective, the emergence of a sector that is new to Bulgaria but which is constantly growing at the global level. In this sense, the analyses offered in the book are the first of their kind. They also have the ambition to be innovative insofar as each one of them offers an original interpretation. Although they are written by individual authors, these analyses are also the result of the collective research efforts of sociologists and economists from Bulgaria and Switzerland. The conduct of this study, as well as the publication of this book, however, would have been impossible without the collaboration of our respondents – organic operators, public administration officials, consultants, professors, and others.

It is to them that we dedicate this book!

The authors

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CREATING OPPORTUNITIES FOR DEVELOPMENT OF ORGANIC ENTREPRENEURSHIP IN BULGARIA

Svetla Stoeva

"*To have entrepreneurship, you must first have entrepreneurial opportunities*"

Shane & Venkataraman (2000:220)

1. Introduction

The organic farming phenomenon is increasingly attracting the attention of research communities in the social sciences, and in sociology in particular. This phenomenon has raised a series of questions, including the question of what is the social significance of the organic farming sector as a set of activities aimed at producing, processing and trading agricultural and food products: Is it a form of "green revolution" designed to provide a particular public good (environmental protection, production of "clean" and quality products), a social movement, a political project, or a phenomenon that cannot (and should not) easily be categorized in a single concept? These questions receive different answers not just depending on the research approaches used, but also because organic farming is a multilayered phenomenon. In this sense, understanding it is still a challenge for the academic community. At the same time, a number of researchers are unanimous in their opinion that today, decades after it appeared in Western Europe, organic farming seems to be practiced in a way that is different from the idea of the first pioneer entrepreneurs in the field: namely, to view the farm "*as a complex ecology of not just plants, microbes and animals but also its footprint on the society in which it is intimately bound*" (Holt & Reed 2006:2). Organic farming seems to be increasingly going beyond the boundaries of the farm and is now recognized as an entrepreneurial opportunity not just by producer-farmers but also by other actors who ascribe different meanings to "organic" and enter the sector with different motives, ideological and value-based as well as purely economic ones. In this sense, the questions of *how* and *by whom* opportunities for entrepreneurship are created in the organic farming sector, and *who* and *how* discovers those opportunities, are important for understanding the social significance of the phenomenon. Looking for an answer to those questions and seeking to explain the social significance of the phenomenon in the Bulgarian context, this article offers an analysis of *how* the idea of organic farming appeared in Bulgaria, *who* creates concrete opportunities for (and constraints to) entrepreneurship in this sector, *how*, and *what* kind of

opportunities. The relevance of analysing those questions comes from, on the one hand, the contradictory results from the processes of institutionalization of the organic farming sector in Bulgaria (Stoeva et al. 2013, 2014a). These results show that although the idea of organic farming appeared in this country already at the beginning of the 1990s, the number of organic operators (producers, processors and traders of agricultural and food products) has been growing significantly only since 2009. At the same time, although after 1999 there were changes in Bulgaria's agricultural policies which have legitimated organic farming as a sector different from conventional agriculture and introduced financial instruments supporting its development, today only approximately 1% of the country's total utilized agricultural area (UAA) is cultivated by organic farming methods. On the other hand, the intention for analysing this problem came from an extremely intensive contemporary debate in the field of entrepreneurship research – namely, the debate about which *are the sources* of entrepreneurial opportunities and what is *the role of various factors of the institutional environment* in *creating such opportunities*.

2. The Creation of Opportunities for Entrepreneurship as a Subject of Research

One of the most provocative descriptions of the state of entrepreneurship research is offered by Scott Shane. According to Shane (2003:1), "*A visitor from another planet who came to earth for the first time would think that entrepreneurship was one of the best-understood subjects examined by business school academics. Almost every explanation for business and, for that matter, capitalism itself, relies on entrepreneurship as a cornerstone.*" In reality, however, if that same visitor were to look at the existing literature on the subject, they would find that scholarly understanding of this phenomenon is limited and fragmentary, and that there is actually no academic consensus and no coherent conceptual framework (ibid.:1-3). On the contrary: in the academic literature there are fundamentally different concepts and interpretations of entrepreneurship and of the role of entrepreneurs in society (Venkataraman 1997:120). Still, if there is anything the academic community in the field is inclined to agree on, it is the understanding that the entrepreneurial process is driven by entrepreneurial opportunity. More specifically, this is the idea that the entrepreneurial process begins with the identification of an opportunity to create something new (new products or services, new markets, new production processes, new raw materials, new ways of organizing existing technologies, etc.) that usually emerges as a result of changes in knowledge, technology, economic, political, and social conditions (Ardichvili, Cardozo & Ray 2003). In connection with this idea, in recent years a number of scholars have questioned the prevailing studies in the field, which try to explain the entrepreneurial process *after* the entrepreneur has already discovered (or created) a particular opportunity, focusing mostly on the motives for exploiting this opportunity, the decision-making processes, and their outcomes. Nowadays there are increasing calls that the main task of entrepreneurship

research should be "*the study of sources of opportunities; the processes of discovery, evaluation, and exploitation of opportunities; and the set of individuals who discover, evaluate, and exploit them*" (Shane & Venkataraman 2000:218). At the same time, it is precisely the questions of *how* entrepreneurial opportunities emerge which have given rise to some of the most heated contemporary debates in the research community. An immediate result of those debates is the development of two alternative approaches in applying the intellectual legacy of the classical theorists Joseph Schumpeter and Israel M. Kirzner.[1] The advocates of one of those approaches, known as Discovery Theory, claim that "[t]*o have entrepreneurship, you must first have entrepreneurial opportunities*" (Shane & Venkataraman 2000:220). In this sense, the entrepreneurship phenomenon encompasses both "enterprising individuals", or the actors who discover opportunities for creating something new, and the opportunities themselves. Opportunities are assumed to be objective phenomena which exist independently of the entrepreneur's actions (Alvarez & Barney 2007) and their sources are sought in the context of various changes in the environment. A sort of counterpoint to this approach is offered by the so-called Creation Theory, according to which entrepreneurial opportunities are not like lost luggage in a train station that is "*just waiting to be claimed by alert individuals*" (Alvarez et al. 2010:26): they are an immediate result of the entrepreneur's actions (Shackle 1979; Gartner et al. 1992; Sarasvathy 2006). Although those two approaches are being applied ever more widely in the field of entrepreneurship research, they have also attracted considerable criticism, primarily on the grounds that the dilemma of opportunities as a matter of discovery or creation is mostly theoretical (Alvarez & Barney 2007:135; Berglund 2007:245). Hence, the question of whether the entrepreneur is an actor who discovers and internalizes a given opportunity, or an actor who creates such an opportunity with his or her actions, is a matter of empirical verification. This criticism is shared by a number of researchers in the field of new institutionalism in sociology who propose some contemporary applications of this approach to the problem. In particular, these are attempts that go far beyond the personal characteristics and motivation strategies of the entrepreneur and which examine the role of different collective actors in the entrepreneurial process (such as professional associations, non-governmental organizations, social movements, and certification organizations) that lend legitimacy to the emergence of new sectors, new practices, and new organizational forms (Hwang & Powell 2005; Tolbert, David & Sine 2011; Swaminathan & Wade 2001). The basic assumption is that although entrepreneurial opportunities often arise as the result

[1] Historically, the intellectual roots of the debate on the sources of entrepreneurial opportunities can be traced back to the classical works of Schumpeter (2002 [1911]) and Kirzner (1973). Although in Schumpeter the concept of "opportunity" is not explicitly developed, the starting point for analysis is the actions of the entrepreneur who creates new combinations. Unlike Schumpeter, Kirzner is explicit: according to him, there is an objectively existing world of unexploited opportunities and these opportunities can be discovered so long as there are smart and alert individuals who "watch out" for price discrepancies in the market (1973:14).

of social actors' subjective perceptions of the reality around them, they also have an objective component – that is, they exist independently of those perceptions. In this sense, the sources of entrepreneurial opportunities should be sought within the framework of various dimensions of the institutional environment.

2.1. The Neo-Institutional Approach in Sociology as a Tool for Entrepreneurial Opportunity Research: Seeking a Link between "Institutions" and "Entrepreneurship"

The last decade has seen growing attempts in the field of sociological applications of neo-institutionalism to find intersections between institutional theory and entrepreneurship research (Tolbert, David & Sine 2011). These attempts are founded on the understanding that entrepreneurship is always embedded in a particular institutional context which offers different opportunities for entrepreneurship, therefore entrepreneurial actions cannot be understood outside this context (Granovetter 1985; Van de Ven 1993). The basic assumption is that entrepreneurial opportunities are created within three key dimensions of the institutional context: regulative, normative, and cultural-cognitive. The sociological applications of neo-institutional theory in understanding entrepreneurship are influenced mainly by the studies of William Richard Scott (1995, 2008). His interpretation of institutions as social structures made up of regulative, normative, and cultural-cognitive elements is applied in a series of studies which examine the influence of various institutional factors on the emergence of entrepreneurial opportunities as well as of new economic sectors. Some of the most topical research contributions in this field concern the role of normative and regulative factors.

Normative factors refer to values and norms in various spheres of social life; they prescribe rights and privileges as well as duties for social actors (Scott 2001 [1995]:64). They also include the role of various institutional actors which influence the emergence and development of entrepreneurial activities by promoting particular values, norms, and practices. The studies of Lee, Sine and Tolbert (2011), Lee and Sine (2012), Sine and David (2010), and Hiatt, Sine and Tolbert (2009), have contributed substantially to understanding the significance of the normative aspect of the institutional environment for the emergence of entrepreneurial opportunities. Borrowing from Scott et al. (2000:172) and Scott (2008:223-225), Lee and Sine (2012:3) have constructed the concept of *normative institutional actors*, referring to individual or collective actors that have power to (re)define *what should* and *what should not be done* in a given sector. An example of this type of actors are professional, industry, non-governmental, and other organizations which influence the emergence and development of entrepreneurial activities by promoting particular values, norms, and practices (Sine & David 2010:7-10). Hiatt, Sine and Tolbert (2009) study the role of social movements in creating entrepreneurial opportunities by contesting and even deinstitutionalizing already existing practices

and promoting new ones. They show how by advocating and promoting particular values and norms, social movements can motivate consumers to change their consumption patterns, and create demand for products that are alternative to the traditional or conventional ones. Membership in various professional associations can be a source and means of access to information of all sorts: for expected changes in policies and their effects, for disseminating new knowledge and practices, for seeking advice, help, and support in resolving specific problems (Swaminathan & Wade 2001), as well as for connecting entrepreneurs with consumers, partners, and potential investors (Greve et al. 2006). Normative actors are often also direct participants in the design of new policies that offer financial instruments supporting new enterprises (Tolbert, David & Sine 2011:1338). Researching the development of the organic sector in the US, Lee and Sine (2012:3-11) point out another example of this type of actors – namely, certification organizations which play a significant role in the creation of new product categories and in the legitimation of new product markets by establishing rules and standards for production, labelling, and trade. In this sense, these organizations have a strong impact on potential entrepreneurs' perceptions of the opportunities for access to markets and for marketing new products and services, and of their utility or consumer value. The certification process itself is a necessary condition for transforming potential entrepreneurs into legitimate participants in a new sector.

Regulative factors describe the objectified world of formal regulations, instructions, procedures, rules and laws that serve as empirical indicators in researching the development of this aspect of the institutional environment (Scott 2001 [1995]:51). They codify the rules for exercising particular activities, lend social and political legitimacy to the emergence of new organizations, products and market niches, and in this sense, have a direct impact on entrepreneurial opportunities. They can create different financial incentives in the form of tax concessions, subsidies, and others, as well as constraints to entrepreneurship. Quite a few contemporary studies show the role of government interventions in the creation, discovery, and exploitation of entrepreneurial opportunities (Mayer-Schönberger 2010; Companys & McMullen 2007; Eckhardt & Shane 2003; Short et al. 2010; Jacquemin & Janssen 2015). In fact, as Jacquemin and Janssen (2015:1-2) point out, the questions of *to what extent*, *how*, and *why* the two main instruments of government interventions – policies and regulations – create entrepreneurial opportunities, as well as why some entrepreneurs take advantage of given programmes or measures while others do not, are still the subject of intense debates. According to the authors, the classical dichotomy of "*supportive*" policies and "*constraining*" regulations is not a universal tool for analysing the role of government interventions in a given sector (ibid.). Quite a few studies (e.g. Stevenson & Lundström 2002) show that policies can create real opportunities for, and reduce the constraints to, the emergence and development of entrepreneurship through financial and other supportive mechanisms. However, the results of other

studies (e.g. Storey 2002) show that policies in fact rarely have clear, realistic, and measurable objectives, and in this sense, do not always have a stimulating effect on entrepreneurship. On the other hand, although regulations, understood as a set of legal and administrative rules and procedures applied by government institutions (Hart et al. 2008), are usually regarded as constraining mechanisms that impose high transaction costs (Borkowski & Kulzick 2006; Botero et al. 2004; Grilo & Thurik 2005), they can actually create also "*windows of opportunities*" allowing entrepreneurs to enter existing markets or create new ones (Mayer-Schönberger 2010; Hart et al. 2008; Blackburn & Hart 2003). Both versions are a matter of empirical verification, though. In a given context, government interventions in themselves may create entrepreneurial opportunities through various programmes and measures encouraging particular economic practices. In another context, though certain policies and/or regulations may not aim to create opportunities, they may be identified as such, thereby encouraging entry into a given sector or creation of particular products or services (Jacquemin & Janssen 2015:8). For example, the issue of introducing regulations in the organic farming sector has given rise to much debate in the research community. Some researchers (Allen & Kovach 2000; Buck et al. 1991) interpret certification as a process in which an age-old right – the right to production and trade – begins to be conferred in return for the duty to pay a certain fee (certificate) for access to the market. Others (e.g. Michelsen 2001) reject such an interpretation with the argument that it is precisely regulations which give rise to the need of creating programmes and financial instruments to support the sector. Almost all researchers of organic farming, however, admit that the imposition of rules for production, control, and certification of organic products has an enormous impact on the trajectory of development of the sector and on the opportunities for entrepreneurship in it. On the one hand, it is precisely regulation of the conditions for certification and control which has led to the emancipation of organic farming from conventional agricultural practices. At the same time, the certification process involves substantial transaction costs which not all entrepreneurs can afford to pay. That is why it is reasonable to suppose that the introduction of regulations limits opportunities for entry into the sector, especially for small producers, on the one hand, but on the other enables representatives of agribusiness,[2] who have sufficient resources, to enter organic farming (Buck

[2] The concept of agribusiness was introduced in 1957 by the economists John Davis and Ray Goldberg and reasoned in their book *A Concept of Agribusiness*. By agribusiness they meant all activities in and outside the farm which "transport" products from the field and deliver them to consumers. This concept encompasses all industries connected to the production of agricultural products and foods. Years later, Julie Guthman (2004b) added another nuance to the concept – namely, that agribusiness is the main agent of agro-industrialization and, as such, cannot but be profit-driven. One can give as an example large conventional agricultural enterprises, enterprises in the food industry, or farmers who are only partially involved in organic production. According to Guthman, the main motive for this partial conversion to organic practices is to seek additional profit or to experiment with new farming techniques, given the existence of an institutional environment and regulations that are conducive to this.

et al. 1991) and even to initiate a process of conventionalization of the sector.[3] Quite a few researchers draw attention also to another important aspect of the link between government interventions and entrepreneurial opportunities – namely, the understanding of whether policies and regulations encourage the emergence of productive or unproductive forms of entrepreneurship (Baumol 1990, 2000; Murphy et al. 1993). Baumol's (1990) seminal study shows that the institutional environment determines not just the allocation of entrepreneurial activities but also the types or forms of entrepreneurship that appear in a given society. The main idea of Baumol's typology is that not everything that may be defined as entrepreneurship is necessarily productive, that is, generating real value in a given sector. We cannot expect that every entrepreneur will make a real contribution to the development of a given sector as well as to the economy as a whole. On the contrary: quite often entrepreneurs seek opportunities to profit from activities that are not productive, that is, do not create value but, rather, provide opportunities for rent-seeking and do not lead to real growth of a given sector or of the economy as a whole. Such a situation usually arises when the regulatory framework is weak, unstable, and does not reduce uncertainty in economic life.

3. Conceptual Framework

The conceptual framework of this study is based on Shane and Venkataraman's thesis that the entrepreneurship phenomenon encompasses both "enterprising individuals" and "entrepreneurial opportunities". Hence, to understand the phenomenon, it is necessary to analyse both the sources of entrepreneurial opportunities and the actors exploiting a given opportunity. The sources of entrepreneurial opportunities are the main subject of interest and analysis in this article, which examines them in the context of the emergence and development of the organic farming sector in Bulgaria. A specific sub-purpose of this analysis is to propose an understanding of *who* (what actors) internalizes[4] organic farming as an opportunity for entrepreneurship, and *in what form*: productive or not. This article does not seek to take a side in the debate on *who* may be defined as an entrepreneur: whether entrepreneurs are actors who merely see or discover some opportunity, or conversely, they are actors who create such opportunities themselves by their own actions. It assumes that *entrepreneurs are actors who exploit particular opportunities regardless of whether they themselves have created or discovered them* (under the

[3] One of the topical issues raised by researchers of this process is whether conventionalization related (but not only) to the entry of agribusiness into organic farming is an unavoidable evil that renders the idea of organic farming meaningless, or it is the exact opposite: Isn't this yet another way of promoting organic practices to a wider consumer audience? (See, e.g., Buck et al. 1991; Guthman 2004a, 2004b; Padel 2008).

[4] In this article, internalization is understood in the sense of Berger and Luckmann (1966), namely as a process in which people accept a particular set of values and norms defined by someone else – an individual, groups, or society as a whole.

influence of various factors of the institutional environment), and regardless of whether the "exploitation" of those opportunities is short-term (for a particular period of time) or sustained over time. Moreover, this article assumes that entrepreneurship, including organic entrepreneurship, may have both productive and unproductive forms (exploitations of a particular opportunity). Following Scott Shane (2003:19), the conceptual framework is based on the understanding that entrepreneurial opportunities can take different forms: of new products or services, new raw materials, new markets, new processes of production or organization. In this sense, organic entrepreneurship is conceived of as a set of activities related to the production, processing and trade of new products, supply of new services, and application of technological processes.[5] More specifically, "*entrepreneurial opportunities*" are understood as the objective conditions or "*situations in which new goods, services, raw materials, markets and organizing methods can be introduced through the formation of new means, ends, or means-ends relationships*" (Eckhardt & Shane 2003:336). According to this definition, opportunities are precisely about the creation of new means-ends relationships whose significance can be identified in several main aspects. In the first place, the means-ends framework links a definite set of resources (means) to the value derived from the emergence of new products or services (ends or expected outcomes). Secondly, this framework is also useful in understanding the link between activities and outcomes (in this case, the link between entrepreneurial activities and their outcomes), and in particular in explaining the emergence both of productive and unproductive forms of entrepreneurship (Baumol 1990). Thirdly, the means-ends framework refers to the creation of a specific cognitive and interpretive framework that enables entrepreneurs to internalize particular norms and values and to make decisions on how to exploit particular resources so as to achieve particular ends. Fourthly, establishing new means-ends frameworks involves "*identifying, defining, and structuring novel solutions to open-ended problems*" (Shane 2003:56). In this sense, by internalizing new means-ends frameworks entrepreneurs, on the one hand, identify concrete problems and their possible solutions, and on the other,

[5] Although Shane does not define exactly what "new" means, he himself admits that his approach is influenced by the work of Joseph Schumpeter. Schumpeter himself introduces the concept of the so-called "new combinations" consisting in the exploitation of existing means and methods of production in a different way, and not necessarily as the result of the introduction of a new invention. These new combinations are, in essence, product, process, organizational, and other types of innovations. In fact, Schumpeter identifies five kinds of innovations: introduction of new products (or of a new quality of existing products), introduction of new methods of production, opening up of new markets, conquest of new sources of supply of raw or other materials, and creation of new market structures in a given industry (Schumpeter 2002). Organic farming can be, and ever more often is, theorized as a specific and even multidimensional innovation in the sphere of agriculture. It is simultaneously a technological innovation involving introduction of methods of production of products and foods that are different from the conventional ones; a product innovation, because it provides products that are qualitatively different from the conventional ones; but also a social type of innovation, insofar as it provides a specific social good related to environmental protection (Padel 2001).

discover their place (role) in a given industry, sector, or market depending on the available resources and the potential benefits from applying specific solutions to concrete problems. Hence, this article seeks to answer the question of *when* and *how* the establishment of new means-ends frameworks actually *occurred*, and *who* were the main participants (actors) in this process in Bulgaria. Agreeing with Shane's (2000:22-23) thesis that the sources of entrepreneurial opportunities should be sought in the changes in the environment and following the neo-institutional approach in sociology, this article examines the changes in the normative and regulative elements of the institutional context as sources of opportunities for entrepreneurship in the sphere of organic farming. Borrowing the approach of Lee and Sine (2012:3) and the concept of "*normative institutional actors*", the article sets out to analyse, on the one hand, the role of various organizations (non-governmental, advisory, professional, and certification organizations) in creating entrepreneurial opportunities in the sphere of organic farming in Bulgaria. This approach enables identifying not only the initiators of particular changes in the normative component of the institutional environment, but also the concrete actions that have led to changes in the environment and their immediate results: the creation of entrepreneurial opportunities. The main hypothesis is that the emergence of organic farming as well as of entrepreneurial opportunities in this sector in Bulgaria, is difficult to explain as the result of the actions of a social movement of farmers or consumers for alternative agricultural practices and food products that emerged spontaneously, as is the case in a number of Western and some Central European countries. The emergence of organizations of organic producers and traders in Bulgaria occurred almost a decade after the emergence of the first advisory structures and of the first cases of organic entrepreneurship, and several years after the beginning of government interventions in the sector. The analysis will attempt to demonstrate that the emergence of organic farming and of the first cases of organic entrepreneurship in Bulgaria already in the 1990s was the result of purposeful actions, in the form of a "normative project" (or of a series of projects) aimed at changing conventional norms and practices and creating new means-ends frameworks. This project was realized by the "invisible hand" of certain academic circles and of external, foreign interests. The metaphor of the "invisible hand" is meant to show that the organic farming sector and organic entrepreneurship emerged in the context of an absence of public sensitivity to the so-called agri-environmental practices, of market demand for organic products, as well as of any national policies for their support. Despite this, within the framework of the normative project precisely organic farming was identified, defined, and structured as a solution to various problems related to environmental protection, utilization of natural resources and maintenance of biodiversity, and encouragement of sustainable development of mountainous and semi-mountainous regions. Although the participants in the so-called normative project did not succeed in achieving all its goals, their role in creating opportunities for the emergence of new agricultural

practices, new products, and new actors – organic entrepreneurs – was significant. On the other hand, borrowing from Mayer-Schönberger (2010), Companys and McMullen (2007), and Jacquemin and Janssen (2015), this article seeks to examine the role of government interventions in creating opportunities for entrepreneurship in the sphere of the production, processing and trade of organic agricultural and food products. The article claims that from 2001 onwards, the development of the organic farming sector in Bulgaria became one of the goals of a "*political project*" for the country's accession to the European Union, and in particular for adopting the principles of the Common Agricultural Policy (CAP). The "political project" was implemented in two main phases. In the first phase, that is, in the 2001-2006 period, the main problem and challenge was the elaboration of a national agri-environmental policy – a requirement Bulgaria had to meet in the context of its pre-accession preparations. Organic farming was politically legitimated as a priority sector in Bulgaria, and the conditions for entrepreneurship in the sector were codified[6] by the introduction of formal regulations on organic production and trade in organic agricultural and food products. Although in 2003 a specific measure was developed to support organic production of several kinds of agricultural crops within the framework of the SAPARD programme, it was not until 2006 that this measure began to be implemented. In this sense, in the 2001-2006 period there were no functioning national instruments in support of the development of the organic farming sector. In the second phase, that is, the period after EU accession, in its capacity as a Member State Bulgaria was granted access to the EU scheme for agri-environmental support. Thus, with the support of the European Agricultural Fund for Rural Development (EAFRD), provision of compensatory payments (subsidies) supporting the organic farming sector was regulated under the 2007-2013 Rural Development Programme (RDP). The analysis of the results from the implementation of the political project in the 2001-2013 period will attempt to demonstrate that Bulgaria's national policies on organic farming are difficult to define as supportive policies. For their part, although the regulations in the sector entail high transaction costs (for certification, training, access to information and advice), they cannot be defined solely as "constraints" to entrepreneurial opportunities. In this sense, following Mayer-Schönberger (2010), Hart et al. (2008), and Blackburn and Hart (2003), the role of government interventions will be examined as creating "windows of opportunities" encouraging the emergence both of productive and unproductive forms of organic entrepreneurship. This article will analyse the concrete results from the implementation of those two projects – namely, the establishment of new means-ends frameworks – and will propose an explanation for the emergence of organic entrepreneurs and of various forms of entrepreneurship (productive, or not), at each phase of the implementation of the two projects in Bulgaria.

[6] Here "codification" is understood as normative regulation of a given type of social relations.

The analysis is based on data collected in the 2013-2015 period and includes (1) twenty-two semi-structured interviews with key actors – participants in the processes of institutionalization of the organic farming sector in Bulgaria, namely representatives of non-governmental advisory and professional organizations, of certification bodies, academic institutions, former and current officials at the Ministry of Agriculture and Food (MAF), including at the Agri-Environment Department, and Swiss consultants under projects for organic farming promotion in Bulgaria under the 1994 Bulgarian-Swiss intergovernmental Agreement on Technical Cooperation; (2) thirty-two in-depth interviews with organic operators engaged in the production, processing and trade of organic agricultural and food products, and representing different cases of organic entrepreneurship; (3) analysis of regulatory and strategic documents relevant to organic farming, minutes of proceedings, and other archival materials from meetings of working groups, committees, etc., and publicly available data in the Ciela Info Register and in the specialized press.

4. The "Invisible Hand" of Normative Actors

The idea of developing organic farming in Bulgaria was not born as a spontaneous social movement of farmers or consumers for alternative agricultural and food products, or as part of a political strategy for developing a national agri-environmental policy, which was practically non-existent until 1991. On the contrary, this phenomenon emerged as a result of purposeful actions aimed at promoting and encouraging the development of organic farming in Bulgaria in the 1990s in the form of various projects implemented by two types of normative actors: local organizations, and foreign donors financing and working with local organizations. Exactly *who* were those *actors* and *what problems* did they define and structure? Answering those questions is important in order to understand the emergence of new means-ends frameworks through which organic farming was internalized as a solution to specific problems, and hence also as an opportunity for entrepreneurship.

4.1. Defining and Structuring the Problem: "Not Everything Is as It Should Be", or, on the Mismatch between Theory and Practice in Agricultural Sciences

The idea of alternative farming in Bulgaria was born in the academic community at the Agricultural University in the city of Plovdiv working in the field of plant protection – a scientific field that is the polar opposite of the agri-environmental concept, which promotes natural methods of plant pest and disease control. Underlying this shift from one scientific paradigm to another was a fundamental problem, which one of the pioneers in the field of organic farming in Bulgaria and dean of the Agricultural University's Faculty of Plant Protection and Agroecology from 1991 to 1999 identified in the context of his practice as a teacher:

We took the students on field trips and showed them the development of diseases and pests in natural conditions (...) and I told them, "now look, colleagues, I'll take you to an orchard." So we went to this orchard and I started looking for my diseases that should have destroyed the orchard. But I couldn't find a single leaf to show to the students – what I'd been telling them about. So my theory was shot to pieces. I could have sunk into the ground with shame. Because what I'd been telling them before, without having seen the orchard, turned out to be wrong. That was when I started wondering how that was possible. There's no such thing in the books. We knew that if you don't fight this disease, it will destroy the trees.

Soon after, the reason for the mismatch between theory and practice was also identified:

The reason is in that nature doesn't create anything without a purpose. Nature has created diseases and pests as regulators of biodiversity. So nature has all the necessary mechanisms to maintain a balance of species. In the alternative case, when we interfere, we upset the biological balance.

(Same respondent)

Thus, in search of solutions to the identified problem – namely, the need to reduce the use of chemicals and to replace toxic substances with safer alternatives – at the end of the 1980s the Agroecological Centre (AEC) was established in Plovdiv as an institution applying the methods of integrated plant protection.[7] The dean of the Agricultural University's Faculty of Plant Protection and Agroecology became its director from 1987 to 2001. Initially, the Centre began to function as an interdepartmental institution involving, in addition to the Agricultural University, other academic institutes in the system of the Agricultural Academy in Plovdiv Region, as well as the ministries of agriculture and of the environment. The Ministry of the Environment even financed several projects on organic production of various crops. According to the director of the Agroecological Centre from 1987 to 2001, this support was a result of the national policy at that time, which aimed at "*ecologizing production and expanding the ecological culture of the population*" (Karov 2014). In fact, until then the Centre had not proposed anything innovative – the so-called integrated plant protection had been applied in various labour-cooperative farms (TKZS) and agro-industrial complexes (APK) already in the 1980s and there were laboratories producing organic insecticides in Bulgaria. The actual term and concept "organic farming" however, were completely unknown to the Bulgarian academic community, even to those working in the field of integrated plant protection. Gradually, though, interest in the quest for non-chemical plant protection methods

[7] In the words of the director of the Agroecological Centre from 1987 to 2001, integrated plant protection is a set of practices aimed at reducing the use of chemicals.

began to grow, and information from academic publications and contacts with Western universities led to the identification of the organic farming concept. More specifically, the "meeting" with this concept occurred within the framework of international projects under the Tempus programme for the provision of equipment and facilities for the AEC jointly with universities from the Netherlands and Italy, and under the Phare programme. It was the exchange of experience with those universities that proved key to the identification of organic farming as a solution to the problem of reducing the use of chemicals and conserving biodiversity. In 1993, within the framework of another project under the Phare programme and in partnership with universities from the Netherlands, Romania and Hungary, the first-ever organic demonstration farm was set up in Bulgaria. Its facilities are still used for training students, teachers, farmers and agronomists in organic crop production. In 1993 again, the AEC became the first Bulgarian organization to join the International Federation of Organic Agriculture Movements (IFOAM). A few years later, the pioneers from the AEC set up the first Bulgarian non-governmental organization in the field of organic farming, Association Ecofarm.[8] These two local actors worked very actively for the promotion of organic farming methods through training courses, information workshops, translation and dissemination of academic literature, and provision of advisory services. For a certain period of time, the AEC also became the first certification institution in Bulgaria until the introduction of national legislation and regulations on organic farming in 2001.

However, from the mid-1990s onwards, parallel with the local organizations, another actor joined the normative project on the creation of an organic farming sector in Bulgaria. Under an agreement on technical cooperation between the Republic of Bulgaria and the Swiss Confederation, signed in 1994, the Swiss Agency for Development and Cooperation (SDC) and the Swiss State Secretariat for Economic Affairs (SECO) began to support the development of sustainable agriculture in Bulgaria through a series of projects implemented in the 1996-2007 period (Giger et al. 2007).

4.2. Defining and Structuring the Problem: From Sustainable Use of Natural Resources to Environmentally and Economically Sound Farming Practices

As noted in the so-called CapEx report summarizing the results of Bulgarian-Swiss technical cooperation, the Swiss government provided support for the development of organic farming in Bulgaria for two main reasons. One reason was the processes of de-collectivization and privatization which led to the appearance of many, but mostly small, inherited plots of land most of which remained uncultivated because of the lack of experience on the part of their owners (many of whom lived in towns and cities and were completely cut off from the

[8] For a detailed analysis of these institutions, see Stoeva et al. (2013) and Slavova et al. (2016).

countryside), or because of the lack of funds for investing in them. The other was the fact that many mountainous and semi-mountainous regions were almost entirely dependent on the available natural resources. Hence, one of the main objectives of Bulgarian-Swiss technical cooperation was to implement projects promoting sustainable use of natural resources in a way that was beneficial to nature conservation while improving the living conditions of the population (Giger et al. 2007:12). In particular, organic farming was seen as a solution to those problems insofar as it could serve as a marketing tool for developing environmentally and economically sound farming practices. Last but not least, it was regarded as an incentive permitting access of Bulgarian agricultural produce to European markets (Gerassimov 2003:9). Thus, one of the five projects of the SDC in the domain of sustainable management of natural resources in Bulgaria was aimed precisely at providing Support to Organic Agriculture Partnership (SOAP). A series of projects pursuing various objectives were implemented under the SDC-SECO programme. In fact, the Swiss strategy for support underwent significant changes in the course of the programme implementation. Initially, the programme aimed to promote the organic farming principles in a single region in Bulgaria, the Central Balkan region. Very soon, however, the Swiss team of consultants working in three pilot villages realized that they were entirely unprepared and unfamiliar with the situation in rural areas. As one of the Swiss consultants said:

> *It was quite impressive, different for us; a practice we had no prior knowledge of. The farmers who turned up for advice had no experience whatsoever – they were economists, bankers, teachers, all sorts of people, many people who had received land after restitution but knew nothing about agricultural production… Our objective of promoting organic farming turned out to be very ambitious.*

Thus, after it became clear that promoting organic farming would not be an easy task considering the shortage of "true" (professional) farmers, the strategy was modified so as to create such farmers. This change was dictated by the recognition of the main weakness of the SOAP project. Namely, that the strategy was aimed at promoting the "philosophy" of organic farming, but not at training farmers who lacked the requisite knowledge and experience – moreover, in a context where there was no demand for organic products and no market for organic products, and the legislative foundation and government support for the sector was practically absent (Giger et al. 2007:31). The need of a local actor providing advice and training to inexperienced farmers as well as to everyone interested in organic farming became a new project objective.[9] In 1997 a second

[9] Initially, the Swiss consultants tried to collaborate with the AEC as the sole local organization working in the field of organic farming. Real partnership, however, was not established. According to the summary of the results of technical cooperation, the reason for the failed partnership was that at the beginning, the Swiss project for promoting organic farming

non-governmental organization, Foundation for Organic Agriculture Bioselena, was established in Bulgaria with SDC financial support and in partnership with the Swiss Research Institute of Organic Agriculture FiBL. The concrete motives for creating this actor are described by one of the Swiss consultants in Bulgaria at that time as follows:

> *Trying to describe organic production to farmers who have experience in conventional agriculture is very different from explaining it to somebody who has worked in a completely different field.*

In other words, the main task of the Bioselena Foundation, similarly to that of the AEC and Association Ecofarm, was to provide training and advice in the field of organic farming.

In the 1990s, those three organizations (the AEC, Ecofarm, and Bioselena) laid the foundations of the value-normative environment for the emergence of a new culture in attitudes towards land, nature, and food in Bulgaria. In this sense, they were "architects" of new means-ends cognitive frameworks in which organic farming is regarded as a specific tool for solving various environmental, social, and economic problems. More specifically, how were the new means-ends frameworks created, or what concrete conditions for the emergence of new practices in agriculture and food production did those actors create?

4.3. Normative Construction of New Means-Ends Frameworks

The role of the normative actors in creating objective conditions (opportunities) for entrepreneurship in the sphere of organic farming in Bulgaria in the 1990s can be summarized in several main aspects. On the one hand, they worked very actively to promote the organic farming methods by organizing information workshops, training courses, and consultations. Their main target group were agricultural producers in Bulgaria's rural areas. As an organic entrepreneur who engaged in organic livestock farming in the 1990s recalls:

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had focused on the wrong target organization and the wrong institutional partners: "*Illustrations of poor cross-cultural familiarisation can be found in the case of Swiss consultants who had little knowledge about Bulgaria in general and the state of Bulgarian knowledge in particular, who were trying to teach Bulgarian professors the 'ABC' of organic agriculture. This approach has clearly offended Bulgarian partners and created tensions and frustrations. In addition, as a result of the lack of knowledge of the Bulgarian context, some consultants have provided advice that was not appropriate for the local reality*" (Giger et al. 2007:29). A similar interpretation is offered by the then director of the AEC: "*Our expectations were of partnership on an equal footing – between equal academics. But they wanted us to carry out only the technical part – to collect data* (…) *and send them to them while they would process the data and make the executive decisions on what had be done. By that time we had also become experts in this field, we knew what had to be done* (…) *The Swiss regarded us a little bit as menial labourers…*"

They started promoting organic farming here in the villages (...) they sent specialists (...) they went from place to place, to the mayors' offices, looking for rooms (for lectures), for livestock breeders, for practicing farmers (...) so we attended several lectures and saw it was interesting, we learned what organic farming meant. (...) Going from village to village, they had prepared a time-schedule and so, for example, they'd call the mayor and say, "We want a room, we want you to invite farmers who are engaged in animal husbandry, in land cultivation, and so on." So that's how it was, they went from hamlet to hamlet, and got some people interested.

Organic farming, however, aroused interest not just among agricultural producers but also among "*many people who had received land after restitution and who wanted to produce organically but knew nothing about agricultural production*" (Swiss consultant). This necessitated focusing the training courses and advisory services not just on the specific agrotechnological aspects of organic farming but also on "*how things were going, what the global trends were, the trends in foods, and so on; they gave us full information so that we'd know what we're engaged in and learn how to reason*" (organic entrepreneur in livestock farming). In other words, presenting a comprehensive cognitive framework that not only offered solutions to specific problems but also showed the possible benefits or gains from applying those solutions became one of the specific tasks of the training courses. "Promoting" organic farming proved to be no easy task, though. The description by one of the pioneer entrepreneurs (certified by the AEC as the twelfth organic producer in Bulgaria in 1998) of the outcome of such a workshop is telling in this regard:

And at the end, after it was over, there were questions but I found it very interesting – the people [attending the workshop] looked a little bit stunned. But they asked few questions. Then he [the lecturer] said, "Okay, now I have a question." And he brought out a small table and said, "There you are, I've prepared application forms, declarations. You heard what the requirements are. If anyone's willing, please step forward, they only have to write their name and the date, and as of tomorrow they'll be our clients, we'll start working with them and if they comply with all requirements under the [certification] ordinance, in two years' time they'll receive a certificate that they are producing organic produce." No one budged from their seats. I was the only one who stood up, asked for an application form and filled it in. "As of tomorrow, he's our client," he said.

The explanations for this resistance against the attempts to disseminate a new culture of production and new attitudes towards the land and nature are at least three. On the one hand, in those early years of development of organic farming in

Bulgaria, the agri-environmental methods seemed too exotic, innovative, in conflict with the traditionally established and taken-for-granted agricultural practices of "spraying" and "fertilizing". As a Swiss expert who worked on projects in Bulgaria recalls, describing the reaction in rural areas:

> *The most common reaction was, "we're organic because we have no money to buy chemicals." When asked whether they would have bought chemicals if they had the money to do so, they'd answer, "Yes, of course."*

The interpretation of some of the first organic entrepreneurs in Bulgaria is similar:

> *In the rural areas the notions of change are so rigid that it's very difficult to change people. Let me tell you that at first some laughed at us for going to the orchard and talking to the trees.*

On the other hand, there was a lack of market incentives (there was no demand for organic products[10]), and last but not least, a lack of financial resources because of the difficult access to bank loans for farmers in this period as well as the lack of national policies supporting organic farming.[11]

Another important role of the normative actors in creating entrepreneurial opportunities in the sphere of organic farming is related precisely to the attempts to overcome those barriers and to create conditions for the appearance of a new type of agricultural and food products (organic ones). At the end of the 1990s, a special credit line was established under the Bulgarian-Swiss agreement on cooperation to encourage the development of entrepreneurship in small and medium-sized enterprises and in agriculture in the Central Balkan region. One of the priorities of this credit line was development of organic farming. Initially, in 1998, the credit line was serviced by a special commission at the Swiss Embassy in Sofia. At the end of 1999, however, several Bulgarian banks[12] and the SDC signed an agreement on servicing the credit line in the form of a Guarantee Fund. The Fund consisted of CHF 1.5 million for provision of guarantees for micro- and small enterprises in semi-mountainous regions, mostly from the region of Central Stara Planina, and for farmers converting to organic farming (OECD 2005). It provided loans of up to BGN 25,000 and applicants for project funding under this line were supported

[10] The first organic product in Bulgaria appeared on the market in 1998. It was organic baby food produced by the HiPP company.

[11] In some of the case studies, organic farms were established on land that was either inherited (received as a result of restitution), or purchased or rented with private funds. In others, however, the lack of financial resources was a significant problem. For example, in the case of a family-owned organic livestock farm, the family had to sell an apartment in a big city in order to purchase sixteen cows.

[12] United Bulgarian Bank AD, Hebros Bank AD, and ProCredit Bank AD.

with advice by the Bioselena Foundation. One of the main reasons for establishing this Fund was the refusal of Bulgarian banks to grant loans to farmers. As an entrepreneur interviewed in our study also said:

> *The banks were very sceptical about farmers. But now all of them are wooing us because of the subsidies. While there were no subsidies, no one cared about you… The Swiss gave money to the banks because they asked us what our problem was. We told them the banks didn't want to lend us money. But they put their money in the banks.*

The operation of the credit line was by no means unproblematic, though. Although the loans were guaranteed by the Swiss government, this apparently proved to be insufficient and the banks servicing the Fund obligated farmers to provide additional guarantees because organic farming – and, for that matter, farming in general as an economic activity – was considered too risky to justify investment even if there were guarantees. A similar negative experience was found in the following case:

> *There was this impudent boss of a bank from Kazanluk (…) And although there was a guarantee, he came along (…) on a visit to the farm and asked us what we'll pledge as collateral. I know (…) that the Swiss had given them guarantees, and so on. (…) He asked me if this tractor was mine and when I said it was, he said, "Okay, fine, that will do, then." So that's how things got done – we pledged tractors, this and that, what have you, and I told him, "Man, I know the Swiss have given you guarantees, why are you being so tough on us?" "That's right, but it's our duty… still, you know," he replied.*

The experience of another organic entrepreneur (a partner in the first organic wine cellar in Bulgaria) was also negative. He applied for a loan under the credit line, but his application was turned down on the grounds that his idea of establishing an organic vineyard was "*too commercial*" because the vineyard would take up as many as seven hectares.[13] Although there were problems in its implementation, the credit line was one of the few publicly available financial resources for organic farming in Bulgaria in the 1990s. Yet even though it led to the establishment of organic farms, this instrument failed to arouse significant interest in the marketing of organic produce. This necessitated yet another change in the SOAP project: namely, creating conditions for the development of a market for organic products,

[13] Although we do not have detailed information about the reason for the rejection of the loan application in this particular case, "too commercial" most likely meant that the project for establishing an organic vineyard was judged to be inconsistent with the idea that organic farming ought to focus on practices realized primarily in small, family farms and aimed at preserving the natural rhythm and balance in the environment. In this sense, the plan to grow vines on seven hectares of agricultural land was probably regarded as too large-scale.

so providing incentives (by providing opportunities for selling organic produce) other than the purely financial ones (granting loans) became a new project objective. In 1999, Bio Bulgaria – the first organic cooperative in this country, uniting some fifty producers of organic agricultural and food products – was set up under the project for "Development of Sustainable Agriculture in Central Stara Planina" implemented by the SDC and the Bioselena Foundation. The Bio Bulgaria project aimed to unite small producers on the basis of a particular product range so that they could produce bigger quantities which would attract the interest of chain stores and thus find markets:

> *We aimed to create a local market (…) but the quantity of the produce was too little. The larger traders, such as supermarkets, demanded bigger quantities from the beginning. This isn't a problem that is specific to Bulgaria, it happens often in creating a new market.*
>
> (Swiss expert who worked on the project)

According to the Swiss expert, it was very difficult to create the cooperative because "*the farmers had fundamental doubts about joining an association, since they associated it with the old* [TKZS] *cooperatives*." It is precisely because of the subjective associations of the cooperative with the socialist forms of organization, as well as because of the clash of interests between the different producers (some of them were crop farmers while others were livestock farmers) as to exactly what products were to be produced and processed (lavender, mint and roses, or dairy products) that the cooperative was active for only a few years.[14] Another reason for the breakup of the cooperative was that some of its members did not produce any organic products and had joined it only because they expected to profit from their membership in some way. One of the organic entrepreneurs, who was a member but later left the cooperative to set up, together with another three families, a new cooperative of almost the same name (Bio Bulgaria – Oil), recounts the breakup as follows:

> *We left because... cooperation is a very difficult thing… Those of us who are convinced [in the benefits of cooperation] do it… but some of the people who joined the cooperative did so because they knew there would be easy money to be made. And they spoiled everything.*

Similarly to the efforts of the "Swiss" Bioselena, the attempts of the "Bulgarian" normative actors to encourage the development of a local market for organic products likewise failed. As the result of a joint project of the AEC and Association Ecofarm, in 2000 the first market stall selling organic products in

[14] For an in-depth analysis of the problem of attitudes towards collective action, see Dona Pickard's article in this book.

Bulgaria was set up at Chetvartak Pazar (Thursday Market) in Plovdiv with the idea of promoting organic produce. The stall offered mostly fruit and vegetables grown on the AEC's organic demonstration farm and the first organic farms in the region. This stall, however, operated only for a short time because of the lack of demand for organic products as well as their higher prices as compared to conventional products.

Despite the failures in encouraging cooperation among organic producers and in creating a new market niche for organic products, the role of the normative actors in creating opportunities for entrepreneurship (by providing know-how, skills, and financial resources) in the sphere of organic farming must not be underestimated – moreover, in the context of a complete lack of support in the form of national policies and financial instruments. On the one hand, these actors succeeded in identifying, defining, and structuring topical problems related to protection of the environment and natural resources, reduction of the use of chemical plant protection methods, and exploitation of agricultural land. On the other, they also identified a specific solution to those problems – namely, applying agricultural practices that are both environmentally friendly and have the potential to generate economic benefits and to encourage the economic development of rural areas. Last but not least, by promoting organic-farming values and practices and providing various resources in the form of expertise, specific know-how and financial support, they created conditions for the emergence of the first organic entrepreneurs in Bulgaria in the 1990s. Thus, they also laid the beginning of a change in the widespread notions of agricultural practices in several regions in Bulgaria where they conducted training courses and information workshops. But they also did something more: they created and disseminated a new cognitive and interpretive framework that enabled some actors from those regions not only to identify specific problems and their solutions, but also to use the available means so as achieve particular ends. How was organic farming actually internalized as an opportunity for entrepreneurship in Bulgaria?

4.4. Internalizing Organic Farming as an Entrepreneurial Opportunity: First Instances of Organic Entrepreneurship

The data from the interviews with respondents who undertook organic entrepreneurship in the 1990s show that organic farming was identified as an entrepreneurial opportunity by actors who lived in rural areas but whose education and professional experience were not necessarily in the sphere of agriculture. Most often (but not necessarily) those are people who were never cut off from the land and agricultural labour, be it in livestock or crop farming, and in this sense, they were not people with no experience. For example, one of the cases of organic entrepreneurship undertaken in the 1990s and exercised on a family farm managed by spouses (a chemist and a livestock engineer) and the wife's brother (a theologian

by education) shows that although none of the three had educational and professional experience in agriculture, they came from families that can be defined as hereditary farmers. In another two cases of organic entrepreneurship, it was exercised by a lathe operator and an electrician whose families, however, had been raising livestock "*their whole lives*". At the same time, organic entrepreneurship in the 1990s was not confined solely to people with experience in agriculture. Such were the cases of the first biodynamic entrepreneur[15] in Bulgaria, a mathematician by education who had worked as a teacher and headmaster in schools in the Rhodope mountains, and for some time, as mayor of the village he lives in, as well as of entrepreneurship in organic wine production exercised by lawyers and a mechanical engineer. Those first instances of organic entrepreneurship in Bulgaria can be explained, on the one hand, as a result of the de-institutionalization of conventional agricultural practices in the areas in Bulgaria where the training workshops were conducted. The information provided at those workshops created new means-ends cognitive frameworks allowing the internalization of organic farming as an entrepreneurial opportunity. For example, in one of the cases of organic entrepreneurship, organic farming was identified as a means (agricultural practice) for preserving the local traditions in agricultural practices (an end) precisely at an information workshop conducted by the Bioselena Foundation:

> *I realized the way we were raising livestock was already close to organic farming. And then, there were our pastures from the TKZS that was dissolved in 1990, no one had sprayed them; there was plenty of such abandoned, deserted land.*
>
> (Organic entrepreneur in livestock farming)

In other cases, organic entrepreneurship was seen as a means for preserving, reviving, and continuing the family traditions of "*non-fertilizing*" and "*non-spraying*", as well as for producing food that is not "*poisonous/toxic*". There are also cases where organic farming was identified as a solution to problems related to personal demand for quality food products and the difficulty to find such products. For example, in the case of a family farm, during a specialization course on hygiene and nutrition in the food industry the wife encountered

[15] According to this entrepreneur, biodynamic agriculture is defined as "*a higher level of organic farming. A higher level because we invite the cosmos to help us in our work by observing the organic requirements even more strictly, and by working on a particular site we involve those elements in helping us. All activities must be carried out in an order determined by the cosmos and nature depending on the crops on the farm, whose order is adjusted to the impulses coming from the signs of the Zodiac, the planets, and the Moon. The idea is that by performing particular activities 'at the right time', we open up the land to them and help plants to improve their pest resistance*."

these poisons with which foods are processed… you analyse frankfurters and find there's no meat in them. You analyse butter and find there's everything in it but butter. You analyse margarine and it turns out it's carcinogenic. So that's when I simply realized that my children shouldn't be eating this.

Food consumption in the family is wholly guided by the culture of avoiding "poisonous" things and eating homemade products:

Meat, milk, cheese – if it's not ours, it's from other local people who produce it similarly to the way we do. We only buy sugar, rice, chocolate. Wafers are prohibited. All sorts of other things for purchasing… it's only two or three times a year that we eat something more "poisonous".

The case of entrepreneurship in organic wine production is similar – it was precisely the personal demand for "clean" products that led to the identification of organic farming as a solution to this problem:

The idea was born quite earlier. Maybe in '97 or '98… to make wine for, so to speak, a narrow circle of friends… At one point there were no guarantees that there was wine and rakiya [brandy] on the market that were free of chemicals and additives.

In fact, although there are no official data on the number of organic entrepreneurs in Bulgaria at the end of the 1990s, indirect data from the case studies suggest that they were most likely not more than twenty or so. These findings, which show the limited scale of organic entrepreneurship in Bulgaria as well as the failure to boost demand for organic farming, at first sight indicate that the results of the implementation of the "normative project" were contradictory. To understand their contradictory character, however, they must be examined within a narrower context.

4.5. Successes and Failures of the "Normative Project":

Acknowledging the Need for Political Legitimacy and Public Recognition

It is obvious that some of the main objectives of the "normative project" for creating an organic farming sector in Bulgaria in the 1990s – such as establishing cooperatives, developing a local market and generating demand for organic products – were not achieved. The small number of people engaged in the production of organic agricultural and food products likewise shows that there were obstacles to the recognition of organic farming as an entrepreneurial opportunity. At the same time, however, it was those poor results that became an incentive for identifying a major factor for the failure of the project: the lack of national policies on development of organic farming and of legislation regulating organic production, and hence, legitimating the emergence of a new agricultural and food sector and of

new participants in it – organic entrepreneurs. In this sense, the need for political legitimacy was also key to attaining public legitimacy and recognition of organic farming as a value, and of organic entrepreneurship as providing public goods (high-quality, clean products and foods). Because of the absence of this factor, organic farming and entrepreneurship in Bulgaria remained largely invisible and marginal, developing "in the shadow" of conventional agricultural practices. Another important role of the normative actors discussed above is to be found precisely in their attempts to overcome the lack of political legitimacy. Although this article does not aim to analyse the concrete interactions between the various organizations and political structures that led to changes in Bulgaria's agricultural policies,[16] we must note the contribution of the three pioneer organizations (the AEC, Bioselena, and Ecofarm) to arousing some political interest in organic farming. After several unsuccessful attempts during meetings with various authorities within the Ministry of Agriculture and Food, at the end of the 1990s they ultimately succeeded in defending organic farming as a prerequisite for developing sustainable agricultural practices and preserving traditional agricultural values. With the help of a "*group of enthusiasts*",[17] including the head of the then Department of Ecology at the MAF and several external experts,[18] the first regulatory document (Ordinance No. 15) regulating organic production of agricultural and food products and indications referring thereto on them was produced in 1999.[19] Although this Ordinance did not provide for financial or other support for development of the sector in Bulgaria and remained in force for only two years, it was a step towards the recognition of organic farming as an alternative to conventional agriculture. Undoubtedly, the challenges of Bulgaria's accession to the EU and the need of transposing EU legislation into national law gave a much more powerful impetus to the development of concrete policies in the field of organic farming. At the same time, those three organizations were main participants in the elaboration of the two agri-environmental measures providing support for organic farming within the framework of the pre-accession SAPARD programme and the National Rural Development Programme (NRDP) 2007-2013, as well as in the elaboration of the first, and so far only, National Plan for Development of Organic Farming in Bulgaria (NPDOFB) 2007-2013. In this sense, their role in designing national policies and regulations on the development of an organic farming sector and the exercise of activities in it was more than

[16] For a detailed analysis of the participants, forms of interaction and their results, see Slavova et al. (2016).

[17] Defined as such by the present Director (since 2006) of the Agroecological Centre, an active participant in the drafting of Ordinance No. 15.

[18] A year later, one of those experts became the head of the Agri-Environment Department at the MAF, and another an official in the same Department.

[19] The content of the Ordinance was largely the result of a study on organic farming standards in Western Europe conducted by the present Director (since 2006) of the Agroecological Centre during a specialization course under the Tempus programme at the Wageningen University in the Netherlands in the 1990s.

significant. This significance is also evident against the background of the absence of spontaneously formed organizations of organic entrepreneurs. In fact, organizations of organic operators appeared in Bulgaria almost a decade after the launch of the normative project which created advisory and training structures and some financial instruments for development of the sector. The emergence of those organizations was largely a result of the implementation of the political project for development of organic farming in Bulgaria, and more specifically, a response to the ineffective implementation of various financial instruments and administration bodies. Actually, their emergence cannot be understood separately from the context in which the political project was launched and realized, and the changes it brought about in the development of the sector. More specifically, what was the role of government interventions in furthering the development of the organic farming sector in Bulgaria, and in particular in creating opportunities for (and constraints to) organic entrepreneurship?

5. The "Political Project" for Development of Organic Farming: The Role of Government Interventions

The "political project" for development of organic farming in Bulgaria can provisionally be divided into two main phases. During the first phase, encompassing the period from 2001 to 2006 and corresponding to Bulgaria's EU accession preparations, the elaboration of a national agri-environmental policy became the main challenge that had to be met by the changes in the country's agricultural policies. Introducing mechanisms supporting organic farming was one of the main problems that had to be resolved by Bulgaria in keeping with the strategic priorities of the CAP. Thus, in the 2001-2006 period the main efforts were directed at codifying the conditions for production, processing and trade of organic agricultural and food products – including labelling, export and import – in accordance with EU legislation on organic farming. Although in this period there were de facto no national financial instruments in support of the development of the sector, the changes in Bulgaria's agricultural policies led to the emergence of new means-ends frameworks through which organic farming began to "transcend" the boundaries of farms in rural areas and was internalized by a wider circle of actors as a sector providing entrepreneurial opportunities. The second phase encompasses the period after Bulgaria's EU accession in 2007, when, as a full-fledged member of the Union, the country began to receive funds from the EAFRD which finances (subsidizes) the national rural development programmes of the Member States. The so-called compensatory payments (subsidies) for undertaking agri-environmental practices, including for organic farming, were introduced in Bulgaria under the NRDP 2007-2013. The Programme included a special measure providing support for organic farming. Although the measure contained a series of restrictions on the granting of subsidies (for example, it did not provide support for activities such as

processing of and trade in organic agricultural and food products, or for organic livestock farming), it created conditions for increasing the certified agricultural area as well as the number of organic operators. What the immediate results of the implementation of the "political project" were is a question we seek to answer below.

5.1. First Phase of the Project. Defining and Structuring the Problem: Elaborating a National Agri-Environmental Policy "in Line with the CAP's Orientation"[20]

Whereas in the 1990s the development of the organic farming sector was left to the "invisible hand" of various normative actors, Bulgaria's preparations for EU accession led to significant changes in the institutional context, and more specifically, in the sphere of national agricultural policies. These changes were driven by the need to transpose EU primary legislation into national law, including the principles of the CAP which define agri-environmental activities as one of the priorities for development of agriculture in the Community. In keeping with the Community Strategic Guidelines for agriculture and rural development, the elaboration of a national agri-environmental policy became a requirement Bulgaria had to meet. This requirement brought about a series of changes in national agricultural policies. In 1999, Bulgaria elaborated its first National Agriculture and Rural Development Plan (NARDP) for the 2000-2006 period in compliance with EC Regulation 1257/99. The Plan served as a basis for absorption of funds allocated under the Multi-Annual Financing Agreement between the Commission of the European Communities, acting on behalf of the European Community, and the Republic of Bulgaria, under the Special Pre-Accession Programme for Agriculture and Rural Development (SAPARD). Compensatory payments for agri-environmental activities, including for organic farming, were provided under SAPARD Measure 1.3 "Development of environmentally friendly agricultural practices and activities". Although it was initiated as a voluntary instrument in 1985, since 1992 the agri-environmental measure has been the only binding measure for all EU Member States and a key element integrating the concept of environmental protection into the CAP. In this sense, the inclusion of this measure into the NARDP 2000-2006 was the result of pressure related to Bulgaria's forthcoming accession to the EU, and not of recognition of the significance and role of agri-environmental practices in agriculture and rural development. In this period, this measure was the only national financial instrument providing support[21] for farmers who applied environmentally friendly practices – that is, who performed an environmental service. Although the measure was elaborated (not without the participation of the normative actors

[20] Quote from an interview with a former head of the Agri-Environment Department at the MAF.

[21] The Swiss Guarantee Fund operated in Bulgaria until 2004.

discussed in the previous part of this article[22]) and approved already in 2003 within the framework of the NARDP 2000-2006, it was not until 2006 that Bulgaria received accreditation from the European Commission for its implementation.[23] In this sense, the role of this financial mechanism in providing a concrete opportunity for development of organic entrepreneurship in Bulgaria is questionable: immediately after the measure began to be implemented, there was only a single call for project applications in October 2006 and February 2007.[24] In other words, although the existence of this financial instrument may have generated some interest in organic farming, it could hardly be defined as a significant factor encouraging the development of entrepreneurship in the sector until 2006. Admittedly, a National Plan for Development of Organic Farming in Bulgaria 2007-2013 was elaborated and adopted in the 2004-2005 period. However, the elaboration of this Plan (the first and only one to date) was initiated not by the state (the structures responsible for organic farming under the MAF) but by the Swiss Agency for Development and Cooperation. As noted in the summary of the outcomes of Bulgarian-Swiss technical cooperation (CapEx), it was precisely the need to encourage participation of a wider circle of actors in the organic farming sector that necessitated the elaboration of a planning instrument which would set strategic priorities for the further development of organic farming in Bulgaria on the basis of an analysis of strengths and weaknesses (Giger et al. 2007:54). Last but not least, the purpose of the Plan was to encourage interaction among organizations working in the field of organic farming in this period within the so-called Support to Organic Agriculture Partnership (SOAP). Such partnership needed to be encouraged, considering its modest results: although in Bulgaria there were already advisory and training structures as well as financial support from the Swiss Guarantee Fund, by 2003 there were only twenty-nine organic entrepreneurs (according to unofficial data from the Bioselena Foundation). Under the SOAP project, in the period between July 2004 and June 2005 the SDC financed the establishment of a working group to elaborate the Plan. Although the Plan was ready at the end of 2005, its approval, and especially its financial justification, by the MAF took almost two years. Thus, in the 2001-2006 period there was no change in regard to the creation of effective national financial instruments encouraging development of an organic farming sector and

[22] For an analysis of the participation of these actors in the elaboration of the measure, see Slavova et al. (2016).

[23] According to information from the interviews conducted with MAF representatives, the reasons for the late start of the measure were mainly two. On the one hand, although the measure provided compensatory payments per area unit, there was no electronic register of agricultural land in Bulgaria at that time. The second reason was the inter-institutional conflicts between the MAF and the Ministry of Finance, which was in charge of obtaining national accreditation for the measure.

[24] According to information from an interview with a former head of the MAF's Agri-Environment Department, at the end of 2006, when the measure was opened, a total of 205 applications for financial support for organic farming were submitted. Out of them, 102 were approved.

organic entrepreneurship in Bulgaria. Despite this, the government interventions resulted in the establishment of new means-ends frameworks which set concrete rules for production, processing and trade of organic agricultural and food products, and hence, created opportunities for (and constraints to) the development of organic entrepreneurship. How did this actually happen?

5.1.1. Political Construction of New Means-Ends Frameworks

Despite the lack of effective financial instruments supporting the sector, what actually happened in this first phase of the "political project" was, on the one hand, the political construction of the significance of organic farming as one of the priorities of the European Community, and hence of Bulgaria as a forthcoming Member State. A separate section (department) was set up at the MAF with the task of introducing horizontal environmental EC legislation in the sphere of organic farming, as well as an interdepartmental commission on organic farming with advisory functions – changes which apparently showed a political commitment to development of organic farming as a priority sector for Bulgaria. On the other, this legitimated the production, processing and trade of organic agricultural and food products as activities subject to codification through the introduction of production, control and certification standards. In 2011, Bulgaria introduced the principles of EU legislation (Regulations 2092/91 and 1804/99) on organic farming into national law through two ordinances (Ordinance No. 22 and Ordinance No. 35)[25] which regulated the production, labelling and import of organic plant and livestock products, and revoked Ordinance No. 15 of 1999 as non-conforming to EU regulations. In fact, although these ordinances likewise did not provide financial support for development of the sector, they created immediate opportunities for development of organic entrepreneurship: they legitimated the categories "organic production" and "organic product". What is more, they also set the eligibility criteria for defining a producer, processor or trader as "organic" – namely, only when the agricultural and/or food products they produce, process or trade in are subjected to control and certification. For their part, the categories "control" and "certification" legitimated the establishment of "control bodies"[26] authorized to issue certificates of compliance with the rules of organic production, processing and trade. According to the model introduced in Bulgaria, control and certification were to be performed by private

[25] Ordinance No. 22 of 4 July 2001 on organic production of plants, plant products and foodstuffs of plant origin and indications referring thereto on them (promulgated in State Gazette No. 68 of 3 August 2001), and Ordinance No. 35 of 30 August 2001 on organic production of livestock, livestock products and foodstuffs of animal origin and indications referring thereto on them (promulgated in State Gazette No. 80 of 18 September 2001).

[26] Control bodies may be local and foreign legal entities which are traders within the meaning of the Trade Act, or of the legislation of a European Union Member State, or of a State Party to the Agreement on the European Economic Area, and which have received permission for performance of control from the Minister of Agriculture and Food.

commercial and non-governmental organizations. These organizations, which we will hereinafter refer to as certifiers, began, on the one hand, to perform the functions of a regulator granting entrepreneurs access to the organic market by certifying that the products they produce, process or trade in are compliant with the requirements formulated in the EU legal framework on organic farming. On the other, certifiers began to supervise compliance with definite standards by exercising normative control over the activity of entrepreneurs and were authorized to revoke the certificate of compliance upon establishing deviations from the standards for organic production. Thirdly, producers who were engaged in conventional agricultural practices but wanted to convert to organic farming were obligated to undergo a conversion period of at least two years (depending on the crops grown). During that period they have to prove that they have created conditions for organic production without using pesticides and synthetic fertilizers that are prohibited in organic agriculture, and that they are complying with European Community standards and rules of organic production. Proof thereof was to be provided by the certification company in the form of a certificate of compliance with EC organic production rules. In this sense, the relationship between organic entrepreneurs and certifiers itself became a key element of the entrepreneurial process, insofar as certifiers

> *give them [producers] definite prescriptions – what they have to do on their farms in order to become organic producers. This is a controlled way of production. They must have a contract with someone who controls them. And who controls not the end product, but the entire process of production.*
>
> (Former head of the Agri-Environment Department at the MAF)

Thus, although the introduction of regulations in the sphere of organic farming in Bulgaria regulated the production, processing and trade of organic products and thereby created opportunities for development of organic entrepreneurship as a legitimate economic activity, they also placed significant constraints on it. Namely, every person (producer, processor, trader) who wants to be certified as organic (and to offer their produce as organic) was obligated to conclude a contract on the provision of control and certification services with an accredited organization. In fact, in the period between the appearance of the first certification organization accredited by the MAF in 2003[27] and the end of 2013, the number of control bodies increased to eleven.[28] Although a competitive market for certification services was established

[27] According to Agrarian Report 2003 (p. 223), pursuant to Order No. RD 09-599 of 24 July 2003, the Minister of Agriculture and Forests issued Permit No. 1 of 25 July 2003 to SGS Bulgaria EOOD, representative of the Swiss Société générale de surveillance SA, for performance of control over organic production of plants, plant products and foodstuffs of plant origin, and over organic production of livestock, livestock products and foodstuffs of animal origin.

[28] Only a year after the introduction in Bulgaria of a model whereby control and certification were to be performed by private commercial and non-governmental organizations and after the

in this way, information from the case studies shows that the cost of those services remains a significant barrier to entry into the sector. This was especially evident in the years before 2008 (i.e. before the introduction of compensatory payments for organic farming within the framework of NRDP 2007-2013), when there were no effective financial instruments supporting the sector. Despite these constraints to the development of organic entrepreneurship, publicly available data show that in the 2001-2006 period the number of producers, processors and traders of organic products increased significantly: from a mere 29 in 2003 (Apostolov 2013) to 214 in 2006 (NPDOFB 2006). What was this change due to? Let us look at some of the possible reasons for the internalization of organic farming as an entrepreneurial opportunity, as reported by our respondents.

5.1.2. Internalization of Organic Farming as an Entrepreneurial Opportunity: Instances of Organic Entrepreneurship in the 2001-2006 Period

Although certification proved to be a barrier to entry into the organic farming sector for some (mostly small agricultural producers), it was not a problem for other actors, mostly agribusiness operators. Following the results of the studies by Buck et al. (1991), Guthman (2004a, 2004b), and Padel (2008), this analysis does not seek to join the debate on the so-called conventionalization of the organic farming sector. At the same time, we cannot but problematize the fact that almost all organic entrepreneurs interviewed in our study, who appeared during this phase of implementation of the "political project", were conventional entrepreneurs and agribusiness operators. There are several explanations for the entry of this type of actors into the organic sector. On the one hand, those were actors who already had partnerships, access to domestic and international markets, and resources to invest in the certification process so as to enter a new, but promising, market niche. On the other, the analysis of the discourse of those entrepreneurs shows that they were influenced by the changes in the political attitude towards organic farming as a priority sector for Bulgaria. These changes created new means-ends frameworks through which organic farming began to be internalized as an entrepreneurial opportunity. A case in point is a large conventional tenant-farmer cultivating more than 2,200 hectares, one of the major traders in agrochemicals in Northeastern Bulgaria. In this particular case, organic farming was identified as an opportunity for entry into a new market niche under the influence of a relative of the landowners, who was working at that time in a local structure of the State Fund Agriculture and who suggested that "*in fact, this is the future*". Namely, that "the future" lies in agricultural produce which meets certain standards of quality that

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first control body was accredited, in 2004 a total of seven control bodies based in Bulgaria or Europe were offering such services: IMO – Switzerland (Balkan Biocert), Lacon-ETKO – Germany (B-cert Bulgaria), Eco-cert – Germany, DIO – Greece, Soil Association Ltd – Great Britain, Skal International – The Netherlands, and SGS Bulgaria Ltd. (NPDOFB 2006:7).

are different from the conventional ones, and which offers a solution to a topical problem, in particular to the "*over-commercialization*" of products "*the way your grandmother made them*". Another case in point is that of a conventional producer of lavender and walnuts who internalized organic farming as an entrepreneurial opportunity after receiving information about changes in government policies on organic farming in his capacity as an employee at the Municipal Agriculture Office:

> *I had been working at a Land Commission since '91. So I had some information (...) I decided there would be better times ahead for agriculture. There would be subsidies and there would be various development programmes.*

In this particular case, the opportunity for entrepreneurship was rationalized by the expectations of subsidies for organic production (means) that would compensate for the losses from the conventional production of crops he had been engaged in until then (end): "*In 2003-4 the prices of lavender oil plummeted… the market collapsed and the price fell. That's when I decided to convert to organic farming*." Concrete expectations of a change that would open and expand opportunities for entrepreneurship in a new market niche also motivated a leading company for conventional meat products to enter the organic sector. The owner of the company was a member of the interdepartmental commission on organic farming that was established in 2001 under the two ordinances on organic production. Although he has since been disappointed with the policy on organic farming, he admits that back then he thought that "*since such commissions were being formed, since we were being invited to participate, there was obviously an intention to go ahead and do something more…*" The company made an attempt to set up its own farm for organic livestock (means) to supply raw material (veal) for a new product line (end). The main motive for the attempt to create an own farm was also an expectation of change in consumer culture regarding some meat products in Bulgaria:

> *We thought that if we created a farm we would also create a trend towards higher consumption of veal in Bulgaria. We were influenced by what we were seeing in France, Germany, Austria and the other European countries.*

After a few years he gave up because "*we relied on some subsidies not to cover our costs but at least to partly compensate for them"* and because he found that organic production was not a profitable economic strategy but "*a very expensive hobby*" in the context of an undeveloped market for organic products. Despite this, a few years later the company ultimately succeeded in finding a productive form of realizing its ideas by releasing several organic products on the market because "*'organic' in itself is a brand and fetches higher prices*."

Although the changes in agricultural policies were an important factor for the identification of organic farming as an entrepreneurial opportunity, they were not the only one. The data from the interviews with organic operators who undertook

entrepreneurship in this period show that already established foreign partnerships and visits to international trade fairs and exhibitions were significant factors for creation of the cognitive notion that unlike in Bulgaria, in Europe there was a demand for organic products, and hence an opportunity for selling them. For example, the certification of the first certified organic mill in the country was the result of expansion of the product range in the form of an investment "*in the future*" which a large conventional processor of cereal crops decided to make, vying for a position in a market that already existed in Europe but also in a market that was yet to be developed in Bulgaria. To quote the company's trade manager:

> *There's a future for an organic, gluten-free line (…) there's demand in Europe (…) We're a company which, so to speak, is somewhat future-oriented. We think organic products have a future. Unfortunately, in Bulgaria not such a near future.*

A similar case is that of organic entrepreneurship in fruit farming, undertaken as the result of a years-long partnership between a Bulgarian and a British company in the food industry. The motive for diversifying production and entering the organic sector came from the British partner's interest in the growing demand for organic products (mostly strawberries and raspberries) in the UK and other European countries. Another case of organic entrepreneurship in fruit farming (raspberries) is similar. In it the rationalization of organic farming as an entrepreneurial opportunity was related to a visit to one of Europe's largest trade fairs for organic products, BioFach:

> *At BioFach we saw that there's a huge demand for all sorts of organic products. Europe's simply gone crazy about organic products. It wants organic products. It wants everything organic.*

In this particular case, although the entrepreneur initially worked in the sphere of conventional production of a particular crop, it was precisely contacts established at this trade fair that initiated conversion to organic farming and development of organic entrepreneurship in the form of export. At the same time, these cases of productive organic entrepreneurship would have hardly been possible if there was no appropriate institutional infrastructure in Bulgaria – namely, national legislation and certification structures creating conditions for production of organic products (and/or raw materials) and access to European markets.

We can summarize that the role of government interventions in this phase of implementation of the "political project" was at least twofold. On the one hand, they created conditions for regulating production, processing and trade of a new category of agricultural and food products. At the same time, the mechanism designed to distinguish organic products from all others (conventional, homemade, environmentally friendly) and to legitimate the emergence of a new market niche in fact set a barrier to entry into it – namely, the requirement for certification. In

the context of limited financial support, another type of actors different from those who engaged in organic entrepreneurship in the 1990s also entered the sector: actors who had resources and capacity to invest in this new category of products and who succeeded in selling them mainly in the European markets. In fact, the number of producers, processors and traders of organic products grew during this phase. Hence, organic farming began to "transcend" the boundaries of the farm and to be identified as an entrepreneurial opportunity by a wider circle of actors. At the same time, organic entrepreneurship was developed mostly in the form of export – moreover, above all of raw materials, not of ready products. In this sense, although the codification of organic farming in concrete rules for production, control and certification was an important step in the development of the organic sector, it failed to generate significant consumer demand and a market for organic products in Bulgaria. Although from 2004-2005 onwards some large chain stores, such as Elemag, Fantastico, Billa, and Metro, began to offer organic products, most of them were imported. Even though by 2007-2008 almost 700 organic products were on offer in Bulgaria, only some 50 of them were made in Bulgaria (Apostolov 2013). In this sense, the main effect of government interventions in the 2001-2006 period was the provision of opportunities for access to European markets of organic products and for development of organic entrepreneurship in productive forms generating value, but mostly for export. Bulgaria's accession to the EU in 2007, however, brought new challenges to the implementation of the "political project".

5.2. Second Phase. Defining and Structuring the Problem: "Encouraging Farmers to Serve Society"[29]

As an EU Member State, Bulgaria was bound not just to continue to develop a national agri-environmental policy but also to provide financial support for the exercise of agri-environmental activities. In compliance with the Preamble (para. 35) to Council Regulation (EC) No. 1698/2005, a National Agri-Environmental Programme (NAEP) 2007-2013 was elaborated. The Programme began to be implemented through Measure 214 "Agri-environmental payments" included in the NRDP 2007-2013, a successor and continuation of Measure 1.3. under the SAPARD programme. Unlike the agri-environmental scheme under SAPARD, which supported organic production of just several types of crops (i.e. had a pilot character), the NRDP 2007-2013 provided support, through Measure 214, for production of all kinds of crops, as well as for organic beekeeping. The main purpose of this support was in accordance with the EU's agri-environmental policy to

> *encourage farmers and other land managers to serve society as a whole by introducing or continuing to apply agricultural production methods compatible*

[29] "*Agri-environmental payments should* (…) *encourage farmers and other land managers to serve society*": Council Regulation (EC) No. 1698/2005, Preamble, para. 35.

with the protection and improvement of the environment, the landscape and its features, natural resources, the soil and genetic diversity.

Such support was provided in the form of compensation (subsidies) for farmers for additional costs incurred and income foregone resulting from agri-environmental commitments undertaken for a period of five consecutive years.[30] In this sense, the introduction of compensatory payments as part of the policy of supporting agri-environmental practices in Bulgaria created an opportunity for entrepreneurship in the sphere of organic farming insofar as those payments covered some costs (for example, of certification) and compensated for loss of income, in particular during the conversion period.[31] The official data show that since 2008-2009 (when subsidies began to be paid), the number of operators registered in the control system – that is, who have concluded a contract with a certification organization – has been growing steadily: from 311 in 2008 to 3,123 in 2013, as has the total area cultivated by organic farming methods (Agrarian Report 2014:53). These data show growing interest in organic farming practices, an interest that cannot but have been influenced by the opportunities for receiving subsidies. At the same time, the question of whether this financial instrument *really* supported the development of the sector by creating entrepreneurial opportunities is at least twofold. On the one hand, Measure 214 provided compensatory payments in two main areas, "Organic Crop Farming" and "Organic Beekeeping". Although the NRDP 2007-2013 provided also other financial instruments that could be used for financing conversion to organic production as well as processing and marketing of organic products, Measure 214 offered the highest subsidies: upon a good combination of agri-environmental activities, the subsidies could be up to EUR 900 per hectare of cultivated land. Quite a few organic entrepreneurs interviewed in the study said that without subsidies, every agricultural activity, be it conventional or organic, would be loss-making. In this sense, Measure 214 was undoubtedly an important financial and pro-entrepreneurial instrument. On the other hand, the mechanism of its operation and implementation placed quite a few constraints on those wishing to exercise organic farming methods and, as discussed also in the next parts of this article, created opportunities for the emergence of unproductive forms of entrepreneurship. For example, the first Ordinance (No. 12 of 22 April 2008) regulating the terms and procedure for implementing Measure 214 was published less than a month before the opening of the call for applications in 2008. Thus, all who wanted to apply for funding under

[30] Organic farming often entails lower crop yields per hectare due to the reduced level of intensification consisting above all in reduced use of fertilizers and crop protection products. It also involves additional costs of seed and planting material, higher costs of labour (mostly manual), annual expenditure on control and certification, and so on.

[31] In this case, loss of income is due to the fact that the produce produced during the conversion period cannot be marketed as organic.

Measure 214 practically had very little time to prepare the necessary documents. Another constraint found in the discourse of entrepreneurs interviewed in the study was the lack of administrative capacity and preparation of the responsible institutions (the National Agricultural Advice Service and its district offices) to provide information and advice to all who were interested, as well as to accept and process the submitted applications for financial support. In addition to those problems, Ordinance No. 12 itself proved to be very restrictive: on the one hand, it placed too many requirements on applicants under Measure 214, and on the other, it did not set precise and clear rules for rejection of applications or reduction of subsidies. As one of the founders and long-time president of the Bulgarian Organic Products Association pointed out:

> *The worst thing, in addition to the many errors in the regulatory framework, was that it was written very unprofessionally and was very restrictive. The methodical guidelines for sanctions were as if all were criminals and everything had to be doubled, trebled. Every mistake brought you I don't know what.*

As a result, in the first call for applications, a significant part of the applications for support under Measure 214 were not approved. Although a year later a new Ordinance (No. 11 of 6 April 2009) was elaborated so as to introduce clear rules for refusal or reduction of subsidies, this change did not lead to significant improvement in the implementation of Measure 214. As one of our respondents, a former deputy minister of agriculture from 2010 to 2013, admitted, in fact, during the first year of its operation

> *the percentage of absorption of the total [funding available under Measure] 214 was 1% for the 2008-2009 period. Tragic... I understood that one problem was that people – agricultural producers – weren't informed about what agri-environment is. I see the first main problem – it's not known what this is. If you don't know what it is, how can you apply? Second, the programme under [Measure] 214 began very badly – I mean, even those who ventured to apply and knew about the benefits of organic production, of traditional and local breeds, ultimately received many sanctions.*

Thus, in addition to the poor administration, the lack of sufficient public information about what Measure 214 actually offered, what the deadlines for application under it were, why in some cases subsidies were refused or reduced, and so on, was obviously another significant problem in its implementation. What is more, those problems hindered the achievement of the prime objective of Bulgaria's agri-environmental policy: encouraging farmers "to serve society". In practice, the changes in the regulatory framework failed to answer two important questions: why farmers should serve society at all (what are the ends), and by what means this "service" was to be supported/rewarded. This necessitated reconstructing the new

means-ends frameworks so as to clearly show not just a solution to what problems organic farming offers, but also what would be the benefits for those who decide to engage in the production, processing and trade of new categories of products – organic products.

5.2.1. Political Reconstruction of the New Means-Ends Frameworks

In an attempt to overcome the problems related to the achievement of the prime objective of Bulgaria's agri-environmental policy and to promote Measure 214, from 2009 onwards the MAF began to publish guidelines for applicants. But the way in which it was promoted created specific means-ends frameworks and "windows of opportunities" for entrepreneurship in the organic farming sector that differed from the ends pursued by Measure 214 as one of the instruments of agri-enviromental policy: to provide compensation in return for provision of a particular social good, that is, environmental protection. More specifically, Bulgaria's agri-environmental policy aimed to create opportunities for

> *Increasing awareness and knowledge of farmers about the environmental impact of agricultural practices; encouraging the use of environmental planning in farm management practices; maintaining and restoring the traditional agricultural landscape"; conserving soil and water resources.*
>
> (Ordinance No. 11 of 6 April 2009)

It also aimed to provide "*support for the development of organic farming as an environmentally friendly method of agricultural production which is also economically beneficial*" (ibid.). The economic benefits were not clearly defined in any statutory document, though. At the same time, one of the MAF guidelines offered concrete means-ends frameworks through which the economic benefits were clearly pointed out under the heading "*Why take up organic farming*" – namely, because "*Measure 214 'Agri-environmental payments' is one of the most richly subsidized measures of the RDP*", "*Organic products are a good market niche*", "*The prices of organic products are high*", "*Organic farms attract regular customers*". Although this discourse defined organic farming as a means of deriving certain economic benefits (there are subsidies for it, as well as a good market niche; the prices of organic products are high, but these products attract regular customers), it was at variance with the actual mechanism for granting compensatory payments. They were awarded on a per-hectare basis as compensation for an undertaken commitment to provide a particular public good and were not linked to the volume of production. What is more, none of the requirements for granting subsidies obligated beneficiaries to produce something at the end of the five-year agri-environmental commitment, or to prove exactly what the subsidies had been used for. In this sense, the main idea of the compensatory payments was to support environmental protection, and not necessarily to create conditions for the development of new

categories of products for which there is a "good market niche", or whose "prices are higher" than those of conventional products. In other words, the possibility of marketing organic products was not regarded as problematic – it was largely taken for granted. This is confirmed, on the one hand, by an MAF expert who was involved in preparing Measure 214, a former head of the MAF's Agri-Environment Department:

> *The idea of the five-year period was to ensure the achievement of the objectives related to environmental protection. That is, it was assumed that if you want to have some effect on biodiversity conservation or on protecting soils and water from pollution, this cannot be achieved in two years. These efforts must last at least five years. So this was the idea behind the provision of subsidies. It had nothing to do with organic farming – you were paying for additional costs and for loss of income as compared to conventional production. The idea was that since those people were providing some benefit to society, the so-called public goods, society as such had to pay them compensation.*

On the other hand, this thesis is also confirmed by the fact that Measure 214 did not only not tie subsidies to the volume of production; neither did it provide support for processing and trade of organic products – activities that can actually add value to production and increase the economic benefit from it. Thus, it turns out that economic benefit from organic farming practices could be obtained only if the produce was sold. The findings from the interviews with organic entrepreneurs show, however, that organic produce was very often marketed as conventional produce (because of the lack of demand and of a domestic market, as well as of any efforts to look for ways to market it as organic), or given away to friends and acquaintances. Among the reasons for that was the still low demand for organic products in Bulgaria as well as the lack of initiative on the part of entrepreneurs (not to say a lack of interest since they were receiving subsidies anyway) to look for ways to market their produce. As the respondent quoted above admitted, organic farming was in fact regarded by "*the majority of people*" as "*'they're giving us this money so let's take it', without thinking about what they will do with this produce*." A similar interpretation is also found in the discourse of other key actors – participants in the institutionalization of organic farming in Bulgaria – who admitted that subsidies became the main (even if not only) motive for entry into the sector and encouraged practices of "staying" for as long as possible in the conversion period, for which the subsidies were higher. In this sense, one may suppose that there was a sort of "substitution" of the prime objective of agri-environmental payments. This was a "substitution" of the original means-ends framework, in which compensations (means) were paid in return for provision of a particular public good (end), by a new one in which receiving subsidies became an end in itself. This "substitution" may be described as resulting from the lack of a political strategic vision for development of

the sector. In a sense, although organic farming was defined as a priority sector for Bulgaria in line with the CAP priorities, it remained such "on paper" only. This is evidenced by the late start of the agri-environmental measure under SAPARD, the difficult beginning of the implementation of the agri-environmental measure under the NRPD 2007-2013 and the problems in absorption of funds provided under it, and the frequent changes in various ordinances, and particularly in those regulating its implementation. The thesis that there was no clear strategic vision for development of the sector is also confirmed by the lack of instruments encouraging the marketing of organic products. As noted above, the provision of compensatory payments was not bound in any way to a requirement for marketing the subsidized produce. In fact, according to the ordinance on implementing Measure 214 (Ordinance No. 11, Article 37, para. 1, item 3), at the end of the fifth year of the undertaken agri-environmental commitment, subsidy recipients should have received a certificate of compliance of their products with the rules of organic production. At the same time, although this certificate was actually a key resource in the field of organic entrepreneurship because it legitimated the produced or processed products as "organic" and thus provided access to the market, its possession did not guarantee the sale of these organic products. Hence, it is unsurprising that for some of the respondents, obtaining a certificate was done simply "*for the record*" and "*only for prestige*". Others described the certificate as something "*that tells you that this* [a given product] *hasn't been sprayed and fertilized with synthetic chemicals. And that's it. That's the only thing that's provided*" but which did not guarantee the sale of the product. Even if it was "*only for prestige*", obtaining a certificate was often beyond reach because of its high cost:

> *We originally had plans to have our orchard certified. It isn't big, but we had decided [to have it certified] simply for the record. So I went to the AGRA [International Agricultural Exhibition] in Plovdiv and spoke with a certification body. And they told me that for such a small orchard I had to pay some 10,000 leva so that they would come and tell me what I was to grow and how much.*
>
> (Organic entrepreneur producing organic raw bars)

What were the actual results of this "substitution" as well as of the implementation of the "political project" during this second phase? What was the role of the certifiers and organizations of producers and traders of organic products, and of new (other than the Swiss) foreign donors, and were they a factor for internalization of organic farming as an entrepreneurial opportunity after 2006? Answers to those questions are to be found in the interviews with organic entrepreneurs.

5.2.3. Internalization and Reconstruction of Means-Ends Frameworks: Instances of Organic Entrepreneurship after 2006

The introduction of a financial instrument supporting those who had undertaken an agri-environmental commitment, and in particular in the sphere of organic farming, was a factor that had a significant impact on the development of the organic farming sector and of entrepreneurship in it in Bulgaria after 2006. This instrument led to the emergence of productive – but also of unproductive, including short-term – forms of organic entrepreneurship during the subsidized period. In the majority of cases in which we found organic entrepreneurs who had taken advantage of Measure 214 and other measures under the NRDP 2007-2013, they had either given up continuing their agri-environmental commitment at the time of the interview, or were planning to abandon organic farming and to switch to other types of activities – conventional, or entirely non-agricultural ones. In other cases we found organic entrepreneurs who, at the time of the interviews, had not decided whether they would continue their activity because they were waiting for changes in the NRDP for the new programme period, 2014-2020, and more specifically for information about the size of the subsidies. In still other cases, we found actors who had not taken advantage of any of the available financial instruments and were relying on entirely different resources.

In the first two types of cases (those who had abandoned, or were planning to abandon, organic farming, and those who had not made a decision yet), we found that subsidies were the major factor for internalization of organic farming as an entrepreneurial opportunity. In the academic literature on the subject, there is an extensive debate on the relationship between subsidies and entrepreneurship and its role in the development of various economic sectors, and in particular in agriculture. A number of studies (e.g. Baumol 1990) show that subsidies can be a factor promoting or constraining productivity in a given sector. Although this article does not seek to examine this debate in depth, it cannot ignore several cases of organic entrepreneurship which show that the undertaking of a commitment to produce organic products was done solely for the purpose of rent-seeking and did not involve looking for ways to add value to those products and to market them. In these cases, organic farming practices were undertaken with the aim of winning project funding and subsidies under one of the measures in the NRDP 2007-2013 – namely, "Setting up of young farmers" (Measure 112). Although undertaking organic farming was only one of the activities eligible for funding under this measure, it was awarded the highest score (points) in ranking project applications. In other words, undertaking a commitment to convert to organic farming made applicants "*look more committed*" (organic entrepreneur in vegetable farming) and gave them a competitive advantage:

It's not that I'd decided to engage in organic production – it was because we had to earn maximum score points in order to be ranked higher up.

(Organic entrepreneur in mushroom farming)

In order to be approved (…) so as not to submit just a bare project, so to speak (…) If you had organic farming [in your project application], you were given a higher score.

(Organic entrepreneur in vegetable farming – 2)

In those cases organic farming was identified as a means for winning funding for projects that do not directly involve agri-environmental activities. This type of instrumental use of organic farming was applied by actors who live mostly in rural areas and have experience in agriculture: their families were producing agricultural products for personal consumption, and in some cases, for sale. At the same time, those are people whose education and main line of business is not in agriculture. They undertook agri-environmental activities, and agriculture in general, under Measure 112 as a means of securing additional income (subsidies) and of achieving other ends. In one of the cases, for example, the respondent's aim in applying for funding under Measure 112, which included undertaking an agri-environmental commitment (growing organic vegetables), was to build a nursery for conventional perennial plants. In another case, the aim was to buy farm machinery (a tractor) for the family farm. In yet another case, the aim was to build a guest house. After the commitment to organic farming had fulfilled its function, that is, after their project applications were approved, the entrepreneurs changed their plans: after receiving the subsidies, they undertook other types of activities – conventional, or entirely non-agricultural ones. Those practices can be defined as entrepreneurial insofar as they presuppose the use of new methods (organic) of crop cultivation and of production of a new category of products. At the same time, however, ways for marketing the products were not sought in any of those cases. If the products were marketed at all, they were offered as conventional, not as organic, and were most often given away to friends and acquaintances. Those entrepreneurial practices do not create/add real value to the product and do not contribute to the development of an organic farming sector. If any value is created at all, it is solely with regard to the fact that application of organic methods contributes to environmental protection. The economic benefit comes from the personal profit from the subsidies received. In this sense, such a type of entrepreneurship is, in essence, unproductive. There are also examples of unproductive forms of entrepreneurship among the majority of organic entrepreneurs who had used the opportunity to receive compensatory payments for organic farming under Measure 214 and had since either abandoned, or were thinking about abandoning, organic farming and switching to other types of activities – conventional, or non-agricultural ones. The main argument in the discourse of those entrepreneurs was the size of the subsidies: those who had

abandoned organic farming defined them as low, while those who were thinking about abandoning organic farming were waiting for the changes in the new NRDP 2014-2020 in order to see how big they would be. In part of those cases, subsidy reception was not associated with an obligation or necessity of marketing the products. There are also cases in which the possibility for marketing was directly rejected. A case in point is a (now former) organic entrepreneur in organic vegetable farming, a beneficiary under Measure 112, who rejected an offer for supplying products to several kindergartens. The main argument in the discourse of this entrepreneur was that he could not ensure regular supply because that would "*take too much* [of his] *time*" and he didn't want to "*to give up his profession*" (a veterinarian). This example of unproductive organic entrepreneurship once again shows the absence of a subsidy–productivity–marketing link. In the cases in which we found that opportunities for marketing had been or were being sought, it is precisely the impossibility of finding such opportunities that was an additional reason for abandoning, or thinking about abandoning, organic farming. At the same time, it is precisely in the attempts to find marketing opportunities that we found the specific role of certifiers and of organizations of producers and traders of organic products. Contrary to the results of studies (Swaminathan & Wade 2001; Greve et al. 2006) showing the role of various professional organizations in creating pro-market opportunities, and in particular their role as specific intermediaries connecting entrepreneurs with consumers, partners, potential investors, in the Bulgarian case the findings are different. The only organizations of organic producers (Bulgarian Organic Products Association – BOPA) and of organic traders (Bulgarian Organic Trade Association – BOTA) to date, established in 2009 and 2010 respectively, emerged as a response to the problems in the operation of Measure 214. In this sense, they can be interpreted as an attempt at institutional entrepreneurship in the organic farming sector. As an organic entrepreneur, a co-founder and present co-president of the BOPA, said:

> *Our Association fought hard for a change in some of the articles in the ordinances in order to make things easier. Especially at the beginning, in 2007-2009. (...) We were driven to it out of necessity. To look for like-minded people, to look for people who have the same problems as we do and to look for ways to save ourselves.*

It is precisely the active role of those two organizations, and especially of the BOPA, which led to changes in the ordinances on implementing Measure 214, and more specifically, to simplification of the documents for application and of administration of the Measure. At the same time, the role of those organizations in the development of the sector, including with regard to marketing opportunities, is not perceived as significant in the discourse of the organic entrepreneurs interviewed in the study. Membership in those organizations is not regarded as a

valuable resource in the entrepreneurial process. For example, former members of BOPA or BOTA said they had left because those organizations "*have no weight*" in resolving the problems of organic producers and traders. On the other hand, those who are still members described their membership as rather "*formal*". According to the organic entrepreneurs interviewed in the study, the role of such organizations should include providing concrete assistance in finding markets and marketing organic products; they should also provide information about "*projects open for participation, look out for subsidies, report news from Brussels, provide information and mutual assistance about foods, imports*" (organic entrepreneur in fish farming). Insofar as the expectations about the activity of those organizations have not been met to date, their role in creating opportunities for development of the sector and their potential to influence organic entrepreneurship are still limited. At the same time, some of the interviews confirmed the thesis of Lee and Sine (2012) that certification organizations strongly influence potential entrepreneurs' perceptions of the possibilities for marketing new products and services, their utility and consumer value. More specifically, the discourse of organic entrepreneurs shows that this type of normative actors have an influence in identifying concrete market opportunities and reducing various transaction costs related to access to specific information. Quite a few of the interviewed organic entrepreneurs had turned to certifiers for help and advice about marketing their products, finding markets and access to information:

> *Some organic producers simply start to produce because of the very idea that they want to produce some clean products, without having thought at all about where their will sell their products. So, for example, they start calling X and asking for contacts. (…) Sometimes they [certification organizations] do what they can to help and give some contacts. But this isn't their job. They are a certification body, not a trade organization.*
>
> (Organic entrepreneur in strawberry and raspberry farming)

This type of activity, which is in essence advisory and conflicts with their accreditation as control bodies, is not denied by the certification organizations themselves, even though it is explained as providing "assistance" to clients who do not understand or have no access to various types of information:

> *We collect information and start providing assistance – which we shouldn't be doing, because we are accredited only as a control and certification organization. Advice about how to raise a given plant, crop or animal is provided by advisory organizations… But, willy-nilly, we help [by providing advice] as much as we can. This also applies when it comes to, say, plant protection products and fertilizers, right? Until recently there wasn't much information. We collect information from various sources so as to provide it*

to people when that's possible. In order to make their lives easier. Because farmers have had to become also accountants, right? They've also had to become lawyers. Just before you came, I was talking to someone from Smolyan who has animals, horses, so on, quite a big [farm], and he told me he had no idea where to look for information. Because when he goes to a public office they usually can't tell him anything.

(Manager of a certification organization)

Although in most cases certifiers "provide assistance" under pressure from clients asking for difficult-to-access information or for explanations about difficult-to-understand information, there are also cases in which a particular certifier was chosen precisely because they were expected to provide contacts and help find partners and access to markets. In fact, a certification organization established in 2013 (a representative for Bulgaria of a foreign control body) attracts clients precisely because it offers opportunities for finding foreign partners and for access to European markets. As an organic entrepreneur operating a fish farm said:

We chose this company because in this way we have ensured more markets for our produce outside our country. When we are certified by them, we are entered into these registers not just in Bulgaria but into their whole registration system, which is very good. And most of the buyers in Austria, Germany, Italy are found in this registration system (…).

This case demonstrates the role of certifiers as a sort of intermediary for contacts between demanders and suppliers, a role that goes beyond their strictly certification functions, creating an online market via the organization's website:

You log on to their database which they already have [created]. They have [a database] in 36 countries and (...) you log on to their website and say, "I want such-and-such an organic mushroom." And you find five people who grow this mushroom and who are certified in different countries. So the person who's searching decides where this mushroom is nearest so that they can go there and take it. Or order it.

(Same respondent)

Thus, uncharacteristic activities such as providing advice and consultations to clients are justified insofar as they compensate for the high transaction costs incurred by organic entrepreneurs: for example, for the difficult access to information about plant protection products, potential partners or markets, the inefficiency of various public offices and services, such as those providing advice about agriculture, or the high fees of advisory organizations which not all organic entrepreneurs are ready to pay.

The above examples of unproductive organic entrepreneurship do not mean that after 2006 it developed only in unproductive forms in Bulgaria. Our findings include examples of production of organic products, as well as of practices that add value to those products through processing and/or trade and which are linked to marketing both in and outside Bulgaria. Moreover, the entrepreneurs engaged in those practices have a long-term interest in remaining in the sector and concrete plans for expanding their activity (for example, in addition to production, acquiring processing facilities), for diversifying their product range or crops, and so on. Most often those organic entrepreneurs had not applied, or said they did not intend to apply, for the available compensatory payments. They explained this with the fact that the NRDP 2007-2013 did not provide subsidies for some activities, such as processing and trade of organic products, but even if it did, subsidies would not have been a significant factor for them. In the discourse of those entrepreneurs, subsidies "*aren't interesting*" because they have already found ways to market their produce, mainly in the form of export and already established partnerships, or expect to find such ways in the form of investment.[32] This group also includes several cases of organic entrepreneurship influenced by the appearance of a new foreign donor (other than the Swiss ones). This is the Dutch Avalon Foundation, which financed a Bulgarian-Dutch project called "New Thracian Gold" supporting the development of sustainable agricultural practices in the Eastern Rhodope Mountains. In the 2009-2013 period, several initiatives in the sphere of organic farming were financed under this project. One of them was the establishment of an organic cooperative for the production and processing of organic sesame into tahini. The cooperative, consisting of seven independent producers, was established on the initiative of experts working on the project, who donated equipment for a tahini factory. Thanks to this support, the cooperative managed to close the production cycle and to begin selling organic tahini in the Bulgarian market. Another initiative was the establishment of a production line for organic fruit jams and preserves, part of the portfolio of a leading company in the food industry. In this particular case, the Bulgarian-Dutch project not only stimulated the company's interest in organic production with the argument that there is "*a global trend towards healthier eating, especially abroad*"; it also provided financial support for production and marketing, and financed visits of company representatives to national and international trade fairs and exhibitions. Those examples once again show the role of normative elements of the institutional environment, and in particular of normative institutional actors, both in creating and in internalizing opportunities for entrepreneurship in the sphere of organic farming. What is more, in those particular examples the normative institutional actors were a factor enabling the emergence of productive forms of organic entrepreneurship. Simultaneously with those examples of good organic entrepreneurial practices, we cannot ignore data which show that since 2008, there

[32] Among the factors for not applying for subsidies, we also found some cultural-cognitive and value-based ones. For an in-depth analysis of these problems, see Zdravka Georgieva's article in this book.

has been a dramatic increase in entrepreneurial activity in the cultivation of crops (perennial crops like walnuts, almonds, hazelnuts and chestnuts, and aromatic crops like lavender and oil-bearing roses) that were eligible for the highest compensatory payments under Measure 214. Official data show an exponential increase in certified land planted with nuts: for example, from 1,544 ha in 2011 to 3,896 ha in 2012 to 5,889 ha in 2013 (Agrarian Report 2014). Although it is somewhat speculative to attribute this dramatic growth solely to the availability of subsidies for those crops, we cannot ignore the fact that the subsidies for them were the highest. Information from the control system of one of the certification organizations which covers one-third of all organic operators in Bulgaria shows that 380 (almost 40%) out of a total 1,013 operators in 2012 were growing nuts (mostly walnuts). Most of the newly registered organic operators were growing almonds and hazelnuts. The so-called "walnut boom" is not unique to Bulgaria. In 2010 a number of cases of non-existent walnut plantations (or plantations where there were just saplings 20 to 30 cm high) were found in Poland, although EUR 14.8 million had been distributed for walnut plantations in 2007 (Kreuzer 2010). This, and other such cases, are described in an EC Working Document (EC Staff Working Document 2014:30) and defined as a new phenomenon, that of "subsidy-hunters". Data from our interviews with key actors in the organic farming sector and with organic entrepreneurs show that instances of this phenomenon involving unproductive forms of entrepreneurship can be found in Bulgaria, too. These instances have undoubtedly left a "footprint" on the development of the organic farming sector in Bulgaria and raise questions about the social significance of organic entrepreneurship.

6. On the Social Significance of Organic Entrepreneurship and Its "Footprint" on Society in Bulgaria

If we imagine for a moment that we are the visitor from another planet described by Scott Shane, then the answer to the questions of *how* and *why* organic farming emerged and developed in Bulgaria would be comparatively easy. In such a hypothetical situation, we would most likely have said that the reasons were the existence of demand for particular agricultural and food products, of a social movement of farmers providing such products, and, generally, of public interest in particular activities and practices that are different from the conventional ones. Hence, the question of *how* and *why* entrepreneurship in the sphere of organic farming actually *occurred* in Bulgaria would not have been a problem at all: considering that it exists, there must have been objective conditions for its emergence. However, the questions of what were the *concrete opportunities* for development of organic entrepreneurship, *who* created those opportunities and *how*, and *who internalized them* and *in what form*, require much more complex answers. Those answers necessitate a broader discussion of the social significance of organic entrepreneurship.

In this article, the understanding of the emergence of the organic farming sector in Bulgaria and of entrepreneurship within it goes far beyond the idea that those phenomena were the result of a sort of "green revolution" (Holt & Reed 2006) or social movement of farmers (Michelsen et al. 2001). On the contrary: this understanding regards the emergence of organic farming and of organic entrepreneurship in Bulgaria as a result of changes in the normative and regulative dimensions of the institutional environment initiated by actors whose decisions and actions have left a specific "footprint" on those phenomena. The emergence of the idea of organic farming and of the first organic farmers back in the 1990s within the framework of the "normative project" took place under the influence of actors who succeeded in identifying, defining, and structuring concrete problems to which organic farming practices are thought to offer concrete sustainable solutions. In fact, the promotion of organic farming values, norms and practices failed to generate consumer demand and markets for a new category of products (Hiatt, Sine & Tolbert 2009). At the same time, the training and advisory structures set up under the "project" initiated a change in the widespread notions of farming practices and attitudes towards nature, land and food. The provision of various resources in the form of expertise and specific know-how led to the construction of new means-ends cognitive frameworks which enabled the internalization of organic farming as an entrepreneurial opportunity and led to the emergence of the first pioneer entrepreneurs in the sector. Although this role should not be absolutized, it is a fact that precisely those actors provided financial and logistical support for a series of entrepreneurial initiatives in Bulgaria in the 1990s as well as in the 2009-2013 period.

On the other hand, the changes in the regulative elements of the institutional environment also led to the creation of concrete opportunities for, but also constraints to, the development of organic entrepreneurship. The role of government interventions as sources of entrepreneurial opportunities is not unambiguous. Bulgaria's national policies on organic farming can hardly be defined as supportive in the sense of Jacquemin and Janssen (2015). Although the regulations in the sector entailed high transaction costs (for certification, training, access to information and advice), they cannot be described solely as "constraints" to entrepreneurship. Rather, their role, as well as that of policies, is in that they created specific "windows of opportunities" (Mayer-Schönberger 2010; Hart et al. 2008; Blackburn & Hart 2003). Those windows, however, led to the emergence both of productive and unproductive forms of organic entrepreneurship. In other words, the changes in policies and regulations created, on the one hand, means-ends cognitive frameworks through which organic farming was internalized as an opportunity for entering a new market niche, in particular mostly in European and other markets, for expanding already existing partnerships, and for attracting new investments. On the other, they also created conditions for the internalization of organic farming as a means of rent-seeking and exercising activities that do not add value in the sector. Both cases, however, raise an important question regarding the achievement

of the prime objective of Bulgaria's agri-environmental policy and provision of compensatory payments: namely, did this policy actually succeed in encouraging the emergence of actors who "serve society as a whole" (rather than being driven solely by the opportunity to receive subsidies) and who understand the significance of their actions for development of the organic farming sector in Bulgaria? The answer to this question tends to be negative if we critically examine publicly available data on the development of the sector. MAF data show that the certified agricultural area cultivated by organic farming methods increased. There was indeed an increase: whereas in 2003 the area under organic farming was 12,284.14 ha of the utilized agricultural area (NPDOFB 2006), by 2013 it had increased to 56,287 ha (Agrarian Report 2014). Although the last figure shows that in 2013 the area under organic farming constituted just 1.1%[33] of the utilized agricultural area in Bulgaria, this may nevertheless be defined as partial success of the agri-environmental policy in achieving the defined goal of developing "environmentally friendly methods of agricultural production" (there was indeed an increase in the area under organic farming). The number of organic operators also increased, and moreover, significantly: from 214 in 2006 to 3,123 in 2013 (ibid.). Prima facie, this increase shows a growing interest in entrepreneurship in the organic farming sector. At the same time, the increase in the certified area as well as in the number of producers, processors and traders of organic products, does not correlate with data on the development of a national organic market. According to unofficial data, despite the increase in the number of specialized organic shops, most of the products they offered were imported: for example, out of a total 733 organic products available in shops in 2008, just 54 were made in Bulgaria (Apostolov 2013). At the same time, according to data from the Bulgarian Organic Products Association, approximately 90% of the organic products produced in Bulgaria were exported mainly to European markets, and the share of organic product sales in 2013 was not more than 0.5% of the total food market in the country. In fact, provision of support for the development of a national market for organic products was not among the goals of Bulgaria's agri-environmental policy in the 2007-2013 period. Hence, the problem of marketing the products produced as a result of the introduction of environmentally friendly farming methods was practically a "tabooed" subject. Although, in essence, it was a problem coming from the EU's CAP itself, and not a specific feature of Bulgaria's agri-environmental policy, its effects on the development of the sector in Bulgaria were significant. Namely, the emergence both of productive forms of organic entrepreneurship where the economic benefits came from the added value and marketing of organic products, and of forms where the economic benefits were limited to rent-seeking. In the first

[33] The MAF's Annual Report on the Situation and Development of Agriculture in 2013 (Agrarian Report 2014) does not specify the exact percentage of certified agricultural area. The percentage cited above was calculated by this author from the data in the Report on the utilized agricultural area in Bulgaria in 2013, and on the agricultural area under organic farming.

case, entrepreneurs "served" and left a "footprint" on society as a whole in a form that transcended the environmental effects of agri-environmental practices, led to the emergence of a new category of products (organic products), and was significant for the development of the organic farming sector. In the second case, the "service" and "footprint" were limited to the introduction of agri-environmental practices without undertaking an actual commitment to produce a new category of products, and in this sense, generated value only with regard to environmental protection and biodiversity conservation.

In a sense, organic entrepreneurship can be interpreted as a specific form of social entrepreneurship insofar as it offers solutions to significant problems related to environmental protection and biodiversity conservation, reducing the use of pesticides and other chemicals. Recognition of this significant role of organic entrepreneurship, however, is rarely found in the discourse of the entrepreneurs interviewed in the study. The exercise of agri-environmental practices, and in particular of organic farming practices, is internalized less as providing social goods than as providing private goods. The increase in the organically certified agricultural area in Bulgaria is undoubtedly a significant result in the achievement of the goals of the national agri-environmental policy related to the introduction of environmentally friendly methods of agricultural production. At the same time, apart from the purely environmental effects, the social effects of this policy are not sufficiently visible yet. Still, data from our case studies allow us to identify also other "uses" of organic farming, which indicate that the social significance of organic entrepreneurship and its "footprint" on society transcend its purely environmental effects. Organic farming as an entrepreneurial opportunity has been internalized by a wide circle of actors, both from rural and urban areas, with and without education and experience in agriculture and the food industry. More specifically, it is seen as a means of preserving, reviving, and continuing family agricultural practices and values, of meeting consumer demands for clean products and foods, of entering new markets, and of attracting investors, partners, contractors.

Of course, every discussion of the social significance of organic farming, and hence of organic entrepreneurship, requires analysing the problem within a wider framework than the one in this article. For example, the questions regarding the motives for entry into the sector, the role of entrepreneurship in creating local markets, in encouraging social interactions, and in particular cooperation among organic operators as a factor for sustainable development of the organic farming sector, are by no means unambiguous. However, they are the subject of analysis in other articles in this book. As for the questions of how the changes in Bulgaria's agri-environmental policy in the new programme period will influence the development of the sector, whether the role of normative institutional actors will grow or decline, whether the productive forms of entrepreneurship will prevail over the unproductive ones, they are the subject of future studies.

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MOTIVATIONAL PROFILES FOR ENTRY INTO THE ORGANIC SECTOR IN BULGARIA

Zdravka Georgieva

1. Introduction

One of the main goals of the Common Agricultural Policy (CAP) of the European Union (EU) is to reorient agriculture towards environmentally friendly practices (Darnhofer et al. 2005:2). To achieve this goal, the EU has created the framework for national agri-environmental programmes in Regulation 2078/92.[1] This mechanism is based on voluntary measures, inviting organic operators (producers, processors, traders) to contract with government agencies to carry out environmentally beneficial activities in return for compensatory payments. It seeks to utilize the potential of the organic sector[2] for production, processing and trade by methods that protect the environment and thereby contribute to sustainable use of natural resources in the attempt to meet humanity's food needs (Padel & Lampkin 2007; Sterte 2011).

Many of the ministers of agriculture and political representatives in the agricultural sphere in Europe ascribe, at least formally, social, economic, and environmental value to the organic sector and try to encourage the conversion from conventional to organic farming by elaborating, ratifying and implementing various political instruments facilitating the growth of the sector. Despite this, conversion from conventional to organic farming has been comparatively slow in Europe and the proposed targets have not been reached, or have been postponed (Sterte 2011). Bulgaria is no exception in this regard. The hitherto only National Plan for Development of Organic Farming in Bulgaria, for the 2007-2013 period, notes the following reasons for supporting the sector: "*Organic farming as well as other integrated agri-environmental practices directly contribute to sustainability of rural development in Bulgaria. They can lead to stabilization of ecosystems, preservation and restoration of natural resources, prevention of land abandonment*" (NPDOFB 2006:4). The latest Agrarian Report of the Ministry of Agriculture and Food (2014:52) points out that organic farming is a priority in Bulgaria's agricultural development policies as well as an invariable part of the main priorities of the EU's CAP:

> *Providing incentive to agricultural producers for transitioning to or maintenance of organic farming contributes at the same time for environmental protection – it strengthens agro-ecosystems, preserves biodiversity and provides*

[1] Council Regulation (EEC) No. 2078/92.

[2] Hereinafter, the term "organic sector" refers to practices of production and/or processing and/or trade of organic products.

an opportunity for future generations to use the preserved nature; production of healthy foods – this form of agriculture corresponds to the needs of the increasing number of users, because it uses safe and transparent methods of production; social effect – it creates employment in rural areas and more jobs compared to conventional agriculture.

Strategic goal 2 of the National Plan for Development of Organic Farming was that 8% of the utilized agricultural area (UAA) in Bulgaria had to be managed in an organic way by 2013 (NPDOFB 2006:30). As this goal was too ambitious, it remained unattained and far from reality at the end of the target period: by 2013, the total area under organic cultivation was 1.1%[3] (Agrarian Report 2014). The contradiction between the declared and formulated goals, the existing political mechanisms (legislation, strategic documents and financial support) encouraging the organic sector, and the actual data on the development of the sector, raises the question: *Which are the main motivators of operators to enter the organic sector* that have led to a more than hundred-fold increase in the number of organic operators in Bulgaria in the last ten years?

The organic sector in Bulgaria emerged and developed as an effect of "internal and external driving forces" (Slavova et al. 2016; Stoeva et al. 2014; Stoeva 2016). The interaction of local non-governmental organizations offering advisory services, academic centres, government agencies (the so-called "internal driving forces"), supported by foreign donor organizations, as well as the important role played by the EU (the so-called "external driving forces"), led to the emergence of the organic sector in Bulgaria. Organic operators[4] (producers, processors or traders) as a whole did not take part, either directly or through representatives, in the process of establishment of the organic sector in Bulgaria. According to Apostolov (2012), in 2003 there were just twenty-nine certified organic operators, even though there already were some statutory instruments regulating the organic sector in Bulgaria.[5] According to the latest data of the Ministry of Agriculture and Food (MAF), the

[3] The official data published in the Agrarian Report of the Ministry of Agriculture and Food do not provide specific information about the share of the total area under organic cultivation in Bulgaria. To establish the exact figure, we had to calculate the share of organic land of the UAA on the basis of the raw data mentioned in the report. One may hypothesize that in this way an attempt was made to conceal the actual share of organically cultivated land, providing data in the report on the total hectares under organic cultivation in Bulgaria which, however, are not given as a share of the UAA and could therefore be misleading.

[4] Hereinafter, the term "operators" refers to organic producers, processors and traders.

[5] Ordinance No. 15 of 3 August 1999 on organic production of agricultural and food products and indications referring thereto on them, repealed by Ordinance No. 22 of 4 July 2001 on organic production of plants, plant products and foodstuffs of plant origin and indications referring thereto on them, and Ordinance No. 35 of 30 August 2001 on organic production of livestock, livestock products and foodstuffs of animal origin and indications referring thereto on them. For more about the emergence of organic farming policies in Bulgaria, see Slavova et al. (2016).

number of organic operators in Bulgaria at the end of 2013 was 3,123 (Agrarian Report 2014).

The purpose of this article is to identify the main motivators of operators for entering the organic sector, and to formulate the main motivational profiles of those operators. So far there are only a few studies in Europe on the main motivators for entry into the organic sector. The motivation of Bulgarian organic operators has not been studied at all to date. Attempting to fill this void in research on the organic sector in Bulgaria, the present analysis may provide important knowledge and information to policymakers and stakeholders in the sector (Darnhofer et al. 2005; Khaledi et al. 2007; Koesling et al. 2008). This article seeks to point out the direction that policies for attracting new operators in the Bulgarian organic sector should take so as to address the motivational interests of operators.

The question of motivations can be examined from various perspectives. The focus could be on the motivation for entering the sector, but also for remaining in it, or for leaving or choosing not to enter the sector. The motivations can also be examined from the point of view of choice of a particular activity within the sector (production, processing, trade, or a combination between them), as well as of choice to raise, process or trade in a particular crop or livestock. Here I will focus only on the motivations for entry into the sector, leaving the other aspects for future research.

2. Main Groups of Motivators Influencing the Decision to Enter the Organic Sector

In the scientific literature on the subject, the motivation for entry into the organic sector is examined from different perspectives. Some give priority to the financial competitiveness of the organic sector, while others focus on the agro-climatic conditions, social perceptions of and attitudes towards organic farming, or the personal situation of a given operator. Still others show how organic farming can be undertaken as a result of environmental, health, economic, philosophical/spiritual, labour, and other factors (Khaledi et al. 2007:11). We can generalize that a distinction is made in the literature between "internal" (individual) and "external" (structural) motivational factors for entry into the organic sector. Under "external" factors we find those that individual operators cannot affect directly. "Internal" factors are related to the producers, processors and traders themselves, and to their personal circumstances. From the point of view of the formal characteristics of operators, here we should take into account their age, education (including agricultural education), inherited experience as operators or experience in agriculture in general, employment in another occupation besides organic farming, income, location of the farm, and so on. Personal characteristics and skills are also a factor influencing the decision to take up organic farming. Persistence and perseverance, skills in dealing with uncertainties and risks, intrinsic "drive", urge

to experiment, capability to fit into a new environment and community, capability to leave the well-trodden path of conventional farming, curiosity, flexibility and creativity in exploring innovative practices, abilities to plan and develop, are traits that can motivate operators to convert to or enter the organic sector (de Lauwere et al. 2004; Darnhofer et al. 2005). A key factor for entry into the organic sector is the so-called "value-oriented" or "idealistic" attitude towards the sector – this includes personal and technical motives related to the desire to ensure quality food, care for the health of producers and consumers, as well as a desire to protect the environment. The desire to return to nature, ensuring a healthier soil and rich soil diversity, and production of "cleaner" crops with less or no chemical crop protection products or artificial fertilizers (de Lauwere et al. 2004:3) also belong to this group of motivators.

According to some scholars, the economic and institutional characteristics of the environment should be examined more closely than the personal characteristics of operators because it is precisely the economic and institutional environment that determines the motivation of operators to convert or not. Conversion from conventional to organic farming is a specific decision which is influenced by the existing institutional mechanisms. Long-term reliability of policies, markets and profitability of organic farming are a key factor for the decision to convert (Koesling et al. 2008:93). Thus, in examining the external factors that do not depend directly on operators but which determine their motivation, we should take into consideration (1) the stability and reliability of the market for organic produce (sales prices of and demand for organic products) and the costs of organic farming; (2) the existence or absence of political support, including of financial mechanisms and of institutional risk in the sense of political uncertainty (regarding regulations and subsidies for organic farming). The changes in regulations turn out to be a major barrier to the development of the sector. Financial support payments are designed to compensate for lower yields and an uncertain market, and can to lead to growth of the sector by hundreds of percentage points (Lampkin & Padel 1994). Despite this, due to frequent changes in the level of support and the conditions surrounding the payments, (3) financial support itself can be regarded as a specific risk factor for public attitudes towards the sector (Sterte 2011; Flaten et al. 2010): public perception of the benefits of organic farming; (4) interaction between organic operators – membership in collective organizations, contacts with the so-called "significant others". Organic operators are surrounded by a lot of actors – such as representatives of the academic sphere and NGOs, opinion leaders in the local community, policymakers, traders of chemical crop protection products and artificial fertilizers, conventional and other organic operators. All these actors may affect an operator's decision to convert or not (de Lauwere et al. 2004:5-7).Thus, de Lauwere et al. (ibid.) identify four main kinds of motives to enter the organic sector or not: (1) *idealistic motives*, related to the intrinsic "drive" of operators; (2) *technical motives,* related to matters such as the control of weed and the availability

of workers; (3) *economic motives*, related to the financial advantages of organic farming; (4) *institutional motives*, related to the institutions surrounding producers, processors and traders, policymakers, other operators living in the area, and so on. According to the study conducted by de Lauwere et al., idealistic motives are the most important reason to convert and institutional motives the most important reason not to convert.

Two main types of organic operators are identified in the literature – operators driven by economic motives, and operators committed to the ideas and principles of organic farming. According to Henning Best (2008:102), a growing number of operators are entering the organic sector not because they care about the environment in general or about the environmental impact of their activities, but because of economic considerations. These operators are moving into the organic sector for several main reasons: (1) because they expect their economic situation to improve; (2) because of the subsidies; (3) because they are already operating their farms extensively and can therefore receive higher subsidies by getting certified as organic; or (4) because of economic problems with conventional agriculture. This type of operators perceive the organic sector as attractive mainly because of opportunities for securing their income. Their main motive is the compensatory payments under agri-environmental measures. These operators often enter the sector after such political mechanisms have been introduced into the respective country. That is why it is presumed that the new entrants into the organic sector are often driven more by financial or pragmatic motives rather than by non-economic considerations. These financial motives, however, are not necessarily related to a desire for profit maximization. Compensatory payments enable a process of "learning by doing", of experimenting with new ventures, supporting operators in the search for more satisfying work. Instead of automatically assuming that this type of operators enter the organic sector because they want to increase their profits, we should also take into consideration their desire for independence from external inputs, for flexible use of resources, local innovativeness, and hence, lower expenses. In other words, pragmatically motivated operators can become "knowing agents" and meet the requirements of organic farming in a creative way (Darnhofer et al. 2005:19).

The second main type of organic operators are driven by idealistic motives of environmental protection, by a desire to be in greater harmony with nature and to follow a "green" way of life. In the literature, they are referred to in various ways: "idealists", "dedicated", "committed organic", "ecological" operators, operators motivated by strong value-beliefs – in contrast to those driven by economic and pragmatic motives who can easily switch between conventional and organic farming depending on their personal circumstances, the characteristics of the environment, and the benefits they can get from it. "Committed organic" operators are deeply rooted in the founding philosophy of organic farming. They reject the use of synthetic fertilizers and pesticides and seek closed nutrient cycles in harmony with

nature so as to guarantee producer and consumer health; to ensure quality produce, and crop and biodiversity conservation (Tovey 1997; Michelsen 2001). Economic considerations are of secondary importance to them. This type of operators are willing to risk foregoing some of their income in the name of the principles they believe in. Their personal traits include flexibility, creativity and adaptability, as they have to overcome a variety of challenges related to their personal circumstances and the characteristics of the environment they operate in, in order to remain true to their philosophical ideal. Mostly, they are the true "pioneers" in the sector, who started organic farming before the introduction of compensatory payments and subsidies. To this type of operators, organic farming cannot be reduced to a set of techniques and practices, it is a holistic "*social movement and a political statement*" guided by its own identity and ideology (Darnhofer et al. 2005:19-20).

3. Conceptual Framework

The main research question in this article is how the motivation of operators to enter the organic sector in Bulgaria is influenced by structural factors of the environment, on the one hand, and by the personal subjective interpretation of each operator, on the other. The analysis uses Anthony Giddens's (1984) structuration approach which focuses on the dynamics between micro- and macro-level in the interaction between structures and individual actors (agents). According to Giddens, social action cannot be explained if we focus only on one element, be it "structure" or "agent". Instead of giving primacy to one of the two elements, he proposes a dynamic approach where the emphasis is placed on the interaction between the structural characteristics of the environment and the individual actions of the "agent". Individual action is influenced by the structure, which in turn is formed and maintained by individual actions. Taking place in the context of actions of other actors, individual actions are actually inscribed within the web of constraints and opportunities created by social structures. Structures have a dual function – they can constrain or enable a given individual action. Being a set of rules, of standards, they constrain individual action, but they are also specific resources that facilitate agents.

The main assumption on which this analysis is based is that the "worlds" or subjective interpretations of operators about entry into the organic sector are predetermined by the way they perceive the structures they are embedded in. A given structural factor may be key to some and completely irrelevant to others, depending on the operator's personal perceptions (Duram 2000). Viewed from such a perspective, organic farming is assumed to be an activity that is culturally and historically determined and inscribed within the interaction between individual operators and the environment they operate in (Valchovska 2010). Different operators formulate and rationalize their goals and practices in different ways. Depending on their different experience (educational and professional), interests and

perspectives, personal traits and skills, they perceive and respond in different ways to the structural factors stemming from their political and economic environment. This article also presumes that the organic sector differs from the conventional one not only from a technological perspective, but from a social and institutional perspective as well. That is why the interaction between formal and informal institutions – laws, regulations and the market, on the one hand, and norms, beliefs, traditions and values, on the other – affects operators' motivation in entering the sector, as they are inscribed in various cultural, social and economic environments (Khaledi et al. 2007).

Proceeding from the theoretical assumptions and previous studies discussed above, I will try to generalize the main motivators of Bulgarian organic operators for entry into the sector on the basis of information from thirty-two in-depth interviews with operators conducted within the framework of the Bulgaria Organic Project.[6] Describing reality in terms of typology is a limiting undertaking that leads to oversimplification of the diversity of the practical world. Despite this, for the needs of this analysis, I will attempt to systematize and distinguish the different motivators on the basis of some clear differences between the cases, while admitting in advance that some subtle distinctions and specificities are bound to be lost when applying such a strategy of simplification of the diversity of social life.

The main distinction that can be made between the motivators for entry into the Bulgarian organic sector is between idealistic or value-oriented motives and beliefs in organic farming principles, on the one hand, and instrumental or economic motives, on the other.

The operators I define as "idealists" are motivated by an intrinsic "drive" to commit to organic farming principles, as examined above – namely, these operators place emphasis on:

- protection of the environment and return to nature;
- conservation of soil diversity;
- care for producer and consumer health;
- ensuring quality of the produced food;
- production of "clean" products, and so on.

The operators I define as "pragmatists" are driven both by economic motives and by aspects of the institutional environment they operate in.

The main economic motivators in this category are:

- existence of a market for organic products (identification of demand for organic products);

[6] In fact, the thirty-two in-depth interviews presented thirty separate cases about the uptake and practice of activities in the organic sector, since two of the interviews "told" the story of one and the same operator from the point of view of two different respondents, while in one case the information obtained from the MAF's Public Register of organic farming operators was wrong – the person registered as an organic farming operator turned out to be a beneficiary under an Agri-environmental Measure (Crop Rotation) but was not practicing organic farming *per se*.

- sales prices of organic products;
- opportunity for profiting from organic farming operations;
- cost of operations and expenses, and so on.

The institutional aspects are related to:

- existence/absence of political support for the sector;
- existence/absence of financial mechanisms supporting the sector;
- long-term stability of policies in the sector, and so on.

Naturally, applying such a schematic distinction to real life can produce only an ideally typical construction that can help us navigate the web of motivators determining the actions of operators. Here it is important to bear in mind that there is also a so-called "mixed" type of operators who should be classified somewhere in the middle of the spectrum of motivators for entry into the organic sector. Thus, I have formulated three main motivational profiles of organic operators in Bulgaria based on the thirty case studies: seventeen "pragmatists", eight "idealists", and five "mixed" type of operators.

4. Main Results of the Empirical Study of Organic Operators in Bulgaria

4.1. "Pragmatists"

The first group of factors influencing the choice of the "pragmatists" to enter the sector is related to the *identification of organic production, processing and trade as a new, promising market niche which could ensure better prices*. It is noteworthy, however, that these operators said they had expected favourable trends in political and institutional support for the development of agriculture as a whole, and this additionally motivated them to enter the sector. Two groups of producers can be distinguished in this category. The first group consists of producers who entered the sector early on, at the time of the emergence of organic farming in Bulgaria. They started operating in the period before 2004, when there was no interest in the sector either on the part of consumers in Bulgaria, or on the part of the political class. Demand for organic products in the world markets and their higher prices compared to conventional products, however, proved key for the operators in this group. Most of them do not have an education in agriculture. Quite a few of them have an engineering education, with some or no previous experience in agriculture. It is important to note the foresight of these operators, who astutely identified organic farming as a promising market niche and invested in it early on in Bulgaria. They realized that the agricultural sector was likely to get political support in the future, and recognized the potential economic advantages of practicing organic rather than conventional farming and of marketing their produce as organic.

> *The people in the management of the company probably had some inherited land, which also prompted them [to enter the organic sector]. Considering the dynamic of economic development, they gradually realized that sooner or*

later agriculture would again begin to become a factor. They started investing time and efforts in buying lands and consolidating them to set up some sort of agricultural fund. And they gradually [made progress] through contacts, queries, information. There was also trial and error. I mean, they started growing different crops. Some of those crops turned out to be successful, and others less so – some because of the cultivation and others because of the market. I mean, there were crops that weren't cost-effective enough. But they gradually arrived at a portfolio which I think has now given us some stability. We have been operating only in this field for several years now. (...) So the company's profile gradually shifted towards organic farming. That's simply because this is a niche in which they probably felt more comfortable. They gradually developed a market for their products. And at present I think we have a more or less adequate market for our capacities, and stable partners.

(Organic fruit and vegetable processor)

I had been working at a Land Commission since '91. So I had some information. And then I worked at the Municipal Agriculture Office. (...) My information [about organic farming] came both from the Office I worked at and from an acquaintance of mine who became Organic Farmer of Bulgaria in 2002 or 2003. After speaking with different people on different occasions, I decided it would be better to grow this. (...) In 2000 I started with 0.2 hectares of lavender, expanding over time – I now have 20.4 hectares. 20.5 hectares of lavender and 4.6 hectares of walnuts. In 2004 or 2005 I converted to organic farming. (...) It's simply that back in those days everyone rushed to set up shops, petrol stations, gas stations, but I decided there would be better times ahead for agriculture. There would be subsidies and there would be various development programmes, so I concentrated my efforts on it – on organic farming. I chose it because in 2003-4, the prices of lavender oil slumped (...) the market slumped and the price fell. That's when I decided to convert to organic farming. The other thing is that lavender suffers from very few diseases. There's no need to fight these diseases. So that's why I decided it's better to grow it organically.

(Producer of organic lavender and walnuts)

A motive for starting organic farming could come additionally from operators' interaction with acquaintances and friends – members of their social network or partners. In other words, this shows the important role of the so-called "significant others", which is also to be found in various forms further on among the possible motivators for operators. Another possible motive for starting organic farming is the desire to *close the production cycle* by supplying the necessary raw materials and combining them with *the resources and capacities of the available partners* who have the necessary processing facilities in order to meet the market demand for a particular organic product.

I have been engaged in various businesses. By and large, in trade. Yes, in import/export of products. In the food industry. (...) We work in the food industry – supplements, ingredients for food production. Conventional, yes. Various ingredients for the food industry. Mainly imports. As a purely trading company. But that's another company. (...) I was born in the area where the farm is located. And we decided to develop business in that area in 2002. We're a mixed company, a British-Bulgarian company. And our partner had a processing enterprise. They use organic fruit in producing fruit jams and ingredients for the dairy industry, the food industry. Their factories are in Britain. And since there was an acute shortage of organic products at that time, they decided to close the production cycle by setting up a joint venture in Bulgaria. And we started producing. So that's why we decided to start organic farming.

(Producer, processor and trader of organic raspberries, strawberries, beans)

The second group consists of operators who entered the sector in the 2007-2014 period, when organic products were becoming ever more popular, even in Bulgaria. Likewise motivated mainly by market demand, these operators could take advantage of *the fast-growing international market as well as of the emerging domestic market for organic products*. Most of them have an education in engineering or economics, but there is also one who has an education in the humanities and was a professor at a university. The flexibility and adaptability of the operators in this group should be noted as specific resources of theirs. Driven by market demand, they adapted to the environment and sought to meet the needs of the market. Here we find a group of producers and processors, half of whom focused on the Bulgarian market while the others took up organic production mainly because of the international markets.

Let us first consider those who targeted the Bulgarian market:

The initial idea was to set up an organic [children's] kitchen. My business partner had a baby and tried to find sufficiently tasty food for her child, but couldn't. So that's why we decided to set up our own kitchen. I joined her later and that's how we started running the present kitchen two or three years ago, in 2010.

(Producer of organic baby food)

I'm being asked at present why I converted to organic. I did so because I'll be the only one and have no competition. My only competition can come from the conventional sector. But I really have no competition because the two things are incomparable. Even the eggs are incomparable – when I give an egg to friends, they tell me, "This is a world away from the eggs on sale in the market. Of course it is, there's no way it couldn't be. The animal is outdoors all day, twelve hours a day, in fresh air, running around freely. (...) It doesn't eat chemicals, it eats roots and what grows naturally in the open air.

(Organic hen farmer)

Having identified vacant market niches, these operators set out to offer unique products. Sensitivity to the trends in market demand and the future of the respective sub-sector of agriculture played a key role in their decision to start organic farming. As the following quote shows, foresight and the desire to meet market demand in the longer term while ensuring a profitable business model can be enough to motivate people to start organic farming:

> *We're a company which, so to speak, is somewhat future-oriented. We believe organic products have a future. Unfortunately, in Bulgaria this future is not so near. But we are widening our product range and including different categories of products – for example, we have a special category of products for people who suffer from celiac disease, which is intolerance to gluten, and we're expanding our product range in this regard. Considering that production and consumption of organic products is growing in Europe, we believe organic products have a future in Bulgaria, too, even if it might be a little later. And we are in fact the first and for the time being only mill in Bulgaria that is certified for organic flours.*
>
> (Processor and trader of organic cereal crops)

For some operators, the main motive for entry into the organic sector was the opportunity for *export both to European and other markets*. They sell very little in the domestic market. Their scale of production is significantly larger than that of the operators who have targeted the Bulgarian domestic market. For this group of operators, too, the network of contacts ("significant others") proves to be a main resource for establishing partnerships. What is characteristic of the professional experience of these operators is their personal ability to identify the characteristics of the environment they operate in, as well as to find market opportunities. Previous experience in conventional agriculture proves to be a key resource for them. Thus, they succeed in managing multiple businesses simultaneously, using the characteristics of the environment and the opportunities of the market.

> *Then we set up another company, for organic production. Part of us came from the previous company. The four of us set up another company that's for organic production. I was the manager of this company at that time, and we decided its sole line of business would be export of organic produce. That's to say, each one of us gives their produce to the company and the company exports it. (...) The idea came from the market. At BioFach we saw that there's a huge demand for all sorts of organic products. Europe's simply gone crazy about organic products. It wants organic products. It wants everything organic!*
>
> (Producer, processor and trader of organic raspberries)

We got certified for organic production three years ago. So that's a comparatively new undertaking for us. It was dictated by the presumption that more and more people want to eat healthy, especially in the more developed countries like Western Europe, Japan or some more developed eastern countries like Hong Kong. So when we started we weren't very sure about the future of such production, but the results show that since we started selling organic jams, sales have been skyrocketing. We have a vision for future production – we even intend to expand our range and release some new product lines. (...) The biggest help we got was actually from a foundation – a Dutch foundation called Avalon. (...) They did a very large project in the Eastern Rhodope Mountains on organic farming. In fact, it was they who helped us with a small start-up grant that enabled us to start producing organic jams. We've even placed their logo on the labels of our jams. So that's where the initial idea for such production came from. Actually, we've known each other for years. Purely by chance, as friends, they told us they were working on such a project and could help us by referring us to organic fruit growers in the area. In fact, we've closed the cycle of this organic fruit production and turned it into end-products. We're now buying fruit from other areas, but that was how we started.

(Producer and trader of organic fruit jams and preserves)

As this quote also shows, "*significant others*" can play a major role in the decision to enter the organic sector – be it through personal informal contacts or through activities of organizations in the sector, including conduct of events to promote the principles of organic farming among operators in conventional agriculture.

Our whole equipment was donated by the New Thracian Gold Project – the machines, the oven, the mill, the filling machine. Each one of us has an independent farm, we grow our crops independently. What we have here is a single-member limited liability company to which we all deliver our produce and where we produce tahini. It's difficult for each one of us to come out on the market and do business on our own. It's also difficult for each one of us to buy such a machine. (...) Once the produce is delivered to the factory workshop, the workshop itself has to be certified as organic, as a workshop. The output of the factory is collective. (...) We were also driven to team up by the need, say, to collectively buy machines for production of tahini. We set up seven tahini factories in Ivaylovgrad. And the proposal of New Thracian Gold was: "If you want to, we can supply you with machines for a tahini factory." We said, fine, then we'll set up a joint company, a limited liability company. They said: "We want a cooperative." Okay, but it's very difficult to register a cooperative here at this stage. It's also difficult to manage a cooperative.

(...) New Thracian Gold – it's they who invited us to go to these information and training workshops. We first registered as organic producers. They invite people to workshops and that's how things get done. Going to the workshops, we established contacts with… They offered us training, workshops and free information additionally. (...) New Thracian Gold proposed that we choose what machines we wanted to in order to produce this organic produce. We decided to ask for machines for a tahini factory because sesame is an end-product. Then, because it seems we're the only ones who grow such cereal crops as rye and wheat, we also asked for a combine harvester. So that we could harvest the crop.

(Producer, processor and trader of organic sesame and other cereal crops)

Some operators had entered the organic sector because they had *identified characteristics of the environment that are favourable for organic farming. These include natural and climatic characteristics of the Bulgarian environment offering opportunities for starting organic farming, as well as identification of EU policies encouraging the development of the sector by offering opportunities for implementing profitable business projects in it*. Personal networks and contacts or previous specific experience (be it as an expert or as a researcher) in the chosen line of business once again prove to be key resources in this regard.

The idea was to produce organic products in Bulgaria because there are conditions – natural conditions – for this here. (...) The start-up investment came from Japan. Mainly from Japan. During my stay there I had established contacts with people who said they wanted to invest in Bulgaria, in organic farming. I made five or six projects and presented them, and they chose to invest in organic beekeeping.

(Producer, processor and trader of organic honey)

We got the idea of starting organic production last year. That's because reading the new priorities of EU aquaculture, we realized that this is where the future lies. (...) When we saw those tendencies, we decided that it's reasonable that we should also start organic trout production. That's our first thesis in support of this organic production. The second is that Bulgaria is very suitable for such production. Bulgaria is a clean country. There isn't particularly strong pollution in terms of large producers polluting rivers, and so on.

(Organic trout farmer)

Among the seventeen operators I have symbolically defined as "pragmatists", there is a group of five *who decided to enter the organic sector not because of market demand or consumer interest, but because of opportunities offered by the*

Rural Development Programme 2007-2013 (RDP) and subsidies for farmers under the various measures in it. It must be noted that the discourse on subsidies is also to be found in the statements and motivation of "pragmatists" driven by market demand. That is to say, the subsidies for the agricultural sector were identified as a potential opportunity also by the operators discussed above, but they are only one of the factors, not the main factor, for their decision to start organic farming. Conversely, for the five operators in this group, the opportunity to receive *subsidies is the main motivating factor*.

The terms and conditions for applying for subsidies under one of the measures in the RDP 2007-2013 – Measure 112 "Setting up of young farmers", also known as "Young Farmer" – included award of extra points in the evaluation of project applications for projects involving organic farming, for a completed training course or education in agriculture, and so on. Hence, pragmatically-minded "young farmers" decided to include an organic component in their projects in order to gain a competitive advantage over other applicants. The idea to include an "organic" element in the project often came from the consultant preparing the project application, or from a friend or acquaintance who had already applied for subsidies under the Programme. In other words, we once again see the role of "significant others" in the decision to enter the organic sector.

Here we must note at least two elements. On the one hand, the inclusion of an organic element in projects is undoubtedly conducive to raising awareness about "green" farming methods among young farmers, who are presumed to be newcomers to agriculture (according to the eligibility criteria for beneficiaries under Measure 112): aged between 18 and 40 years, registered as agricultural producers, and exercising agricultural activities for not more than 14 months before the date of submitting applications. On the other hand, the sustainability of such an undertaking is questionable, considering that some respondents said they had included organic farming in their projects only in order to get their applications approved. Upon the expiry of their five-year commitment under Measure 112 in the RDP 2007-2013, for which they were entitled to a maximum total amount of support of EUR 25,000, there is a tendency towards discontinuing organic farming. Thus, the rationale for this incentive provided under the Programme becomes questionable, as we found a short-term operational strategy among young farmers. Furthermore, already experienced farmers used Measure 112 to get subsidies by submitting project applications under the name of younger family members – which further compromised the attempt to engage "young farmers" in green, sustainable methods of crop and animal husbandry. The decision to apply for subsidies under Measure 112 was unofficially motivated, on the one hand, by the lighter terms and conditions as compared to other measures in the RDP 2007-2013; and on the other, by the fact that this measure did not require a large own investment on the part of applicants.

We were already growing tobacco at that time and when we heard about "Young Farmer", my wife and I decided to apply. Because she met the eligibility criteria. We submitted an application and it's by pure chance that we started organic farming. Because of the extra points awarded for organic farming. When we were applying, we had to collect a certain number of points under "Young Farmer". (...) I remember that you were awarded ten points for a completed course in plant protection, and five points for being a woman. There were such requirements. If you raised organic crops, you were awarded an extra twenty points. And it's precisely because of those twenty points that we decided to engage in organic farming in order to get ahead of the other applicants who had also submitted ready projects and business plans. To get ahead of them. So that's how we decided to start organic farming.

(Producer of tobacco and organic tomatoes)

We decided to start organic farming because we wanted to get the maximum points required by the State Fund Agriculture in order to be ranked higher and get our project application approved. So that's how we arrived at the decision to start organic production. (...) I hadn't heard of organic farming before. When the people with whom we had to do the certifications came along, they explained that we had to buy a certain kind of seed and use certain products. Or use our own seed.

(Producer of organic cucumbers and organic oyster mushrooms)

The other measure in the RDP 2007-2013 that agricultural producers took advantage of is Measure 214 "Agri-environmental payments", which provided support for organic farming. This measure required undertaking a five-year commitment to produce a certain crop or to raise a certain species of livestock, and to have at least 0.5 ha at one's disposal for a period of five years. The size of the agricultural holding (size of cultivated land and number of livestock) had to be maintained for this five-year period, with slight deviations allowed. There was obviously a tendency to enter the organic sector in order to receive subsidies. This is evidenced by the significant increase in the number of organic operators after Measure 214 actually began to be applied in Bulgaria – although it was launched in 2008, in the first two years there were multiple administrative and bureaucratic problems which impeded the payment of the subsidies to producers. It was not until 2010 that those problems began to be partly and gradually resolved (Slavova et al. 2016; Stoeva 2016). This led to a rapid increase in the number of registered organic operators – especially after 2011, when it increased by 1,000 operators a year, according to data from the MAF's Agrarian Report (2014). Thus, the number of registered organic operators in Bulgaria rose from 311 in 2008, to 820 in 2010, 2,016 in 2012, and 3,123 in 2013.

Although comparatively few respondents admitted that one of their main motivators for entering the organic sector was the subsidies available under Measure 214, some actually did so. As is the case with Measure 112 "Setting up of young farmers", here, too, the question arises as to the sustainability of organic farming after the expiry of the commitment undertaken under Measure 214. The operators themselves pointed out a number of reasons for discontinuing organic farming practices – such as unprofitability of the undertaking, desire for higher yields, uncertainty of subsidy payments because of "contingencies" such as bad weather, or changes in regulations and policies in the sector.

I have no idea exactly what was the intention with organic farming, but I think it was bound to the subsidies. The subsidies for organic production are good, but they are a bit like a doubled-edged sword. Because they are bound to a five-year period. For example, you have to maintain a certain number of livestock for five years. (...) The subsidies are good, but you're required to keep a certain number of livestock for five years. That's no problem, but in the event of contingencies you can fail to do so – such as this year, when we lost a lot of sheep. But in normal circumstances, if something happens you have to return 100% of the subsidy plus interest rates, unfortunately.

(Organic livestock farmer – cows, heifers, calves; producer, processor and trader of organic white brined cheese)

I had land – my own and rented – in almost the entire area. One of the conditions for receiving agri-environmental payments was that you shouldn't change the size of the cultivated land. You were allowed to reduce it by 10% and to increase it by 20%. So applying under Measure 214 appealed to me. Because I had the land anyway. (...) My original plan was different and I had already registered them [his wife and daughter] as young agricultural producers, under 40 years old. I had passed the age limit – I'm 55 years old. My idea when I registered them as agricultural producers and did the contracts under their name was that they would apply under "Young Farmer". (...) So my wife started out with 90 hectares and my daughter with 190 hectares. This was all the land I could cultivate, which I owned or rented. The bad thing was that in the first years I had concluded a ten-year rental contract at a good rate – at approximately 90 or 100 leva per hectare. At the last tender I bid in, the rates reached 530 leva per hectare. So the money I was receiving in agri-environmental subsidies went to pay that rent. (...) I told you myself I'm in the red, I'll be in the red from the fourth and fifth year onwards. Because of the weather and contingencies, and of yield risks. Because I can't have high yields. The first three years we received 500 leva per hectare. Which more or less covered the losses from this undertaking. Because, after all, when you don't use crop protection products and fertilizers, your cost of operation is cheaper, it's cheaper per hectare. From

this point of view, it's true you get lower yields but then your costs are lower, too. But now this year, the fourth or fifth, we get approximately 160 euros per hectare. These are apart from the subsidy. It gets more complicated, and that's why I'm in two minds whether to continue organic farming or not.

(Producer of organic cereal crops, sunflower, etc.)

I have included in the category of "pragmatists" operators driven by instrumental or calculative economic motives, but also two very different types of operators. On the one hand, those who were following the market trends and were therefore motivated to enter the sector by the desire to market their produce as organic despite all the difficulties this entails. On the other, those who undertook an organic commitment because of the available subsidies but failed to market their produce as organic. They had two options: either not to market their produce at all (the subsidies granted under Measure 214 were not conditional upon marketing of produce), or to market their produce as conventional, and hence, not to take advantage of the fact that they are offering organic products and can secure a higher price, even though the yields from organic farming are several-fold lower than those from conventional farming.

I did sell my produce in previous years, but in small quantities. Through personal contacts, I took it to Blagoevgrad. I mean, people would order cucumbers and I'd deliver their orders. Through personal contacts. (…) To go to shops, I need to have big quantities. You can't go to a chain store or take to the marketplace, say, ten kilos of cucumbers. It won't work. There are buyers, but not for organic. And when you tell them that your produce is "organic", they look at you somewhat sceptically. They don't even know the mushroom I grow. Although this mushroom is expensive. Its price varies between ten and twelve leva per kilo. I offer it at five-six leva, because they don't know it. Sometimes I even give it to them for free, just so they can try it. I make preserves from it or give it to friends. There's simply no point. What you market, what you sell, is left up to you. They don't oblige you to sell it.

(Producer of organic cucumbers and organic oyster mushrooms)

But what can I do with, say, organic wheat? Which mill can I take it to in order to get it milled, considering that the mills mill conventional produce, too? Where am I to get it milled? Set up my own mill? Where am I to process organic sunflower? I give it to the company Premia, for example in Vratsa, who produce cooking oil. But they also take sunflower from others, who are conventional farmers. (…) The products of organic farming are sold by people who produce small quantities. What do I mean? Potato farmers, vegetable farmers. But they cultivate 0.1-0.2 hectares – not 100 or 200 as I do. Things are more difficult for us. Besides this, I have less capacity. How can I store this

produce long enough to find a mill or transport it to them? This raises costs. And the problem is that the amount of produce is small. I produce little.

(Producer of organic cereal crops, sunflower, etc.)

Unlike the "idealists", the "pragmatists" do not associate the practice of organic farming with the ideology of organic farming. They do not see their activity as a "calling". On the contrary, to them, this is a standard economic activity; some even oppose the thesis that the organic sector has a specific philosophy.

In Bulgaria, in my opinion, the subject of organic is a little bit overhyped. Organic isn't some sort of panacea. And the less people know about the subject, in my opinion, the more they hyperbolize the significance of organic. I mean, this is an alternative way of growing agriculture produce – free from pesticides, with much more laboratory tests, much more responsibility, commitment. The idea is that the land is kept much more healthy, its potential isn't damaged as in conventional production. Every produce should meet certain standards of quality. I mean, it doesn't mean that any other produce is dangerous for people's life and health. This isn't true. It's wrong to claim this. It's simply that the standards for organic production are much higher – in terms of pesticides and residues in the product. (...) Everyone who starts organic production and organic farming has such an initial period of over-fascination. After all, eating, say, only organic food doesn't make you a better person. (...) I repeat, all others shouldn't be demonized. Now they aren't full of toxins as they are claimed to be. Fanaticism is simply something that's foreign to me. And I repeat – naturally, the initial period when you start organic farming, organic production, is very romantic. You think you're doing something extremely important, that you are some sort of ambassador of the idea. Then there's a sobering up which you say is driven more by economic logic. No – it's simply the economic logic which shows whether the idea you had is some sort of utopia or it's indeed something you can do and which is good both for people and for clients. And that can give you a sense of satisfaction. If you ask me, of course I feel better because, say, I'm producing organic products. This make me happy, it makes me happy in purely personal terms. I mean, it gives me a sense of satisfaction. But this certainly doesn't mean that I see it as something exceptional. Or that certain characteristics ought to be overestimated. Organic products mean that the control over their production was much stricter – that's what they mean.

(Organic fruit and vegetable processor)

To those in the group of "pragmatists", the certificate is of prime importance – that is, the certificate is what guarantees the specificity of the product because of which one can charge a higher price.

But, to my mind, in Bulgaria some things have gone too far. I'm talking about the over-commercialization of organic, the over-commercialization of products "the way your grandmother made them". I mean, this is a trend which I think is totally dangerous. The fact that something's made in an archaic, antediluvian way without any control by the authorities and outside the law, doesn't make it taste authentic. It makes it potentially dangerous. I'm saying this because there's a lot of confusion about organic and ecological production, organic and ecological practices. To be organic, a production system has to be certified as organic. In its turn, certification is a procedure which is controlled by the certification body. Which, in its turn, is controlled by another, higher-level body. The procedures must be standardized and they must be the same for everybody. It's not normal to have things that aren't produced in the normal way – by "normal" I mean in the industrial way which is sometimes the safest way… In most cases, the industrial way is the safest way because it's controlled by government bodies that have been set up for the purpose. And the fact that someone's made homemade fruit preserve doesn't make this fruit preserve safe or wholesome.

(Organic fruit and vegetable processor)

As they associate the organic sector solely with certification, the "pragmatists" have a different attitude towards the very model of organic farming management. The refusal to cheat is rationalized through the possibility of losing money and being punished, and not through the idea of "betraying" the philosophy of organic farming, an idea to be found among the "idealists".

I'll never cheat on this. Because I know what the punishment is. I don't intend to return money, I'm telling you. So it's much better to follow the rules than to cheat on them.

(Organic almond farmer)

Entry into the organic sector is not always a direct undertaking. Producers, processors and traders often first start conventional farming and convert in full or in part to organic production only at a later stage. We found that those who were driven by economic and pragmatic motives to engage in organic farming and who first started with conventional agriculture, utilized the resources of the environment to start-up their businesses. They identified new business opportunities after the fall of the socialist regime in Bulgaria and proceeded to combine them with production, processing and trade that did not require big investments.

As you know, after 10 November 1989 many people in Bulgaria started to try out different businesses. Now, of course, starting from scratch is unthinkable. Back then the market was hungry. Even though they weren't very high-quality,

products sold well. I don't mean to say that they were bad-quality, of course, but there weren't such strict requirements about safety systems, management systems. So this enabled us to embark on a new beginning. From then on, of course, everything was modernized. (…) This production doesn't require high-tech methods and equipment. We decided we could afford to start a new – even if very small-scale – production line without having to invest heavily. You can make jam in a pot on a hot plate, you know – as in homemade. So this made us decide to start with a simple production line. And I think we weren't wrong, because at present we're perhaps the biggest company in Bulgaria that's specialized in jam production. (…) Three years ago we got certified for organic production.

(Producer and trader of organic fruit jams and preserves)

The years of transition proved to be favourable for the simultaneous or consecutive undertaking of various business initiatives combining agricultural production with processing and trade practices, parallel with undertakings in other spheres. The operators utilized "vacated" resources from the socialist period – former TKZS farmyards, restituted land, and so on – which motivated and enabled them to enter the agricultural sector.

I bought a property which I later converted into a farm. It was a former TKZS farmyard which I converted into a farm. The first four or five years I tried out different things to decide what livestock to raise. At first, it was pheasants and then hens, raised in almost free-range conditions. Then commercial laying hens. At present I'm raising organic hens. Apart from that, I have a petrol station which I set up. (...) I've had businesses in warehousing, wholesaling, foodstuffs, alcohol, cigarettes, marketplaces. I had warehouses which I rented out. I produced sugar packets for coffee. (...) In the last 15-20 years, I've had many different businesses. I've packaged coffee beans and ground coffee, I've produced pasta. (...) That was from 1994 to around 2000. In 2000 I started a mushroom-growing business. I mean, I grew mushrooms underground. I had mushroom cultivation chambers.

(Organic hen farmer)

Previous personal professional and educational experience, a network of contacts established during various educational and professional events, as well as an already undertaken professional commitment of a family member, serve as resources for entry into the agricultural sector. Those resources were identified and utilized in different ways by the different operators, depending on their personal foresight, skills and circumstances.

I returned to the town. I was in Sofia and I returned. And a friend of mine and I started a trade business. We resold agricultural produce. Our area is famous for its potatoes, so we bought local potatoes and took them to Northern Bulgaria. To Northeastern Bulgaria. (...) For two reasons. The first reason is that I've been to university in Northeastern Bulgaria and know people there. The second reason is that cereal crops are grown widely there. So we took potatoes from here to there, and corn and grain from there to here. Yes, as livestock feed. (...) There's always been a shortage of livestock feed here. (...) I remembered that when I was a student in economics, one of the professors said that in trading, you should trade in what's the most abundant in your area. So that's how the idea came to me. (...) At that stage I was certain that I wanted to be a trader. That's because my father, may he rest in peace, retired at the very beginning of the transition and went into trade. My brother and I helped him, and our business took off. So we had some experience in trade, even if it was just in petty trade. I mean, I did have some experience. I remembered what people wanted, how to offer a product in order to get it sold. Agricultural products or whatever. Back then, at the beginning of the transition, there still weren't special shops for food, shops for particular products. Everything was sold in one place. I mean, there was demand for what was in short supply. And the shop was practically for everything.

(Producer, processor and trader of organic raspberries)

My father started this business. And I gradually bought cattle-sheds in the TKZS farmyard. My father is a veterinarian and this is an old hobby of his – raising livestock. When I finished my military service, I started raising livestock with him. (...) He started out with 40-50 sheep. After I finished my military service, their number increased to 80 and then we bought some more, and it increased to 120-130. We kept female lambs and increased our flock to 450 sheep.

(Producer of barley, oats, corn; organic sheep farmer)

To summarize, the "pragmatists" entered the organic sector because they identified it as potentially profitable in their line of business, as well as "convenient" in terms of the institutional aspects of the environment – that is, offering financial subsidies. To this group of operators, undertaking organic farming involves developing a business activity parallel with other lines of business, but is not perceived as a "calling" or as a commitment to a set of ideological principles, and this distinguishes this group from the "idealists'" perceptions of and entry into the organic sector.

4.2. "Idealists"

This group is represented by eight operators in our study. Here, too, we identified two main factors for the decision to enter the organic sector. In the first place, we should note the role played by "*significant others*". Although the importance of "significant others" was also discussed in the category of "pragmatists", here we should point out the key role of the network of contacts in attracting operators to the ideas of organic farming. Social interactions helped to reveal the essence of the principles of organic farming and thereby encouraged entry into the sector. Such interaction came in various forms: personal contacts, mediated communication with an advisory NGO, foundation or academic institution, attendance of an information workshop or training course, personal interaction with a trader in conventional or organic seeds, establishment of contacts with a charismatic person, and so on. The emergence of the organic sector in Bulgaria involved a circle of actors who served, especially in the late 1990s and early 2000s, as enlighteners, "initiating" operators into the agri-environmental principles. Organizations such as Bioselena, the Agroecological Centre at the Agricultural University in Plovdiv, and Ecofarm "preached" and disseminated the ideas of organic farming. Although we cannot say how successful this activity was (most likely it was conducted with varying degrees of success depending on each organization's available resources and time frame in which it could afford to do this), it is a fact that the operators in the group of "idealists" said they had learned about and eventually got interested in organic farming precisely through an organized information workshop or other event that impressed them and ultimately led to their decision to enter the sector. The first organic operators appeared on the scene of Bulgarian agriculture precisely thanks to such enlightening activities.

> *I'm originally from Northern Bulgaria but I moved to the Rhodope Mountains because my wife is from here. From 1996 to 2000 I was mayor of Bachkovo. At that time, the mayor of the village of Pavelsko – that's up north in the direction of Smolyan, Chepelare – called me one day and told me that a team from the Agroecological Centre would be coming to his village. (...) They had invited the professor to talk with the team in charge of growing organic potatoes. I was immediately interested and went to this workshop. I found it very interesting. I felt it was something very important. And I immediately got interested and asked the professor if we could organize a workshop in Bachkovo. "Of course," he said, "we've got funds from the project and we go wherever we're invited." So we agreed that they'd come the next weekend to Bachkovo. (...) We invited people from the neighbouring villages, and some 30 people showed up for the workshop, in a room at the Mayor's Office. (...) And he brought out a small table and said, "There you are, I've prepared application forms, declarations. You heard what the requirements are. If anyone's willing, please step forward, they only have to write their name and the date, and as of tomorrow they'll be our*

clients, we'll start working with them and if they comply with all requirements under the ordinance, in two years' time they'll receive a certificate that they are producing organic produce." No one budged from their seats. I was the only one who stood up, asked for an application form and filled it in. "As of tomorrow, he's our client," he said. So we worked with them for two years. We got on really well. This happened in 1998. When I heard Prof. Karov, something simply went straight to my heart, to my soul, telling me that this is the way to go. (...) The idea is that you want to eat cleaner food. This is the main idea.

(Producer and processor of biodynamic fruit and vegetables)

An additional motive for entry into the organic sector is the realization on the part of the operators that their *practices were already very close to organic farming*. This could be due to family tradition – farming in harmony with nature; the nature of the terrain – abandoned or mountainous unpolluted areas; lack of money for pesticides and mineral fertilizers, and so on.

In 1999-2000, the Bioselena Foundation for Organic Agriculture and the Swiss Embassy had a joint programme and conducted information workshops in the villages and towns. They also provided advice on work, on certification. That's how I learned about this opportunity. They put up notices and came to Troyan. So we decided, because I realized the way we were raising livestock was already close to organic farming. So that's how we got started. Because we were driven out of necessity – we were poorer and couldn't afford a lot of concentrated feedstuffs. And then, there were our pastures from the TKZS that was dissolved in 1990, no one had sprayed them; there was plenty of such abandoned, deserted land. We grazed our livestock on them.

(Organic livestock farmer – heifers, calves; producer of wheat, oats, corn, other crops, and cow's milk)

We've never used fertilizers or sprayed the land with anything. (...) Back in 1999 we met this person who's one of the first pioneers – Vladimir Bogdanov. He was translating books about organic farming – he did it on a non-professional basis, at his own expense. (...) It was he who gave us the first books by Rudolf Steiner. Literature translated just like that. Back then this was literally apocryphal literature, in 1999 you still couldn't find such literature. No one spoke about it. And he was the person who instilled a desire in us and provoked our interest in organic farming, considering the way we were already living. But he provoked us to get trained in this field and to become professional. (...) But, for example, there are many state-of-the-art organic crop protection products that are allowed but which we don't want to use even at this stage, thank God, because we're the only farm in the village, there aren't any pests, and we don't need to use pesticides. But colleagues who have

farms on large areas and have conventional farms around them need to spray the land. But in our case, there's this specific microclimate here and that's why everything around is clean and there are no other plantations, which makes the area unique.

(Producer, processor and trader of fruit and vegetables; organic livestock farmer – calves, donkeys)

Another main motive for entry into the organic sector is *the desire to lead a healthy way of life*, to consume food from "reliable sources", to distance oneself from "toxic chemicals" and from the production and processing methods that use them:

And as vegetarians for years, he began to introduce at the restaurant already back then – he served only organic food and organic products on some Saturdays. But there was almost nothing in Sofia at that time. And there were almost no organic foods in Bulgaria, too. The idea at the restaurant was to find, when possible, vegetables from reliable sources – and what was most important wasn't the certificate, but that we had to be really certain about the sources. We had to be certain that the products were treated as little as possible, and if they were treated, what they were treated with. So this led us to the idea of starting to produce something that's organic, that's healthy. And most importantly, that's from clean products. The idea is to create something that's wholesome and nice.

(Producer of organic raw bars)

To the "idealists", organic farming is a personal choice, a calling, way of life, internalization of a whole set of holistic principles related to attitudes towards plants, animals, the land and the soil, as well as to nature as a whole and to the quality of the produced product. This also involves conducting awareness-raising activities to attract new people to the ideas of "clean production". Unlike the "pragmatists", what is most important to the "idealists" is not the organic product verification certificate but ensuring the quality of products, their nutritional value and healthy components – that is, providing clean "ecological" produce that is toxin-free. In other words, trust in the operator is much more important than the certificate which formally guarantees the origin of the product. Some respondents actually expressed doubt about the credibility and reliability of the certificate.

Everything we do is related to the purpose of organic and biodynamic farming – producing ecologically clean food for people. It's been proven that there are not just unhealthy foods, but that there are even toxic foods. This is especially fatal for our children. What does producing ecologically clean produce mean? It means that the products we produce must contain no residues that are

harmful to human and animal health. This is the short formula and law of organic farming. (...) This has become our philosophy of life. A way of life. Even if there's no certificate – I don't particularly care about whether I have a certificate or not. That's because everyone knows I will never compromise on this. Because I've already accepted it. (...) I can say that becoming an organic farmer is a calling. It's a calling.

(Producer and processor of biodynamic fruit and vegetables)

Interest in consuming ecologically cleaner products is also bound to a desire *to protect the environment and natural habitats.* Although the commitment to environmental protection and green practices may even conflict with the purely economic logic of profit maximization, the majority of the "idealists" give priority to green practices that are in harmony with nature even though such practices entail lower yields and hence lower income.

In a natural way, I first decided that I was poisoning myself, my employees, my husband – he was actively involved, too. As I've studied some chemistry at the Institute, I calculated which of the conventional crop protection products we were spraying the land with are toxic and I established that almost 99% are toxic. In addition to poisoning myself, the land, my food and my people, I realized that I was also poisoning the animals, water, plants, the environment – so that's why I started organic farming.

(Organic vegetable farmer)

In 2000 we decided that if we do this [farming], we'll do it because we're the sort of people who care about protecting the environment. Because there's little left that's not destroyed, unspoiled. Both of us like protecting our things, protecting our environment, so we decided that if we were to start farming, we'd do it only by these methods. And that we wouldn't apply any other methods. (...) Our local partner from the area told us, "Give me these lands we've bought – I'll grow watermelons and melons on them for you, or we'll turn them into greenhouses because that's a very lucrative business – if we plant them now, you'll get the money in summer or autumn. While if we plant vines, how long will we have to wait for them to grow, when are we going to make the wine, how long will it have to mature, when will we sell it, when will we get the money?" But then we explained to him: "We're not cucumber growers, you know – we won't grow cucumbers. This is what we want. And you won't touch the land plots until we tell you to." (...) In addition to this, at the agronomists' insistence, we left a very large distance between the rows and between the vines. Which, from an economic point of view, is unprofitable. Because, for example, now we have 3,330 vines per hectare while some have 5,000 per hectare.

(Producer, processor and trader of organic wine)

Farming in harmony with nature proves to be of key importance to the "idealists". According to them, purely economic motivation is insufficient to sustain interest in organic farming. Profit maximization is not the prime concern of the operators in this group, even though professional organic farming is an economic activity that involves revenues and expenses. They give priority to ensuring quality despite the lower bottom-line profit.

In other words, instead of getting ten tonnes per hectare, we get two, three, four. A. is adamant: "Not more than five." Some of the grape varieties may bear more fruit. For example, Grenache Noir, Melnik, which is an indigenous variety, also gives high yields. To the horror of the vine-growers, when the vines bear a lot of fruit, we tell them to remove half. For example, we have three clusters per shoot and I tell them, "Now remove two and leave one. So that what's left will be concentrated, clean, higher-quality." And they tell me, "Come and see how we've raised them and now you're making us throw away green grapes. If something happens, if there's a hailstorm or something and we lose what's left, what are we going to harvest?" That's because this thinning is done around the end of June or the first days of July while the grapes are still green. So these are the sort of risky operations we have to undertake sometimes.

(Producer, processor and trader of organic wine)

Caring about protecting the environment and producing clean products, the idealists take action to check the condition of the soil, strive to identify the needs of the land so that they can meet them, and consult agronomists and professors for scientific advice and recommendations in order to find the best method.

So then we asked an expert in soil sciences, Prof. Marin Penkov, to come and test every land plot we have. I mean, we took soil samples with him. (...) Because the land plots are scattered, we took soil samples with him from the four corners and the middle of each land plot so that they can be tested. First, because we wanted to make sure that the lands are clean. There's no way they couldn't be clean because there's never been any industry here. And there haven't been any industrial plants in the nearby several 100, 200 km. The nearest industrial plant is in Thessaloniki. There were such more special, larger factories in 1954. In testing them, I particularly wanted to know if there were any heavy metals. We also tested them to see what the composition of the soil was so that we'd know what grape variety to plant on every land plot and what rootstock to use. Because there are standards regarding active calcium, and so on. We used a lot of science. Maybe not so much, but we insisted on doing it. And when the tests on all those land plots were done and we saw

they were suitable, we ordered the vines. (...) We've consulted this professor, in particular, in great detail. And we've also asked another such expert for advice. As well as those who gave us our first vines, who are French. The French company that gave us the seedlings also came here to advise us.

(Producer, processor and trader of organic wine)

There's an agronomist from Sofia whom I often ask for advice. (...) When we got started, I asked him to come and take soil samples to see what was missing in this soil. So that we could stimulate the goji berries. Because this land was abandoned for ten years and nothing had been grown on it. The guy came, took soil samples, they tested them in Sofia and told us what was missing. On that basis, we introduced these fertilizers into the soil. You can't grow goji berries without using fertilizers. They say that nothing will come out of goji berries unless they are fertilized – all you'll get are good-for-nothing wild berries.

(Organic goji berry farmer)

The educational and professional profiles of operators in the group of "idealists" are different and do not show a common trend. There are people with secondary education (including in agriculture), teachers, electricity specialists, chemists, livestock engineers, doctors, engineers, and lawyers. In terms of professional experience, the group includes people who have worked abroad as trade consultants or doctors, as well as property developers, teachers, electricians, advertising specialists, and others. Some have devoted themselves full-time to organic farming, while others also have other lines of business. Just three of the eight operators in this group started organic farming after Bulgaria's accession to the EU, but their entry into the organic sector cannot be attributed to the availability of subsidies – that is, they were either not beneficiaries under such measures, or their motivation was completely different. In other words, we found that the different operators used different resources to develop their activities in the sector, but that there is no specific connection between their education or professional experience and their decision to start organic farming because of idealistic principles. What the operators in this group have in common is their commitment to environmental protection and to the production of "clean" products.

Unlike the "pragmatists", who were motivated to enter the agricultural sector mainly because they identified certain opportunities in the local environment, the "idealists" were motivated by two other main reasons: (1) the desire to provide good-quality and healthy food for their family, especially after having children; and (2) the desire to continue the family tradition in farming, even if only as a supplementary activity. Naturally, the socioeconomic changes that led to restitution of land or livestock were invariable resources which, depending on the way they were used in the concrete situation (for example, a constant family tradition of land

cultivation), could become an important motive. The return to rural areas and to a way of life in harmony with nature was also a motive for starting an activity in agriculture:

My brother and my husband decided to set up a livestock farm together after we got married; my brother had started raising livestock on his own while he was still at school. Our families had a long tradition of livestock farming which, unfortunately, was cut short by communism which destroyed a whole generation of livestock farmers – that of our parents, of my husband's and of my parents. They did not raise livestock, unlike our ancestors – especially his, who had 1,500 sheep, 400 beehives and 200 cattle, and were notables in Aegean Thrace [during Ottoman rule]. The first Bulgarian settlers in this village, which used to be Turkish, came in 1913. Three brothers bought the land from three Turkish brothers. And they started afresh. In 20-30 years they managed to raise 11,000 livestock. They raised only sheep and goats in this village. Then everything disappeared. But after communism, in the early 1990s, some petty numbers were restituted. Anyway. So we started everything afresh. (...) But during communism, my husband's grandmother – his grandfather died very young – remained here and worked in the TKZS. So he grew up in a family which, throughout their lives, had kept some ten sheep and five-six goats – 10-15 sheep and goats in all. So we started with those 10-15 sheep and goats. We started in 1994 – it's been exactly 20 years to this day that we've been engaged in agriculture, in livestock farming. At first we started with just 0.2 hectare of organic farming for personal needs.

(Producer, processor and trader of fruit and vegetables;
organic livestock farmer – calves, donkeys)

I returned to live here. I have two wonderful daughters. Eventually, part of our lands were restituted to us. That was in 2001 or thereabouts. Initially, only my mother and father did the farming. I admit we didn't actively participate in farming these lands. We had a different routine and a different way of life, and we had never thought about it. But over time, when you become a parent, you begin to realize what your children are eating. My sister and I have actually been looking after the family farm for one or two years now.

(Kiwi farmer)

Respondent: *I've been farming livestock for 20 years now. We've been farming organically since 2000.*
Interviewer: *What made you start farming 20 years ago? Why did you decide to do it?*
R.: *Because we've grown up here.*
I.: *Were your parents farmers?*

R.: *No, they weren't farmers – they worked at the pharmaceutical factory in Troyan. But we'd always kept livestock, among other things.* (…) *In 2000 I decided I had to do it on a professional basis. Then I took out two loans and bought livestock, sheds. I repaid those loans and took out others. So that's how* I *started*.

(Organic livestock farmer – heifers, cows; producer of wheat, oats, corn, other crops, and cow's milk)

We can compare the operators in the group of "idealists" to the *authentic carriers of the idea of* organic farming, in that they have dedicated themselves to following the organic principles and see their activity as a "calling" which, on the one hand, is related to their everyday life – involving production, processing or trade and, hence, consumption of clean products – but which, on the other hand, transcends their immediate personal environment and is associated with their desire to conserve soil and biodiversity and to protect the environment as a whole. Although they are professionally involved in organic farming, their main motive is not necessarily profit maximization; it is producing clean products. In fact, half of the operators in this group manage to combine another, non-agricultural, business with their value-driven activity in the organic sector.

4.3. "Mixed" Operators

I have defined as "mixed" operators those who are more ambivalent about their main motivators to enter the organic sector: they declared that their interest in adopting the principles of organic practices was aroused by "significant others", but nevertheless pointed out the important role of the profit and economic gains from organic farming. The lack of financial benefits can make operators decide not to certify part of their activity as organic even though they are following the organic principles.

I had certified them as organic but I've now stopped certifying them simply because there's no one to buy your organic milk. There's no such dairy factory in Bulgaria. Some have now appeared – such as Domlian – they've started producing organic dairy products and they're urging us to supply them with organic milk. But things simply aren't satisfactory in financial terms because they don't offer good prices that can stimulate you to produce things organically. I used to do it two or three years, but the certificate is expensive. I'm now paying some 800 leva for a certificate only for the roses. Per year. To have my roses certified. If I include the livestock farm, the certification fee is per animal and I'll have to pay at least 2,000-3,000 leva a year for certification, but the difference in the price of organic milk can't cover even just the certification fee.

(Organic rose farmer and livestock farmer – cows)

Interest in healthy nutrition, combined with professional activity in the sphere of trade and identification of the lack of healthy and organic products in the Bulgarian market (identification of specific characteristics of the local environment), can drive operators to enter the organic sector – that is, its potential for development is recognized. For example, the combination of personal and professional interest motivated one particular operator to start trading in organic products and, eventually, to set up one of the first organic kitchens for children in Bulgaria. In other words, here we see a combination of personal subjective interest and favourable aspects of the environment. This operator's interest in the organic sector remained permanent and he eventually went on to launch his own brand of organic dairy products which he was still managing at the time of the interview.

> *I started working at a supermarket while I was still at university and, by and large, I've been into trade since then. I started eating healthy in 2007-8. Back then there was almost nothing organic in Bulgaria. Because I travelled a lot abroad, I saw that there were plenty of organic products there and I decided this was something interesting that could be developed here in Bulgaria. I travelled, for example, in Germany and Austria – what I'm most interested in are the shops, what they look like. And when I went into the shops, I saw what they were selling and I saw that what was on sale there wasn't available here. I saw that it has a future in Bulgaria. So I got in touch with a German company for dairy products and we started importing their products. When the chain store closed down, we had to do something else in addition to the trading business we had started with. And that's when I decided that this was a good idea and that there isn't much competition. We had part of the products anyway, we'd start producing others, and we had contacts in the other companies we were trading with. I realized that this was something no one was doing in Bulgaria and I decided I had to give it a try.*
>
> (Producer of organic baby food and trader in organic dairy products)

In another case, the desire for consumption of "clean, ecological" products (personal situation of the operator) was combined with identification of the opportunity to take advantage of the measures subsidizing agriculture, as well as of the potential for selling organic products at premium prices (economic and institutional aspects of the sector). Mixed motivation is also found in the combination of identification of the advantages of the natural conditions of the local landscape – mountainous terrain favourable for raising livestock in harmony with the agri-environmental principles – and market demand for organic raw materials, ensuring premium prices for the producer.

The location of the farm is ideal for it [sheep farming]. The sheep shed I built is high up – the lowest point is some 600 m above sea level. (...) The pastures start above it and reach an altitude of 815-820 m. It's mountain livestock farming proper. And presumably around me there are no arable lands that are sprayed. (...) I didn't set up the farm with the idea that it would be organic – 100% organic. My idea was to set it up and to breed sheep. But after I got in touch with the dairy factory that's buying my milk (...), it turned out that after I got certified as organic through this dairy factory, the price of milk was very good for me. Milk, milk production is the main budget item in the economy of the farm.

(Organic sheep farmer)

Despite the desire to develop an organic livestock farm, the unfavourable environment for this in Bulgaria (lack of institutional support for development of the project) predetermined the end of such an attempt by one of the major livestock producers and meat processors in the country. Although the project was value-driven, its unprofitability doomed it to failure. Hence, the operator started producing organic products for the market – but from imported organic meat.

We failed to establish production of organic meat. Although we started. (...) We set up a farm eight years ago. In an exceptional ecologically clean area. Between Troyan and Sevlievo. In the village of Damyanovo. We got 110 hectares certified as organic. Our idea was to raise pastured organic livestock. We hired a Swiss consultant. (...) But we're done. It's over. We're now winding up the livestock farm, too. Although these animals are absolutely organic. They are grazed on the pastures in the mountains from May to the end of October. Yes, we still have them, but we're getting rid of them because they are heavily loss-making. It turned out that this isn't economically sustainable. This is a very expensive hobby. If I want to raise cattle as a hobby, I'll keep two or three, not 200. We're selling them off.

(Producer and trader of organic meat products)

Among the "mixed" operators, we found an ambivalent attitude towards the organic sector. On the one hand, they claimed that following the organic principles is a matter of internal conviction; on the other, they concluded that an organic project must be profitable in order to be sustainable. Some suggested that in the absence of personal conviction, one could easily deceive the certification body and obtain an organic certificate even after using chemicals and pesticides. At the same time, however, they were apprehensive that if clients checked the products supplied to them and found irregularities, this could jeopardize the existence of an organic operator's business.

Despite the fact they issue you an organic certificate, you can spray the land with some other things, too. There's an interval in which you can do this, after they inspect you and before they inspect you. Because they plan their inspections and tell you when they're going to inspect. And if I don't have this internal conviction, I can actually cheat them as much as I want. How can this be done? Well, let's say we arrange that they will inspect me on 10 May, for example. Before that, in April, I can do whatever I want to in the field – spray, use artificial fertilizers, anything. Because it melts and disappears. They haven't come to take a soil sample to check what's in my soil. Besides, when you use ammonium nitrate, a month later they'll find it very hard to prove you did even if they wanted to. They don't take soil samples. So far they haven't taken any soil samples. Or, say, my inspection is in May. Or in June. After that – in July, August, September – you can do whatever you want.

(Fruit and vegetable farmer)

Still, ensuring that their products are clean and good-quality, with high nutritious value, in compliance with the organic principles of farming and in harmony with nature, is particularly important to "mixed" operators. In other words, "mixed" operators are aware of the advantages and characteristics of organic farming, but may abandon it altogether or downsize operations (stop certifying part of their production) because it is unprofitable or economically unsustainable. Thus, for this type of operators, organic farming can become a hobby, not a main line of business.

I need my product to be maximally high-quality, clean and in compliance with all requirements for production.

(Producer of organic baby food and trader in organic dairy products)

This is a philosophy, it's a way of life. It's even a bit way beyond the norm. But in fact what really matters is to want to produce clean, quality food.

(Producer and trader of organic meat products)

But at present it [growing organic fruit and vegetables] is not profitable and not convenient for me, so I'm not doing it. I haven't lost faith. To my mind, organic production has a future. Besides this, if you do it properly, organic production can be much more economical than conventional production. I mean, if you plant and grow the right crops in the right places – the places where they grow best in natural conditions. And without having to spray them. This is one of the things, the main thing. Then there's also preparing the soil, and so on.

(Fruit and vegetable farmer)

Among the operators who cannot be classified unambiguously as "pragmatists" or "idealists" but, rather, as "mixed" in terms of motivation to start an activity in the conventional agricultural sector, we nevertheless found some common motives. On the one hand, this is the desire to provide genuine and healthy food for their household, combined with the opportunities offered by the respective programmes. On the other, interest in quality food may be aroused as the result of specific professional experience; in addition, possession of inherited land and interest in the rural way of life in harmony with nature prove to be crucial factors for engagement in agriculture and for changing one's life-trajectory from an urban to a rural way of life. Entry into the conventional sector without previous experience in agriculture, however, can lead to surprise at the difficulties of farming that were not foreseen at the beginning.

Our interest in farming came from the fact that that when you go and want to buy something that's cleaner, more ecological, tastier, and so on, you often can't find it in the market. And that's precisely why we decided to set up a small garden and grow some things. Meanwhile, the programmes under "Young Farmer" were also launched and we saw that we could get funding, and so on. We prepared a project under "Young Farmer" at the very beginning of the Rural Development Programme. We submitted our project application in 2008. The period was 2007-2013.

(Fruit and vegetable farmer)

In 1990, after our last world championships (...) I retired from sport because I was disappointed for a number of reasons. I had no idea what to do. I tried out different things. Clothes, coffee, sandwiches. From sandwiches, I moved on to meat. (...) As a coach, I was very interested in nutrition. (...) I was interested how my athletes could recover from heavy exertion by using only proper nutrition. So nutrition has always been a very important and very main issue to me. I've always been firmly against any form of doping and stimulants – I've always been in favour of normal, natural things. (...) My brother and I used to produce sandwiches. (...) And in fact our initial idea was to make sausages for our sandwiches. But then we saw that this is something difficult which you can't do just like that. And because we knew we didn't know anything about it, we set out to learn and visited factories here in Bulgaria. Then we started visiting factories abroad. (...) So we learned absolutely hands-on, in stride. But we studied hard because we knew we knew nothing. And at some point it turned out that we knew more than many of those whose main profession is Technology of Meat and Fish and who have lots of experience. Because they are routined, they know they know and have nothing new to learn.

(Producer and trader of organic meat products)

I worked as a coordinator and organizer. It was a nice job, but I don't like being confined to an office all day. I prefer to be a little bit freer. I love freedom and nature. So that's why I decided to start farming. I had inherited some land – where the farm is now – from my grandfather. Later, I also started buying land. The land was abandoned. I've loved going to the countryside, animals, and so on, ever since I was little. (...) I somehow thought setting up a livestock farm would be easy, and I did it in jest, so to speak. I thought things would be much easier. I mean, that they wouldn't require as much of my time and attention as it later turned out they did. I thought I'd stay here in Sofia, say, while someone else looked after my livestock. I thought I wouldn't have to make any effort to make things work out. But things turned out to be much more serious.

(Organic sheep farmer)

The group of "mixed" operators reminds us that any attempt to typologize the diversity of social reality into categories is partly doomed to fail, since it cannot capture the full complexity of real life. These operators' motivators for entry into the organic sector and their attitudes towards it are ambivalent. On the one hand, they are driven mainly by interest in producing clean products, but on the other, they are concerned about the profitability of their activity in organic farming. Although they firmly believe in its principles, "mixed" operators may abandon organic farming because it is not economically effective, because they lack time, or because they do not get support for developing their activities from the institutional environment they operate in. We can summarize that "mixed" operators' came to organic farming from different professional and educational backgrounds, where a clear trend cannot be identified. What is notable is that organic farming can turn from a profession into a personal hobby because of a combination of the personal situation of operators (other lines of business) and the institutional aspects of the environment (unfavourable conditions for development of the business project).

5. Conclusion

The purpose of this analysis was to identify the Bulgarian operators' main motivational interests to enter the organic sector. Once they are known, those interests can be addressed if there is an attempt to attract new entrants and to expand the organic sector in Bulgaria.

The motivation to enter the sector is the result of a symbiosis of "internal" factors – the personal "worlds" of operators (educational and professional resources, personal characteristics and skills, absence or existence of personal belief in the importance of following organic principles) – and external factors – economic (market) and institutional (political) characteristics of the environment. The interaction between these groups of factors forms three main types of operators according to their motivational profiles: "pragmatists", "idealists", and "mixed".

Although it is descriptive, the analysis conducted here essentially shows that economic and instrumental motives are among the most important in the complex set of factors determining the individual operator's decision, and they should be addressed in developing the political framework regulating the organic sector in Bulgaria. As the data show, idealistic motives were the most important to the first operators who entered the sector, but as the latter developed, economic profit, marketing abroad, and compensatory payments became the main factors attracting new entrants. Ensuring stability of the institutional environment in terms of economic indicators and political mechanisms can lead to lower perceived risks for operators, greater predictability, and hence, greater likelihood of entry into the organic sector. Being among the most common ones, economic and instrumentally rational considerations are comparatively shorter-term and more unstable motivators for entry into the sector than the idealistic motivators, insofar as they entail dependence upon the dynamic of institutional (political and economic) life in Bulgaria. Since the organic sector depends not just on domestic but also on EU agricultural policies, as well as on global economic conditions, the "idealistic" motivators are key in ensuring sustainability over time. Although they are less common among operators, the "idealistic" motives prove to be more "powerful" in ensuring the sustainability and development of the sector precisely because of their potential to attract operators to the organic farming principles.

In Bulgaria, as we have seen, the main idealistic motives for entry into the organic sector are care for individual human health and environmental protection, as well as desire to follow the family's traditional farming practices. To further strengthen and develop the organic sector, awareness of the public benefits it delivers in terms of social health, biodiversity conservation and rural development should be raised both among conventional farmers so as to attract new entrants, and among the main social groups in order to increase public acceptance of the sector and to widen the group of those who believe in the values of organic farming. Addressing both economic/instrumental and idealistic, value-oriented motives in an attempt to engage and integrate new followers of the organic ideas would be a successful strategy for policymakers if the goal is growth of the organic sector in Bulgaria, as the relevant political documents and statements postulate. Such an approach would ensure more complex and sustainable development of organic farming in Bulgaria, which will have both short-term and long-term effects.

Although the motivators for entry into the organic sector in Bulgaria have not been studied to date, even this strictly limited (in scope and contribution) analysis could serve for formulating the main steps in planning the future development of the sector at the political, economic, and social levels. It can also serve as a starting point for more in-depth research on the complex set of motivational interests among different groups of operators, aimed at providing a clearer picture, and as a reference point about the weight of the different factors within this complex set of motivators for entry into the organic sector.

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THE MARKET FOR ORGANIC PRODUCTS AS CONFIGURATIONS OF WORTHS (THE CASE OF PRODUCERS FROM BULGARIA)

Petya Slavova

"At BioFach we saw that there's a huge demand for all sorts of organic products. Europe's gone crazy about organic products. It wants everything organic!"

(Organic raspberry farmer, 2014)

1. Introduction

The market for certified organic products in Europe dates from the late 1980s, when the first national legislations on organic farming were introduced in Denmark, Austria and Switzerland (Michelsen et al. 1999; Stolze & Lampkin 2009). In the European Union, it emerged in the first half of the 1990s, and in Bulgaria at the beginning of the new millennium. The purpose of this article is to analyse the functioning of a new market in Bulgaria, that for certified organic products. The analysis focuses on the market coordination mechanisms employed by actors to create the market for certified organic products, which are exchanged at different marketplaces. What is the nature of these mechanisms? How do they interact? Are they constant, or do they change depending on the situation and marketplace?

Organic production and trade originated as a social movement of producers and consumers. It united people who shared common values related to the protection of the environment and human health, and had similar understandings about a way of life that aspires to be closer to nature. Through their manner of consumption and/or production, the participants in this movement opposed the dominant practices of mass production driven by the idea of quantity and profit. As noted by Michelsen et al. (1999:1-2), "*organic food products were not developed by a major food company in the globalised food sector and implanted into the food market as a new product. Rather, they were developed 'from below', that is, by innovating individuals who were recruited from amongst groups other than ordinary food producers and developers*." That is why research on trust, exchange of information, inclusion in social networks and maintenance of social contacts (Thorsøe 2014), shared values and beliefs (Radman 2005; Gil, Gracia & Sánchez 2000), the specific way of life (Kings & Ilbery 2014) shared by a particular group of people, is key to understanding the emergence and functioning of the organic market. A number of studies show that this market is dominated by social mechanisms of coordination which are subjective in nature. These mechanisms make the market relations look opaque and difficult to be understood because they cannot be objectified and interpreted in the same way in

all cases. Production of organic products is difficult to plan in terms of quantity and quality because of the natural and climate changes and conditions, and because of the principle of minimal and non-chemical intervention. The supply of organic products is unreliable because they are produced in small amounts, and their prices also vary depending on the season, origin, place of sale. The places where they are offered are few and not always easily accessible (often just a few farms in the country). These shortcomings of the market are compensated for by the sharing of informal knowledge about products, by inclusion in supply networks, by delegation of trust to third parties – in other words, by mechanisms that are entirely social in nature.

At the same time, the market of organic products is strictly regulated. Since the late 1980s, when the first legislation on organic production and trade was introduced in Europe, there have been constant attempts to "lift" this market out of its state of opacity and dependence on social mechanisms through the adoption of regulations, laws and ordinances. As we shall see, however, the actions of only part of the actors in the organic market are driven by regulation. The main instrument of regulation is certification. To be recognized as organic, a product needs a certificate of organic production and/or trade, and or/processing.

Figure 1. Certificates of organic production


Висш селскостопански институт - Пловдив
Агроекологичен център
4000 Пловдив, ул. "Менделеев" 12
Certified Bulgarian
BioAgro
Ecological Product
СЕРТИФИКАТ
N: 00012 от 22.07.2000г.


БАЛКАН БИОСЕРТ
СЕРТИФИКАТ
№ 01092

Source: The first certificate is from 2000, when Bulgaria was not yet a member of the EU and had not adopted EU primary legislation on organic farming. The second certificate is from 2009, when Bulgaria had already become a full member of the EU. The first certificate is courtesy of the owner of the certified farm, and the second is available at: http://www.petrabg.eu/certificates-bg.html (accessed 6 August 2015).

The certificate confers status on a product, guarantees its quality, and provides information about it (origin and production method). This gives the certificate economic power to influence the market in which the product is traded, the price, and customer behaviour. Producers display their certificates on their websites, at the trade fairs and exhibitions they participate in, or at the markets where they sell their products (see Fig. 5 below).[1] The certificate is both a political and economic instrument that creates a "closed market" (Paradeise 1984) for a particular type of goods and services which have a specific status, but in itself it is not sufficient to guarantee that the certified product is truly organic[2] and it cannot create a customer base. Neither is the certificate a guarantee that the product can be sold only as organic. This instrument, which is meant to make the market more transparent and to coordinate economic interaction, is not always effective as such. As the study by Darnhofer et al. (2010) also shows, certification can indeed coordinate the market and make it more transparent, but only when it is combined with strict compliance with the organic farming principles. Thus, the regulatory mechanisms (EU regulations, ordinances, etc.) and their instruments are not the only ones coordinating the actions of the exchanging parties. What is more, in societies with a low level of trust in institutions, such as the Bulgarian one, this type of regulators are not of primary importance (Chavdarova 2010). The same holds true for another two instruments of regulation – the organic production logo and the register of organic operators.

Commission Regulations (EU) No. 271/2010, No. 889/2008 and No. 834/2007 prescribe the rules concerning the packaging of organic products and the specific organic logo. As from 1 July 2010 all organic products placed on the market must be labelled with the logo shown in Fig. 2. The logo, however, is used only on pre-packaged products that are to be placed on the market. It is irrelevant in contracting future, non-packaged produce, therefore it can influence customers' choice only in certain cases and marketplaces.

[1] By "producer" I mean not just an agricultural producer who offers his or her products, but anyone who produces something – be it primary produce or an end product – for market exchange. The terms "operator" and "producer" are used here as synonyms. If a specific distinction needs to be made between agricultural producers and other organic operators, it is implied by the context.

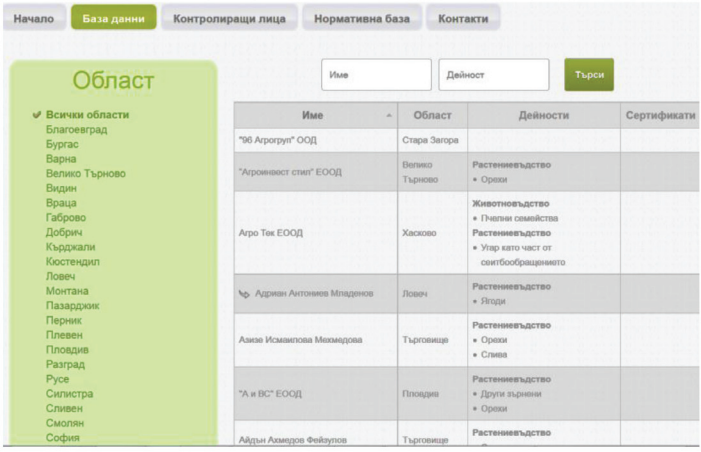
[2] The data from our interviews with producers and traders show that in many cases the certificate is no guarantee that the product really meets the requirements for organic production and this becomes evident from additional laboratory tests for content of substances that are prohibited in organic production. The reasons for this can be different. What is important to us here is that the certificate is a necessary but insufficient condition for the market of organic products.

Figure 2. Organic production logo of the EU

Source: *Part A of Annex XI* to Commission Regulation (EU) No. 271/2010.

Another instrument introduced under EU regulations, which is designed to bring more transparency to the market and to provide information about producers, the organic products they offer, and the region in which the products are produced, is the public register of organic operators.[3]

Figure 3. Register of organic operators in Bulgaria



Source: http://bioregister.mzh.government.bg/front/operators/page/2/f%5Bp%5D/4867 (accessed 6 August 2015).

Because of the way the register is designed (it does not contain address and contact information about the operators) and because of some inaccuracies in it (farmers in conversion are registered as already fully certified, etc.[4]), it cannot serve

[3] The term "operator", as used in public documents, refers to all certified traders, processors or producers of organic products.

[4] Those shortcomings of the register were established upon an attempt to use it in selecting a sample for a sociological survey. They were confirmed later also by representatives of certification companies who are obligated to inform the Ministry of Agriculture and Food (MAF)

to coordinate economic action. Our findings show that no one uses it as a guide in market exchanges in Bulgaria.

The last few years have also seen a tendency towards conventionalization of the market of organic products – that is, their production and trade is increasingly taking on the characteristics of mainstream industrial agriculture and the conventional market. As Banks and Marsden (2001:103, quoted in Zagata 2010:277) point out, organic agriculture is developed because it is regarded as "*some form of anti-dote to the concerns of society over food safety and environmental externalities*". At the same time, however, as organic production is increasingly moving towards the principles of industrial production, the differences between the two have begun to fade away. From the point of view of the market, this means that (in the best case) the regulations on organic farming are observed, but not its value-principles, yet the two cannot be equated (Darnhofer et al. 2010). What is important to contractors is the price and regular supply of pre-agreed quantities, and the formal indications that the product is organic (certificate and label), rather than the sharing and observance of the principles of organic farming and consumption (Buck, Getz & Guthman 1997; Allen & Kovach 2000; Alrøe & Noe 2008; Burch & Lawrence 2005).[5] In other words, although conventionalization is making the market of organic products more transparent, it is compromising their difference and thereby making them difficult to distinguish from conventional products. The existence of such practices has not gone unnoticed by the actors in the market who, through their everyday practices, design "labels" distinguishing "true organic" (a combination of credibility because of proven compliance with the organic farming principles, and certification as organic) from merely "certified organic". This has led to the appearance of the label "Italian organic" as a symbol of conventionalized organic production – that is, certified as such but of dubious quality as regards compliance with the organic farming principles.

This review of the relevant literature shows that the organic market is not governed by a single principle of coordination, therefore finding the mechanisms that coordinate and structure this market has become a fundamental problem.

The main hypothesis I will examine here is that there are three types of mechanisms of coordination of the organic market, each one of which uses specific instruments expressing different worths:

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about the number and specific characteristics of their clients (type of activity, type of crop, region, status – in conversion or not). The register is based on the data provided by certification companies to the MAF and is constantly updated.

[5] It is not the purpose of this article to engage in a debate and take a stance on the tenability of the thesis regarding the conventionalization of organic agriculture. As it is well known, this thesis has been the subject of various critiques and is by no means perceived unambiguously – see, e.g., Lockie & Halpin (2005); Campbell & Liepins (2001). I am mentioning this concept here only to show the different mechanisms or "forces" that strive to overcome the opaque social aspects of the organic market and to make it equal to the conventional one.

- social mechanisms, which make the market opaque and uncertain. Trust, a sense of shared values, judgment and dissemination of subjective notions and information are the main instruments through which these mechanisms are manifested, and their main worth consists in the observance and propagation of the organic farming principles;
- institutional mechanisms, which are designed to define the boundaries of the market by regulating it and thereby making it transparent. Statutory documents regulating organic farming and trade, certificates, logos, registers, laboratory tests are the main instruments of the institutional mechanisms. Their main worth is in standardizing organic products and clearly distinguishing them from the conventional ones. In addition, they demonstrate the political will of modern developed countries to encourage the development of organic farming principles;
- economic mechanisms of coordination, where the price is the main instrument and profit maximization is the main worth.

The market exchange of organic products is governed simultaneously by different worths and/or configurations of worths that serve as coordinators of economic actions. What is more, since the market of organic products is realized at different places – trade fairs and exhibitions (such as BioFach), markets, specialized shops, shopping websites – it is structured by different configurations of worths. This article seeks to show how those configurations of worths are formed in the different marketplaces in Bulgaria – that is, how the social, institutional, and economic instruments interact.

2. Studies on the Bulgarian Organic Market: From Lack of Data to Contradictory Data

It is very difficult to identify the boundaries and characteristics of the Bulgarian organic market despite the numerous studies conducted on it to date,[6] because statistics are not kept on consumption of organic products in Bulgaria and some of

[6] These studies are the following: 1) *Support for the development of organic farming in Bulgaria through reinforcement of supply networks* (Dicon Group, 2006, funded by the Swiss Agency for Development and Cooperation); 2) *The place of organic foods in the consumer's market basket in Bulgaria* (Institute of Sociology at the Bulgarian Academy of Sciences, 2007, funded by the Bioselena Foundation); 3) Project *Limiting the distribution of food-stuffs with a misleading information for organic products* (Bioselena Foundation, 2007, funded by the Swiss Agency for Cooperation and Development); 4) *Production, distribution and consumption of organic products in Bulgaria* (Vitosha Research, 2009, funded by the Ministry of Agriculture and Food); 5) several qualitative and quantitative studies of consumer behaviour conducted by research teams from the University of National and World Economy under projects financed by the Scientific Research Fund of the Ministry of Education and Science (Ivanova et al. 2012; Kozhuharov et al. 2004); 6) *A study of consumer behavior towards organic in Bulgaria* (Dzhabarova 2007). Of these studies, those conducted by Vitosha Research (2009) and Ivanova et al. (2012) were representative at the national level.

the studies are mutually contradictory.[7] Most of them are not representative at the national level and relied on "key informants" and "expert assessments", where it is not always clear exactly what those terms mean, therefore their findings cannot serve as a basis for generalization.

The lack of adequate, correct and exact data about the state of the Bulgarian organic market is not surprising, considering the novelty and level of development of the organic farming sector in the country. At the end of 2000, there were fewer than 20 certified organic operators in Bulgaria (Slavova, Moschitz & Georgieva 2016), most of whom were small-scale producers of fruit, honey, herbs, vegetables, cereal and oilseed crops, people interested in environmentally friendly production practicing organic farming as a hobby (supplementary activity) and/or for subsistence, or as an expression of a specific lifestyle. Imported organic products were limited to baby food and cosmetics (Apostolov 2012). By 2005 there were some 80 certified organic operators (including farms in conversion) (NPDOFB 2006:76-79), and by the beginning of 2009 – 310.[8] By the end of the decade, in 2012, the number of certified organic operators had grown to 2,016,[9] while according to data collected in the course of this study, the number of specialized market stalls and shops selling imported and Bulgarian organic products was constantly increasing. Yet at the same time, according to the Bulgarian Organic Trade Association, approximately 90% of all organic products and raw materials produced in Bulgaria were exported mainly to EU countries, but the same producers sold part of their produce in the Bulgarian market, too. Even though it was growing, the market for organic products in Bulgaria was still much smaller than that in the other European countries (Willer et al. 2013). It was estimated to be between EUR 6 and 8 million in 2011 (Apostolov 2012). The prices of organic products sold in Bulgaria, however, were several times higher than those of conventional products, and higher than the prices of organic products in Switzerland and Germany, for example. The data from our interviews and from the cited studies show that the high prices of organic products were due less to production costs and raw materials or the higher costs of marketing and logistics than to trade speculation capitalizing on the novelty of the market and on the fact that it was targeted above all at people who wanted to demonstrate a specific way (style) of life.

All studies conducted to date among consumers (Kozhuharov et al. 2003; Ivanova et al. 2012; Dzhabarova 2007), traders and producers (Vitosha Research

[7] For example, according to a non-representative study conducted by Dicon Group in Sofia and Plovdiv in 2006, more than 95% of the organic produce is exported and not sold in Bulgaria (p.29). According to a representative study conducted by Vitosha Research in 2009, "*Bulgarian producers of organic products produce mainly for sale in the domestic market*" (p.44).

[8] Vitosha Research 2009:4. According to MAF data, however, at the end of 2009 the number of organic operators in Bulgaria was 476 (MAF 2014:7).

[9] MAF 2014:7.

2009), and distributors (Dicon Group 2006) in Bulgaria highlight the problem of trust as a main barrier to market growth and economic exchange, as well as the lack of information about exactly what "organic product" means. Market studies conducted in countries with traditions in organic production – such as Denmark, Austria, the UK and Spain – also identify trust as key to market exchange (Thorsøe 2014; Gil et al. 2000). What is at issue is (dis)trust in the quality of the products (whether the certificate truly guarantees that the product is organic), in the regularity of supply (whether the products will always be available), in their freshness (because of their high prices, organic products are often suspected of being stale).

These studies offer a snapshot of the state of the market at the time of study in the respective country. None of them, however, go further – that is, none offer an analysis of construction or deconstruction of trust. After identifying the main problem in the development of the organic market, they do not offer an answer to the questions of how the two parties to the market contact each other and conduct exchange; which are the factors that motivate producers to market their produce; what mechanisms they rely on to attract customers. The purpose of this analysis, which focuses on the various market mechanisms of coordination and the combinations between them, is to offer more than a snapshot of the state of the market and to analyse in depth the functioning of the market itself as a social situation built through the configurations of worths.

3. Conceptual and Methodological Framework

To analyse the configurations of worths that structure the market of organic products in Bulgaria, I will use the concept of orders of worth introduced by Luc Boltanski and Laurent Thévenot (1991). This concept will enable me to understand what and how actors exchange in the market, privileging different worths expressing different values, and how they get to the point of exchange. The representatives of the French Convention School (Boltanski & Thévenot 1991; Thévenot 2002; Favereau & Lazega 2002) suggest a "key" to understanding the worths of the actors involved in market exchanges in their complexity (multiplicity) and situational variability. These worths underlie conventions around which actors unite in the process of negotiating exchanges. Conventions are "*values, rules and representations that influence economic behavior*" (Favereau & Lazega 2002:1), which are necessary to solve problems of economic coordination, negotiations and the like. Conventions are not merely rules; they are "*grounded on interpretation*" (Favereau & Lazega 2002:23). Conventions are not hard and fast "rules"; they are a matter of interpretation. In different situations, the interpretations of those involved in market exchanges are governed by different orders of worth/"worlds" (Boltanski & Thévenot 1991), that is, they give priority to different conventions and/or interpret conventions in different ways that encourage or hinder exchange. The orders of worth on which conventions are founded ensure the necessary

coordination among actors so as to make their actions more predictable and mutually understandable. Boltanski and Thévenot (1991:200-263) distinguish six "worlds"/orders of worth[10] in each one of which there is one dominant worth (*grandeur*) upon which a particular convention is founded, while all conventions together serve as mechanisms coordinating the actors' actions. Sharing particular conventions, the actors express particular worths on the basis of which they make concrete judgments and engage or not in economic exchange:

- *The inspired world* (*Le monde de l'inspiration*) – this is the world in which actors have no "objective" elements to refer to (such as measures, rules, money, standards, hierarchies, laws, etc.), and in which they act most spontaneously. In this world, actors least conform to the opinion of others. They give priority to their internal impulses, which they most often cannot explain and would not follow under other circumstances. The key words here are emotion and spontaneity.
- *The domestic world* (*Le monde domestique*) – this is the world of personal relationships. It is not limited to emotional communities (friendship, cohabitation, love), let alone to normatively regulated ones such as marriage. The domestic world is guided by hierarchies/positions in chains of personal dependence. Individuals, groups or organizations judge depending on the position they occupy in relation to others. That is why domestic worth depends on the place and time – hence the particular importance of the body, clothing, perception, manners, the visible and invisible manifestation of behaviour, the brand and the place.
- *The world of fame* (*Le monde de l'opinion*), that is, of opinion or renown – in this world what is of primordial importance is the judgment of others, what others say – they confer worth with their opinion and with their significance to people. History, the past, are not important. What is important is the momentary, the authority of those who are speaking and judging, their experience, and the extent to which it is shared. What someone has said about something or somebody, here and now, is of primordial importance.
- *The civic world* (*Le monde civique*) – this world attaches primordial importance not to persons and their inclusion in the community, as is the case in the domestic world, but to the supra-individual, to the collective. "Collective beings" do not necessarily have to be identified with a clear structure, organization or community; their "members" do not necessarily have to know each other, but they nevertheless share common values and norms. For example, consumers of organic products are a prototype of the civic world; and so are consumers of Fair Trade products motivated by the desire for clean food or by the idea to help local, traditional production that is often hindered by the rules of global trade and industrialized production.

[10] Hereinafter, those two terms are used interchangeably.

- *The market world* (*Le monde marchand*) – this world attaches primordial importance to the laws of the market – price, competition, interest of clients, marketing and planning.
- *The industrial world* (*Le monde industriel*) – this is the world in which technological objects and scientific methods have their place. In it actors judge on the basis of laboratory tests, standards and certificates based on compliance with scientifically established criteria, with binding labels, objective rules adopted because of standards established through scientific research. The key words here are measurable, scientifically justified, universally valid, provable, verifiable.

Very often the boundaries between the different worlds are blurred and intersecting. For example, scientific innovation is driven simultaneously by scientific experiments and inspiration and emotion; or the choice of a prestigious brand may be motivated simultaneously by tradition or by the desire for possession of what the rich possess (Boltanski & Thévenot 1991:253). The purpose of this theoretical distinction of worths is not to divide, reduce and simplify, but to explain the complexity and heterogeneity of the mechanisms coordinating economic action, their different configurations in different situations.

The thus distinguished orders of worth correspond to the three types of mechanisms I identified in the Introduction as ensuring the coordination of the market of organic products (social, institutional, and economic). That is precisely why I have chosen to use this conceptual framework here. Unlike neo-classical economics, where "*the price mechanism encapsulates all the required information*" about the product (Wilkinson 1997:331), the concept of conventions founded on orders of worth is interested also in opinion/judgment, in history and in the social, introducing them as fundamental problems in studying economic life, along with the price and standards. It can offer a more in-depth analysis that goes beyond the strictly economic logic where price and profit are of primary importance, and it better corresponds to the complex nature of organic production and the organic market (Renard 2003:88).

Studying market relations through the prism of this conceptual framework requires studying situations, not types and pre-given structures. Each situation has its marketplaces, actors, worths, values, instruments. Using this concept, I will examine four different market situations:

- situation 1: export-oriented market exchange, using international trade fairs and exhibitions of organic products as a marketplace for contracting (part 4.1);
- situation 2: market exchange oriented towards the domestic market, using different marketplaces – web portals, farmers' markets, specialized organic shops, and supermarkets (parts 4.2, 4.3 and 4.4);
- situation 3: "closed markets", where a producer sells to a single trader or processor for years because of the extreme rarity of the exchanged product (part 4.3);

- situation 4: non-market-oriented exchanges (part 4.4). This situation refers to producers who have produced a given product not with the aim of marketing it but with the aim of receiving EU subsidies for production. What drives them towards exchange is the fact that they have produced something but do not know what to do with it.

The analysis of the mechanisms of coordination in the market of organic products is based on data from thirty-two in-depth interviews with organic operators (certified and in conversion) in Bulgaria. This article will examine market relations as they are described by producers, processors and traders of organic products.

4. "Market Situations" as Combinations of Worths

4.1. Sales Abroad: From International Trade Fairs to Personal Contacts

Specialized international trade fairs and exhibitions are the main marketplace for exporters, where they can exchange information, establish contacts, and negotiate contracts. The world's largest trade fair for organic products is BioFach, held every February in Nuremberg, Germany, for more than 25 years now.[11] There producers collect relevant information about prices, terms of contracts, networks of contractors and their behaviour, while clients share their experience, compare, follow actions and look for information, thus coordinating their actions and those of producers (Karpik 2007).

> *Yes, we have a client we found at BioFach. In fact, our other clients came from conventional sales. But it's very difficult to say which client you found at which trade fair. You go to Paris and some clients turn up, you go to Dubai and the same clients turn up again. Then you go to New York and the same clients turn up. That's because they are big traders and go to all trade fairs. And when they see a company at several fairs, this gives them an impression of [the company's] stability. The results can come in the second or third year. It's very difficult. I can tell you that after almost twenty years – nineteen and a half, to be precise – it's only now that I'm seeing the fruits of all our efforts to promote our products abroad. That's because everyone can take, try, compare [your product] with something else. It simply takes many years to make a name for yourself in the international market. Many years. And once things get going, they go well. For example, we've been trying [to do business] in China for four or five years and it's only now that we've started attracting more serious interest. At the beginning, they'll compare you with others. But now they've started ordering entire containers.*
>
> (Producer of conventional and organic fruit jams and preserves, 2014)

[11] https://www.biofach.de/en. As regards wine, in particular, probably the biggest global event for organic wine is Millésime Bio, held in Montpellier, France, for 23 years now.

Participation in international trade fairs and exhibitions is sometimes done with support from the Bulgarian Small and Medium Enterprises Promotion Agency (BSMEPA), but it is most often a matter of personal pro-market initiative on the part of a producer or group of producers. For some producers, it is a sort of investment without guaranteed returns. This investment, however, is worth it because BioFach is not just an exhibition – it offers opportunities for negotiating with clients in real time.[12] Our findings show that this is the main "marketplace" at which exports from Bulgaria to the EU or third countries are contracted, regardless of the type of exported products.

I was refused funding [by the BSMEPA] for going to BioFach, so we went at our own expense. What happened the first year? The first year we got a slap in the face when we went there. We set off with the idea that we'd meet companies which purchase raspberries, which trade not only in organic but also in conventional raspberries, because we hadn't yet fully converted to organic production. We only had a certificate that we were in conversion. Before we went to Germany for the first time, I had made several appointments online – I saw who the exhibitors were, picked out some at random and sent them an email telling them that we're raspberry farmers and that we'd be attending the trade fair, and asking them if they were interested [in meeting us]. To my surprise, of the forty or fifty exhibitors I'd emailed, about a dozen replied. I had even made a schedule of my meetings. Which was perfect for me. I was going with something [planned in advance], so I wouldn't simply be hanging around. But I remember the person to whom we would later start selling, [the representative of] a Dutch company. He gave us a very chilly welcome. The first thing he said was, "I used to work with a Bulgarian and he cheated me." In other words, he had it in for Bulgarians. Eventually, he told us: "When you convert to organic, call me." So we left downcast. The second year we went to BioFach, part of our plantations were already certified as organic. We went in the same way, meeting the same companies we had been in contact with. Then we spoke very specifically about where and how the processing was to be done. I caught sight of the gentleman who'd turned us down the previous year, but he turned his back. And I met another two gentlemen. One of them turned out to be Hungarian – an agronomist working at their company, the Dutchman's. He had worked at the Hungarian equivalent of our Central Cooperative Union and knew about Bulgaria. He had spent his summer holidays at Sozopol every year and could order a mastika [anise-flavoured aperitif] and country-style

[12] One of the criticisms of the trade fairs/exhibitions/days of organic agriculture and other such events organized in Bulgaria, pointed out by our respondents, is that they are only demonstrative – that is, they are not organized as marketplaces mediating supply and demand in real time.

chicken liver in pure Bulgarian. This is what he knew. The other gentleman was, as I understood later, hired as a consultant at the company. So the three of us started talking. This gentleman, the consultant, started questioning me, asking me about everything – who we are, what we are, where we're positioned, what we do, what we produce, where we process. I explained to him how we operated, and told them that the Bulgarian company that had certified us was called Balkan Biocert and that as far as I knew it was a subsidiary of the Swiss IMO.[13] Or was controlled by IMO – I have no idea, but I'm sure there's a connection. This reassured them to the point of beginning talks, beginning negotiations, beginning to purchase our produce. But they always test every batch they buy from us. Absolutely always. Perhaps this is their policy? Every single batch they get from us is tested.

(Organic raspberry farmer, 2014)

The main mechanisms of winning trust at international trade fairs and exhibitions as a marketplace are not limited only to prices or to acquiring an impression of stability and seriousness of the company; they include also the stereotypes which foreign contractors have of Bulgarian producers, the certificates they hold, the laboratory tests for quality of the supplied products, the certainty that producers can supply sufficient quantities of the product, as well as references from foreign contractors or partners or getting a positive opinion about the producer from someone the potential client trusts. These mechanisms are governed simultaneously by different orders of worth (Boltanski & Thévenot 1991:200-263) – those of the "industrial world" (certificates, tests), of the "domestic world" based on face-to-face personal relationships, of the "market world" (price and profit), and of the "world of opinion" influenced by stereotypes and by "what others say". The simultaneous involvement of all those orders of worth makes negotiations complex and unpredictable. These effects are intensified by the fact that negotiations are very rarely brief, direct, ending immediately in a "deal". In most cases they take time (sometimes a year or more) and are in themselves a process during which the instruments associated with each of the above-noted orders of worth (certificate, direct contact, price, opinion) may intervene so as to terminate or accelerate, facilitate or jeopardize them. It is actually during this process that actual trust is built between the two parties which have hitherto relied on the above-noted instruments and worths to form an initial impression and to begin negotiations. Coordination among worths, their constant expression through the existence of instruments is what guarantees the success of a deal.

[13] Indeed, the certificates issued by Balkan Biocert say that the company has been established in close collaboration with the Swiss company IMO (see Fig. 1). Thus, the certificate adds value to its power to coordinate market exchange – lending credibility not just to producers and their produce but also to the conducted inspection, by referring to the reputation of the international certification company.

International trade fairs and exhibitions are important in that they provide producers with the opportunity to attract more than one client with a single investment (renting a stall, transportation costs, per diems, and marketing costs). This opportunity is very important because negotiating with one client at a trade fair does not necessarily guarantee that an exchange will take place. What has been contracted is most often yet to be produced,[14] that is, what is contracted are exchanges that will actually take place several months or a year later; meanwhile, each of the contractors may find new partners and/or rearrange the worths that guide them. In this sense, what is important is not simply trust in the quality and quantity of the produce to be delivered, but also trust in loyalty. The exchange takes place if both contractors follow the same conventions, that is, interpret in the same way what they have agreed on – or rather, if the interpretation of both parties means to each one of them profit, quality, certainty of the negotiated terms and, possibly, more exchanges in the future.

Bulgarian organic traders, however, are faced with additional difficulties in negotiating sales because of the stereotypes they suffer from as "traders from Bulgaria" regarding both the price and moral integrity – that is, the worths and instruments through which the "world of opinion" operates in the market are of exceptional importance to them. The common notion and stereotype about Bulgaria is that it is an exporter of comparatively good-quality and quite cheap organic products, therefore Bulgarian producers look for mechanisms to control pricing so as not to end up in a dependent position in the market. One such mechanism is to avoid depending on exports for a single client, that is, to avoid a "closed shop", as well as to make public, not hide, the partners you trade with in order to show that you are known and loyal and to get potential clients to ask for the opinion of your already existing clients. This mechanism is realized most successfully through participation in trade fairs and exhibitions or display of information at the stall and on the website of the producer, because they are public places. There every producer presents themselves individually, but also as part of an exchanging community, and their qualities can be confirmed or denied to and by the others, but also because of the others they interact with in the market.

> *Eventually, other companies also turned up – an Austrian and a British one. Our goal was to find two or three main contractors, not just one. For several reasons. They know that they aren't the only ones – so they cannot influence us in setting prices because they know we can sell to others and don't depend only on them. So we've let them know, we've deliberately hinted to them that*

[14] We are talking about exchange of agricultural products or of goods produced from such products. This exchange is fast-moving by definition, and production and quality depend on the weather every year. One of our respondents told us that because of the bad weather in 2014, and because of restrictions on the use of crop protection products, 80% of the crop was discarded and dumped. As a result, part of the contracted orders were not fulfilled and/or were replaced with products from the previous year's crop.

we sell to others, too. Of course, that's so they won't start trying to push the price down. What we're interested in is selling our produce. What happens afterwards doesn't really concern us. Generally, we haven't asked what they do with our produce afterwards. We only know that the Dutch resell to the French. They even brought the Frenchman along, they weren't hiding what they were doing. They brought the Frenchman along there. It turned out that the Austrians were selling to the same Frenchman. In other words, our produce went to the Frenchman both via Austria and via the Netherlands. It turned out that the British company has a representative in Bulgaria. They introduced us and we started working together. We found out that they are buying not just raspberries but also other fruit. But the point is that they are buying from us. They came, saw us, liked what they saw.

(Organic raspberry farmer, 2014)

Bulgarian traders also suffer from the stereotype of the Bulgarian producer, which serves as a "moral label" (the order of opinion). According to data from our interviews, this image is largely controversial and depicts Bulgarian producers as unreliable, in the sense that "*they have very good-quality goods, but together with the good-quality goods they 'sneak in' low-quality ones, too*"; "*to increase the weight, they add stones to the dried herbs; they don't always deliver the contracted quantities*" (organic honey producer, 2014). Because of this stereotype, Bulgarian organic traders have to invest much more resources and efforts in winning trust, and they do so by using the instruments characteristic of the industrial order of worth (additional laboratory tests) and of the order of opinion (looking for references from persons and companies with an unquestionable international reputation, etc.).

Access to foreign markets can also be secured directly, not through international trade fairs but through personal contacts and recommendations, or thanks to already established trade relations in sales of conventional products. In some cases, even the funds for the start-up of an organic farm and/or enterprise are secured from foreign investors, who also provide a market for its products. This is most often the case with products that have become emblematic of Bulgaria – honey, wine, essential oils, sesame tahini, berries. In these cases, personal contacts were established beforehand in the context of other situations that had nothing to do with exchange of organic products, but had to do with other economic activities and relations (employee-employer; trade in other products) that gave sufficient grounds for building personal relationships of trust and for acquiring joint experience.

What is characteristic of the representatives of this group, which relies on past and pre-established market contacts, is that as a rule, before they took up organic production they were not engaged in agriculture and/or production. They were most often engaged in trade in goods other than food and agricultural products. In these cases, the combination of worth characteristic of the domestic world (i.e., finding a "trusted person" through personal contacts) and of worth characteristic of the

world of opinion (i.e., supplying local products with a proven reputation, such as "Bulgarian organic honey", "Bulgarian lavender oil", "Bulgarian wine") proves to be a winning combination for the producers who use its potential.

> *The [start-up] investment came from Japan. Mainly from Japan, through my contacts. During my stay there I had established contacts with people who said they wanted to invest in Bulgaria, in organic farming. I made five or six projects and presented them, and they chose to invest in organic beekeeping and have remained my partners to this day.*
>
> (Organic honey producer, 2014)

The trusted person has to ensure that the undertaking is predictable, that is, to ensure regular supplies, to always ensure the required quantities and that they are of the same or comparable quality. The trusted person actually eliminates the unpredictability of local, small boutique markets functioning in an uncertain institutional and climatic environment. The idea of this market mechanism, which uses a local intermediary/ trusted person, is to control local markets "from the outside" by "taming" a local intermediary who follows conventions agreed on with the foreign partners on the basis of close personal relationships, and who knows how to manipulate the local environment because he or she is part of it (the civic order of worth). Controlling the local Bulgarian conditions proves to be key in situations of export, because of the uncertain institutional environment which often includes an incompetent and uncooperative administration, frequently changing and unclear rules and procedures, asking for money "under the table", and so on. That is why foreign investors try to find a trusted person who is an expert less in the field of organic production than in the ability to control and operate effectively in the local institutional environment. This explains why Bulgarian exporters of organic products do not fit the stereotype – they do not live in the countryside and do not have a typical rural way of life. Exporters of organic products are urban residents who operate in rural areas, they are well-educated and have experience in trade and private business. The opinion of one of our respondents best illustrates the connection between "the well-educated urban resident" and the development of an export-oriented organic farming business:

> *An organic enterprise such as ours [organic vineyard and winery], just as any other larger [exporting] organic enterprise, can be developed in the Bulgarian conditions only by people from the city with professions like law, IT, or engineering. They cannot be enterprises of farmers and rural people because of the hostile financial and political environment, in which you need another type of knowledge and skills, not agricultural ones, in order to survive. Our success is due to several things – to the fact they we've never given money "under the table" and to the fact that we have an education in law and seek our rights in the quickest and most efficient way and with little loss of money.*
>
> (Producer of organic grapes and wine)

Sometimes the local Bulgarian product is not sold under an own brand name in the international market, although it is indicated that it comes from Bulgaria. For example, Bulgarian honey is most often exported as primary produce that is re-packaged in the importing country and sold under a foreign brand name (Panchev et al. 2014). The only thing that is indicated on the label is that the honey was produced in Bulgaria; there is no indication of the producer or the name of the producer's company and/or the brand name under which it was produced (Fig. 4).

This ensures a lower price of Bulgarian products and accounts for the stereotype that they are high-quality and low-priced. In these cases, the role of "the trusted person" is to guarantee the necessary quantities for export by cooperating with other producers or purchasing their produce.

Figure 4. Bulgarian organic honey re-packaged and branded in Germany for export to the EU and Switzerland

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If I have an order from Japan for, let's say, two tonnes, and I've produced three tonnes, I'll naturally export my honey. I won't need to cooperate with others. If the order is for ten tonnes but I've produced only three tonnes, I'll naturally look for other people so that we can supply those ten tonnes and fulfil the order. This is a completely informal arrangement. Because it's not necessary to make any registrations. Because in Bulgaria, if you register something – anything – you'll immediately get bogged down with administrative requirements – about annual reports, financial statements, and so on; and everything costs money and involves red tape.

(Organic honey producer, 2014)

Finding a local "tamed" intermediary, a trusted person, through long-term, common conventions shared with foreign partners – a person who has the power to manipulate the local situation – can be done not just by acquiring experience abroad but also by drawing on past "schooling" and experience acquired during socialism and the first years of Bulgaria's transition.

> *I studied International Economic Relations at an academy in Moscow. After graduating, this is what I did for a long time, for maybe 25-30 years – I worked in foreign trade, at the foreign trade organizations that existed back then. I also lived abroad for a long time. When the changes happened in Bulgaria, I returned from abroad comparatively late. And I went into private business. I have two or three companies here – our own companies, which I managed. We were engaged mainly in manufacturing and consultancy services for machine-building production. And we still are. At present we are producing some sort of complex devices for Germany and Austrian companies. I am not producing them. But I'm a consultant [for the foreign companies] and I find them producers here in Bulgaria. (…) The contacts I established through this activity are now at the basis of my wine exporting business.*
>
> (Producer of organic grapes and wine, 2015)

Two of the exporters interviewed in our study are members of cooperatives of producers – a cooperative established with the help of the Dutch Avalon Foundation (a cooperative of seven sesame farmers producing organic tahini), and a cooperative of producers of organic essential oils (mint, lavender, and rose oil) established with support provided by the Swiss Agency for Development and Cooperation under the Bulgarian-Swiss intergovernmental Agreement on Technical Cooperation. The purpose of both financing institutions was to help agricultural producers to set up cooperatives producing end products in quantities of interest to the international markets, and not just primary produce. Through its New Thracian Gold Project,[15] the Avalon Foundation financed the purchase of agricultural machinery and the establishment of an organic tahini factory. The factory is owned by the cooperative and has enabled it to become simultaneously a producer, processor of sesame, and trader in roasted and dried organic tahini and/or sesame. The Swiss Agency for Development and Cooperation financed the purchase of a mint dryer and ensured, even though not regularly, markets abroad. The purpose of this foreign aid was to provide resources addressing the needs of international markets for organic products by helping to create sustainable social communities such as cooperatives[16]

[15] http://newthraciangold.eu/cmspage.php?id=250&lng=bg (accessed 27 July 2015).

[16] On the question of what type of communities were meant to be created, how they function, and to what extent they are actually sustainable over time, see Dona Pickard's article in this book (Pickard 2016).

(the civic and domestic orders of worth) and to purchase production facilities (the industrial order) – that is, by helping to create two elements that are critically absent in Bulgaria. The financing for the creation of cooperatives and production facilities was not provided accidentally, as I have shown elsewhere (Slavova, Moschitz & Georgieva 2016) – foreign interest in Bulgarian organic products was aroused long before the emergence of organic producers in Bulgaria. The donor organizations quickly realized that the good-quality, cheap Bulgarian organic products could not be marketed abroad because of their small and insufficient quantities and because of the lack of production facilities. These organizations acted both as financing mechanisms creating production and as intermediaries in the search for partners for exchange. Their international reputation and fame (the order of opinion) was what ensured markets, in combination with the worths of the market (that is, ensuring good-quality products at relatively low prices) and with civic worth (a group of producers professing common values). To this combination of worths we should also add the ones characteristic of the industrial order and manifested by means of certificates, laboratory tests, and shared production facilities. The worths of the civic order, however, are mobilized only in certain situations where there is great demand. This does not only show that the Bulgarian organic market is regulated by different orders of worth; it also shows that in the different market situations the combinations of worths can be rearranged. Depending on which worths turn out to be important in a given market situation and how they are combined with each other, they can unite and create relations of cooperation and trust among producers, but they can also divide and encourage relations of competition.

The example of the cooperatives, that is, of the need to mobilize civic worths, raises a very important question – that of the quality of produce. Participation in international markets inevitably requires ensuring large quantities of the product. Bulgarian exporters of organic products use two main strategies to address this problem. Some avoid the need of cooperating because of its potential risks (distrust in partners and in the quality of their products); to compensate for the smaller quantities of organic products, they offer simultaneously conventional products or a wider range of products. Others choose to cooperate, but what is characteristic of them is that they do not rely only on their cooperative to ensure market exchange, nor is market exchange their only source of income. This means that civic worths are mobilized as coordinating market mechanisms only in certain cases – that is, they are regarded as a necessary but uncertain and therefore undesirable market mechanism. The explanation for this is to be found outside the market, in the ability of the producing communities to create and maintain civic worths. This ability is strongly compromised in Bulgaria because of the recent socialist past and distrust in collectives, but also because of various social and local peculiarities (Pickard 2016). This is also evidenced by the fact that Bulgarian cooperatives sell mostly abroad, not in Bulgaria where each member of the cooperative relies only on themselves.

We sell our product on the market together. Our cooperation is limited to production, that is, to marketing, sales, and making of the still. My daughter-in-law, who is employed elsewhere, acts like the managing director of the cooperative – she has contacts abroad and it's she who looks for clients. We sell only abroad, there's no way we can sell in Bulgaria.

(Producer of organic essential oils, 2014)

There were nine of us in the beginning, but one gave up and we threw out another because he screwed up an order. New Thracian Gold had found us a query from Japan and we had to send a sample. So we decided that he would send a sample from his sesame. But instead of sending the best, he sent moist, mouldy sesame because he thought we had struck an agreement behind his back and planned to leave him out, so he did this deliberately to make us fail. And the order fell through, it came to nothing.

(Producer of organic tahini and sesame, 2014)

Thus, export of organic products is not governed by a single order of worth, or by a single combination of worths. It relies on different combinations of orders of worth that vary depending on the marketplace and on the way of finding contractors. When exports are negotiated at trade fairs or thanks to direct or mediated contacts established in the past, establishment of face-to-face contact and trust in the opinions and judgments of others (the domestic order and the order of opinion) prevail. When exports are negotiated through the mediation of international organizations, contractors rely on their reputation (the order of opinion) and the shared worths and values regarding good practices in organic production (the civic order). It is only after finding these, essentially social, intermediaries that the exchanging parties mobilize also worths characteristic of the industrial and market orders. The combination of those orders of worth proves to be especially sustainable over time from the point of view also of the relationships between contractors, and this formalizes even more the appeal to the worths of the industrial order and ensures the dominance of the order of opinion, of personal and collective relationships.

4.2. Sales in Bulgaria: From Websites for Fresh Products to Farmers' Markets and Organic Shops to Conventional Chain Stores

According to the market studies cited in Part Two of this article, over 90% of the organic produce in Bulgaria is for export; the rest, however, is marketed in Bulgaria through direct sales to end-clients. What is characteristic of the organic products offered by Bulgarian producers in the country is that they are mostly raw, with a short shelf life, or of the "homemade preserves" type – unlike the exported products, which are mostly packaged and/or frozen and/or processed, with a longer shelf life, and sold above all to corporate clients (processors and traders). Which

are the marketplaces of organic products in Bulgaria? What do producers sell to end-clients – just products, or also the philosophy and lifestyle associated with the idea of organic production? Who puts their trust in organic producers in Bulgaria, and how (according to the producers)?

4.2.1. Buying at the Farm, at the Market, or Online: Stories about Vegetables as a Way of Life

One of the most common marketplaces where organic products are exchanged are the certified organic farms themselves. Some organic producers – mostly farmers, producers of fruit and vegetables and of homemade preserves from them – combine this activity with the rental of rooms to guests in more or less popular tourist areas in Bulgaria. Guests are offered the opportunity to visit the farm and, if they want to, to take part (even if just for several hours) in the farm work. The food in the guest-house is the same as that of the hosts and is made from products from the farm. Hosts and guests have lunch and dinner together, and this enables guests to learn more about organic farming, about the history of the farm, the family, and the place. Thus, what is exchanged is not just a particular product, but the opportunity to share/experience the way of life organic farmers have chosen for themselves. These producers rely on the worths of the civic order (sharing the principles of organic farming) and of the domestic order (establishing face-to-face relationships) to market their produce. For its part, their produce is interesting, desired and appreciated by urban residents (highly educated, with high incomes, more often with educational and/or work experience abroad) who have no contacts with the countryside and the traditional way of life but who understand and share the philosophy of organic production, travelling around the country in search of such places that are non-touristy by definition, places preserved or restored in their original form. To buy "a thing like this", you have to go on-site – it is not offered and cannot be offered at public marketplaces because it cannot be removed from its place; it is simultaneously an object, experience and discourse, and later, a memory/interpretation of tastes, impressions and experience. If you try to remove it from its place, you will lose "the thing" you are looking and paying for. Studying the lifeworlds of organic and conventional farmers in central-southern England, Kings and Ilbery (2014) point out the syncretic and complex character of organic farming products which distinguishes organic farmers from conventional farmers.

Still, upon leaving, clients want to take back home something of what they have consumed, and if possible, to be able to order it again away from the farm and to consume it with the memories of their experience. What most often becomes an object of exchange in such cases are fresh fruit and vegetables, homemade preserves, and herbs. Upon purchase of those products, no one refers to certificates – neither the buyers nor the producers. This is a market situation in which "the industrial world" does not have the power to influence market exchanges. The

only worlds that influence market exchanges are the civic world – that is, the desire to belong to a particular community, the community of those sharing and/or practicing the principles of organic production, and to share their experience – and the domestic world, which turns face-to-face contacts with organic producers into an unquestionable and supreme market instrument.

Since "the industrial world" does not matter here, the products are not sold in shops. They are sold on shopping websites (e.g. www.farmhopping.com; www.hrankoop.com; www.selskatrapeza.bg), where not only certified organic farmers offer their produce, but also producers who have declared their products to be "clean", "homegrown/homemade", "environmentally friendly". The sale of organic products at these marketplaces "blurs" the boundaries between non-organic and organic products, on the one hand, but on the other, it ensures visibility of and demand for the products. The supply of products through these websites relies on social judgment and on opinions about the products (Karpik 2007); it is not interested in certificates and laboratory tests. Thus, online sale is controlled above all by the order of opinion and of trust in the community of people who use the website and buy the products offered on it (the civic order of worth).

Some of the producers who offer their products online also sell at the farmers' markets which have been held in Sofia for several years now, and since recently, in some other big cities in Bulgaria (Plodviv, Varna and Burgas). Thus, they move from the countryside to the city and offer clients the opportunity to establish face-to-face contacts – which is an additional incentive for clients and "subjects" them to the civic and domestic orders of worth. Although municipal markets, such as are the farmers' markets in Bulgaria, have their own rules which are controlled by "the industrial order", here, too, it is not the certificate that attracts clients. Officially, producers sell at those markets because they are registered as agricultural producers, and clients are those who decide whether to trust the certificate or not (when and if it is displayed) and buy the product on offer (Fig. 5).

Our findings show that physical consumers are not interested in the certificate of organic production; they are interested in the opinion/experience of others about the product and the producer, as well as in their own experience if they have any. The idea of organic, clean, homegrown/homemade is much more important to them than the formal characteristics of the product, such as the certificate. That is because consumers believe in their own power to form an opinion by judging for themselves (Karpik 2007:67). Once dissatisfied (with the taste, with the delivery, with the appearance of a product, with the attitude towards them), consumers have the power to inform others about their dissatisfaction and to influence the future clients of the producer. This power has always existed, but it is strengthened further by the use of shopping websites and of social networks.

Conversely, if they are satisfied, consumers themselves unofficially become market intermediaries because of their social contacts and status (occupation, income, social network).

Yes, there is a company for software design [among our clients]. A friend of ours who used to work there, took some honey to the office, his colleagues liked it very much and started to order regularly, every month. For the office. Because they are a rich company. They design software and work for some American companies which offer their employees free coffee, tea and honey. (…) This friend of ours left the company a long time ago, but they have continued ordering [honey] from us.

(Organic honey producer, 2014)

Such mechanisms, which are different from those of the market and industrial worlds, are relied upon not only by producers of fresh food and homemade preserves but also by, for example, children's kitchens offering homemade organic baby and children's food freshly cooked on a daily basis.

Clients engaged in exchange through these marketplaces – visits to farms, shopping websites, and farmers' markets – regard the price as "something" that is simply due; that is, the decision to buy is not determined by the price but by their opinion about the product based on personal experience or the recommendations of others. This attitude towards the price once again points to the importance of the social mechanisms of market coordination.

What matters here is not the price – if it was a matter of price, the client would have bought from the other producers, the non-organic ones. What matters here is the cleanness of the product and the health of people.

(Organic fruit and vegetable farmer, 2014)

Figure 5. Stall at the Rimska Stena Farmer's Market in Sofia, with displayed certificate

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4.2.2. Exchange between Producers and Traders: How, Where, and When End-Clients Lose Contact with Producers

Not all organic producers in Bulgaria rely on direct sales through websites, markets, visits by clients. Many of them rely also on specialized organic shops and general stores, where other values and worths are of primary importance. What motivates them to do so is the opportunity to sell part of their produce regularly and thus to have a secure market, a wholesale one at that – in other words, to market their produce not through end-clients but through traders. To find such a market, some producers will even agree to sell their product not under their own brand name but under the brand name of the trader, as well as to let their product be re-packaged. In this way, however, they influence only the price at which they sell to traders. It is the trader who decides at what price to offer the product to end-clients. Thus, products are often retailed at double the original price.

> *There's quite a lot of speculation in the end prices in the Bulgarian market, in the prices of end products. (...) The difference between organic and conventional products in terms of wholesale prices of primary produce in the Bulgarian market is approximately 30%. But the end price of flour processed [from organic wheat], for example, is several times higher than that of flour from conventional wheat.*
>
> (Organic fruit farmer, 2014)

> *Our price per kilo of organic cow's milk [white brined] cheese is ten leva, and of organic goat's milk cheese twelve leva, but it's sold in Sofia at eighteen leva for cow's milk cheese and twenty leva for goat's milk cheese. From Troyan to Sofia, the price of cheese doubles.*
>
> (Producer of organic cow's milk and cheese)

This mechanism of distribution is governed by two types of worths – those dictated by the market (price and profit) and those dictated by the industrial order (certificates and laboratory tests). The dominance of those two types of worths, however, most probably weakens clients' trust in organic products – they have to place their trust in the trader, not in the producer. What is more, the producer's name and reputation very often remain hidden from the end-consumer. This situation puts organic products on an equal footing with all others and the only instrument that dictates the relationship between producer and consumer is the organic production logo and the certificate. Similarly to the certificate, however, the organic production logo is probably the most unreliable instrument for building a loyal customer base for organic products because it is within the power of public institutions, not of personal or trust-based opinions, experience and face-to-face/personal relationships. According to Thorsøe (2014), the subordination of organic products solely to the

logic of the market and of the industrial order conflicts with the organic production principles. These two worths turn organic products into a conventional commodity like all others, thereby shifting the emphasis from the sharing of the principles of an environmentally friendly, sustainable way of life onto the idea of consumption. It is precisely these practices, which are regarded by some consumers as illegitimate even though they are entirely legal, that are also the reason for the emergence of the paradigm of conventionalization of organic farming and of the organic market, discussed in the Introduction.

There are also products that are sold through traders but under the brand and name of the producer. This most often happens in specialized organic shops which build their reputation on the name and reputation of producers from different parts of the country and abroad. Here the main worth that creates economic relations is again that of the industrial order, with its requirements regarding certification, laboratory testing, packaging and labelling. Through traders specialized in organic products, clients are also given the opportunity to get in touch with producers and their values and understanding of clean food, even though here they place their trust not in producers but in traders and their policy of offering "quality goods".

> *You can find them in Sofia, in [the organic shop] Zoya BG in Aksakov Street. I wanted them to be there [to sell through this shop] for a number of reasons. To put it simply, I know what Zoya BG stand for, who stands behind them, what they are. At the same time, they are also those who can give us good feedback, tell us what's happening, how our product is perceived. We know each other.*
>
> (Producer of raw dried fruit and raw bars, 2014)

According to producers, however, clients buying in shops are left with the feeling of paying higher prices, of speculation and commercialism, not of sharing the idea of environmentally friendly principles and way of life. This does not help make organic products more popular – it undermines trust in them.

It turns out that it is most difficult for Bulgarian organic producers to find a market for their products in the large chain stores such as Billa, Carrefour, Piccadilly, and Kaufland. The reasons for this lie in the terms and conditions of the contracts with chain stores, the large quantities they demand from producers, and the pressure they exert on prices.

Of all our respondents, only three have managed to "break through" in chain stores, yet not because they are organic producers but thanks to long-term relationships established with them through sales of conventional products.

> *We sell to the supermarkets which have a separate section for organic products. We sell them [organic fruit jams and preserves] in Metro, in Billa, in Kaufland. Actually, not in Kaufland, in Piccadilly. We stopped working with Carrefour, they don't pay. We've managed to break through in many places. I can say that*

70% of our organic produce is for export, and the remaining 30% is for the domestic market. In order to be labelled as organic, a fruit jam or preserve must contain [at least] 95% organic ingredients. (...) Our jam contains four ingredients: fruit, sugar, citric acid and pectin. Citric acid and pectin are 0.5% each, or 1% in all. Sugar and fruit are 99%, and they are organic. There's also organic pectin, but it's terribly expensive and we don't need it because this 1% non-organic is admissible.

(Producer of organic fruit jams and preserves, 2014)

It is extremely difficult to reach an agreement on sales with the large chain stores. Those who succeed in doing so are large-scale producers of conventional products (meat, flour, fruit jams and preserves) who have extended their product range with organic foods. They always supply the required quantities and have established long-term relationships with the chain stores. All those factors lead to agreement of better terms and conditions for the producer, as well as to sale of the products under the original brand and name.

Yes, our organic products are on sale in the supermarkets, too. (...) We simply don't expect [to sell] large amounts and quantities there, but there obviously are some, albeit minimal, sales. Which means that there's a category of people who buy them, but it is too small. Why have we started producing them? Because that's our way of thinking. If it depended on me, I wouldn't allow any food that's not organic. But this is absurd. In principle, our company is targeted at a higher price segment. We produce higher-priced products. Before we'd heard the term "price segments", our idea was to make only foods that we'd serve to our own children. Of that kind of quality. Because people are ready to deprive themselves of everything for the sake of their children's well-being. That's the mentality in Bulgaria. But it turned out that this isn't a successful, let's say, business model.

(Producer of conventional and organic meat products, 2015)

There are lots of shops. There are lots of supermarkets. They are both a stopper and an opportunity for increasing sales. They are a stopper in that we can't control the end price [of our products in supermarkets]. There are no regulations enabling us to influence the price at which the chain store sells our products. That said, of course we can market products in the chain stores, provided that the sales are good. As you know, there are various fees there – many fees – which more or less determine what products will be sold on the market. That's because products whose sales are very low aren't worth it. Such products can't cover their costs on their own so as to enter [into supermarkets] and become accessible to the end-consumer. And it's precisely because we

want to offer [consumers] access to a wider product range at good prices, to avoid an increase of prices by various intermediaries, that we are opening also an online shop for direct contacts and sales.

(Producer of conventional and organic flours, 2014)

Smaller producers do not manage to get their products into the chain stores, even though they are ready to offer discounts. Some do not even understand why they are refused a contract of supply, considering that all their terms and conditions satisfy the trader. They are producers only of organic products, who are unknown and absent in the chain stores, and who lack skills and/or do not make efforts to develop the marketing of their products and company. They rely on gaining entry into the chain stores by sharing the idea of clean, good-quality food (belief in civic worth), but the chain stores rely solely on the worths of the market and of the industrial order. The mismatch in the contractors' value-judgements compromises economic interaction.

Most organic producers think that the price at which organic products are sold in Bulgaria is high – what is more, they think it is high not just because of the lower standard of living in Bulgaria but also in comparison to the prices of the same products in other EU countries.

To my mind, consumption of organic products, of organic end products, is a matter of lifestyle, so to speak. Quality of life. It's not driven by health needs. It's a bit like a vicious circle. Bulgarian consumers have rather low purchasing power. Hence the lower consumption, because all organic products and the specificity of [organic] production are much more expensive. All products that are lifestyle, quality-of-life [products], which add value to life, are something that not many people can afford. Actually, the majority can't afford it. If a loaf of white industrial bread costs in the shop, let's say, 80 stotinki on average – because bread is a bit more expensive in Sofia – while a 750-gram loaf of organic bread costs two leva, the ordinary Bulgarian will always prefer to buy conventional bread. Regrettably, this is the main motive or, I would say, obstacle. It's the main obstacle that also stops us from developing this sector. The other is that precisely because of the low consumption here in Bulgaria and the comparatively smaller quantity of agricultural produce, our prices aren't that competitive. For example, I've compared the prices of bread, of bakery products, in Bulgaria and the prices of their equivalents in Germany. Our prices are approximately 20% higher. That's precisely because we can't produce larger quantities – if we had larger production capacities, the price would fall. When you don't have such large quantities, that is, when you produce small quantities, the price is even higher.

(Producer of conventional and organic flours, 2014)

All producers who offer their products in the large chain stores in fact suffer from the lack of direct contact with the end-client and from the impossibility to control the prices at which their products are retailed – which drives away end-clients because the prices are too high. That is also why the majority of them look for marketplaces that allow them to make up for those two deficiencies, such as direct sales through their own websites or sales through the above-mentioned websites for clean foods. Looking for marketplaces other than the chain stores means looking for ways to share the worths of the civic and/or domestic order. This allows producers to minimize the negative effects of the dominance of the market and industrial orders. This once again shows that organic products are not like all others. When they are demanded and supplied together with the sharing of values and worths other than the need to consume or, say, to find food at the lowest price, regardless of its quality, the chances for success of the exchange are much higher.

Organic products in Bulgaria are marketed through different marketplaces which are coordinated by different combinations of orders of worth. At the opposite ends of the spectrum are the places for direct sales to end-clients, and sales through the large chain stores. The other marketplaces are in-between those to extremes. Even those who sell through chain stores, however, look for ways to establish direct contact with end-clients because the lack of such contact impedes the functioning of the market. It is also therein that the specificity of organic products lies – despite the attempts at their standardization and subordination solely to the industrial and market orders of worth, in order to form a market they largely require also establishment of personal contact or belonging to a social community that shares common values – those of clean food and of an environmentally friendly, sustainable, and healthy way of life.

4.3. Closed Markets: From the Comfort of a Secure Market to Concern about "Bondage"

The experience of five of our respondents is very different from that examined so far, as they do not market their produce in any of the ways described above, or, if they do, it is as an exception. The other thing they have in common is that all five are producers of dairy products and livestock, that is, all five are engaged in livestock farming, and none of them is engaged in livestock processing as a certified processor.

When it comes to market exchange, this type of producers do not have a big choice because of the specificity of their produce (perishable; produced on a daily basis). In order to function, they need guaranteed daily sales of milk and guaranteed sales of animals for slaughter when the latter are at the appropriate phase of development (lambs, weaned lambs, calves). Those specificities are the main reason for the lack of choice (or for the very limited choice) of marketplaces. What is more, the shortage of milk- and meat-processing facilities in Bulgaria binds producers not

merely to a particular type of market situation, but also to a particular processor/trader, and vice versa. Because of the small number of certified organic livestock farms in Bulgaria (about ten in all), processors are likewise dependent on organic milk producers – that is, they are bound not merely to the marketplace but also to the contractors they buy from. Those two dependences are at the basis of closed markets, that is, markets with little choice of marketplace and of contractors. How do these closed markets function? Are contractors bound together through common organizations (companies), forms of subcontracting, and other types of relationships? What is the configuration of worths that governs their market relationships?

The data from our interviews with producers have allowed me to identify two ways of emergence of such closed markets. In the first, the initiator is the organic milk producer who is looking for a market for his or her produce; in the second, the initiator is the processor (dairy factory) and the trader who are looking for suppliers of raw material (milk). Because organic livestock farming is so little developed in Bulgaria, these cases are so rare that they can be defined as unique – that is why I will not examine them as more or less typical situations (that is, all things being equal, similar cases would lead to similar results), as I did in the case of exporters and of producers selling in Bulgaria; I will present them as portraits where the focus is on the unique, the untypical, and the individual (Lahire 2002:28).

Portrait 1: "Bondage" through a Shared Sense of "Sisyphus"

In the cases where livestock farmers look for a market for their produce, the actors involved in the establishment of the livestock farm turn out to be of critical importance. These actors are the consultants who trained and guided the farmer in establishing the farm, and who subsequently play an important role as intermediaries in finding markets.[17]

The conclusion of an agreement on technical cooperation between the Swiss Confederation and the Republic of Bulgaria in 1995 led to a series of projects and actions supporting the development of organic agriculture in Bulgaria (Slavova, Moschitz & Georgieva 2016). Directly or indirectly, Swiss support was also provided for the establishment of an organic livestock farm (for dairy cows) in the Troyan Balkan Mountains.[18] It was not provided in the form of a project aimed to

[17] Setting up an organic livestock farm is much more difficult than setting up an organic crop farm because of the need to provide daily health care and feed for the livestock while using substances allowed in organic farming, the need to build manure pits that allow composting, the need to provide pastures and structures for the livestock which are also certified as organic, and so on. This partly explains the small number of organic livestock farms in Bulgaria, as well as the fact that those that do exist raise sheep and cows/calves, but there are still no certified organic pig and poultry farms.

[18] Swiss support for technical cooperation was geographically localized – it was provided for municipalities in the Central Balkan region, which include Troyan. For more on this, see Svetla Stoeva's article in this book (Stoeva 2016).

establish a farm equipped with processing facilities and to secure a market, but in the form of partnership between a consultancy organization set up with Swiss funding and a farm that decided to get certified as an organic livestock farm and needed consultancy services. The company that certified the farm was likewise set up with Swiss support. Thanks to their contacts in Bulgaria and abroad, the certification company and the consultancy organization helped find markets. That is how a farm was established in the Troyan Balkan Mountains, which was trained and assisted in converting to organic livestock farming. A market for the milk produced by the farm was also secured. The consultancy fee is paid from the proceeds of milk sales on a per litre basis.

In 1999-2000, the Foundation for Organic Agriculture and the Swiss Embassy had a joint programme and conducted information workshops in the villages and towns. They also provided advice on work, on certification. That's how I learned about this opportunity. They put up notices and came to Troyan. So we decided [to start practicing organic farming], because I realized the way we were raising livestock was already close to organic farming. So that's how we got started. Because we were driven out of necessity – we were poorer and couldn't afford a lot of concentrated feedstuffs. And then, there were our pastures from the TKZS that was dissolved in 1990, no one had sprayed them; there was plenty of such abandoned, deserted land. We grazed [our livestock] on them. We started little by little. Then a Swiss organization came to certify us. But it was very strict, there were conversion periods, and they once turned us down for failing to ensure [proper visual] contact between two calves. That was the only reason they refused to certify us that time. But we learned to be perfect. I took an agri-environment course at the foundation. We learned the basics. (...) We have a contract with a consultant – an agronomist and a livestock engineer. One is responsible for livestock farming, the other for the diaries, for plants. I pay them 20 stotinki per litre of milk and they do their job. (...) So we were sitting there with the consultants [from the foundation], trying to find some markets, to develop markets in Sofia, when at one lovely moment X, the famous [Bulgarian] tennis-player, passed by here – she was on some sort of trip. They had happened to hear about this milk, had bought [yoghurt made from] it in Sofia, ate it and saw that it was made here in the Troyan Balkan Mountains. So they found the dairy factory, went there and were told where the farm is. So we were milking the cows when they unexpectedly turned up, dressed like teenagers, with those funny hats. Of course I'd never seen X [the tennis-player] before, so I didn't recognize her. Then she told me, "I'm X and we're interested in your milk." "No problem, we'll pour you some straight away," I told her. Then she told me, "We'd love to have some, but we want to talk more seriously." I thought they were the successive guys with whom we'd do nothing but talk. They said, "We've got serious intentions." They tried and

we started making the yoghurt, at first under a subcontract in Radevo. Then they established their own dairy factory. A very nice dairy factory, Austrian-type, a great dairy factory. And they maintain good quality. We maintain good quality of the raw material, of the milk.

(Producer of organic cow's milk, 2014)

Trust in Swiss support, the information disseminated by the Swiss organizations and by word of mouth, but also the rarity of the produce on offer, aroused the interest of contractors. In this particular case, two almost unique (because of the activity they are developing) contractors met and established contact. Whereas the farmer is unique for his milk and the place where he produces it, the contractor he started selling to is unique for her personal life-story and the business she started developing after ending her sports career. She is the best known and most successful Bulgarian female tennis-player and she did not just establish a dairy factory for organic dairy products; she also registered a trademark under which she started supplying as a trader a very wide range of products – from organic yoghurt and cheese to organic pretzel sticks and boza. The greatest strength of the two contractors is in their uniqueness, but their greatest weakness is in the underdevelopment of the organic livestock farming sector in Bulgaria, which "binds" them commercially to each other.

This "bondage" has its negative aspects – delayed payments from the processor and trader. For the producer, this means constant uncertainty about exactly when he or she will get their due money, and exactly how much.

Under the contract, we should get paid every 15 days, but we are paid very slowly – two, three, five months late. It takes a lot of persuading, talking, begging [to get them to pay us]. You can imagine what it means having to wait for six months until you get your money. There have been times when they've owed us up to 50,000 leva. Now they owe us less.

(Producer of organic cow's milk, 2014)

For the processor and trader, being "bound" to a particular producer means an impossibility to maintain a constant taste of their product and to take into account the different quality of the milk in the different seasons. Thus, the uniqueness of the resources at the disposal of the two contractors set the market in motion, where market relationships are sustained over time by their mutual necessity, but also by the uncertainty and "bondage" to each other. In this case, the worths that maintain this market are above all social in nature – the tennis-player's reputation, the established close contacts, the common belief in the idea of producing clean foods (the civic and domestic orders of worth). Daily sales of the produce are more important than regular payment. What is more important is the feeling that you are managing to operate an enterprise (such as organic milk production) which seems to be doomed

in Bulgaria, according to our respondents, because of the institutional environment (lack of support for organic livestock breeding) and underdevelopment of organic farming. The sense of "Sisyphus"[19] is an extremely powerful motivator for both contractors to maintain those market relationships, but it would not exist without the sense of closeness and of sharing common conventions of work. The industrial order (certificates) and the market order (prices) are not the only orders of worth that motivate the contractors. This is evidenced by the way the producer explains and excuses the delayed payments from the processor and trader. The mutual understanding is so strong that the producer has almost "merged" with the processor and trader, without there being any formal organizational ties between them.

> *I don't blame X so much [for delayed payments], because they have another problem – they are crushed by the chain stores. They have a contract for one month, but the chain stores pay them after three months. And the cheese has been left to mature for three months in the dairy factory.*
>
> (Producer of organic cow's milk, 2014)

Thus, "bondage" between two contractors in an undeveloped market and institutional environment generates additional relationships of solidarity and turns them from rivals in setting prices into partners who are disinterested in the price but interested in their joint activity. The idea that they are engaged in organic production maintains their desire to fight on and strengthens the mutual dependence of the two contractors. Conversion to conventional production would eliminate the need of such direct dependence of the producer on the processor and trader, but it would largely deprive his engagement in livestock farming – and ultimately, his life – of meaning.

Portrait 2: Processor/Trader Looking for Producers: "Bondage" through Subcontracts

> *Actually, I have a degree in Public Administration from Sofia University. I worked as a coordinator and organizer at a media outlet for ten years. It was a nice job, but I don't like being confined to an office all day. I prefer to be a little bit freer. I love freedom and nature. So that's why [I decided to start farming]. I had inherited some land – where the farm is now – from my grandfather. Later, I also started buying land. The land was abandoned. So I decided to do a project here. I got in touch with some people from a consultancy company*

[19] In ancient Greek mythology, Sisyphus was founder and king of Corinth who was punished by the gods for his perspicacity by being forced to roll an immense boulder up a hill, only to watch it roll back down, repeating this action for eternity. The story of the ancient Greek hero inspired Albert Camus who, in his existential-philosophical essay "The Myth of Sisyphus", compares human life to the efforts of the ancient Greek hero, a symbol of the difficulty of having to eternally begin anew.

who were doing such projects. SAPARD was still in place at that time. That was before 2008. And I decided I had to do something with that abandoned piece of land [since it was mine anyway]. (...) At present I have some 54 hectares in one area and some 100 hectares of pastures and meadows in another. The land I use intensively, which is around the farm, is 54 hectares. I'm currently developing the other 1,000 hectares, which I took two years ago, but I intend to set up another farm. But it will be for meat cattle. Here we raise dairy sheep and breed indigenous, local, breeds – West Stara Planina sheep. I'm a member of this association – [of breeders] of West Stara Planina sheep. I'm also a member of the association of organic farmers. But I get nothing out of it, so to speak. (...) I thought I'd stay here in Sofia, say, while someone else looked after my livestock. I thought I wouldn't have to make any effort to make things work out. But things turned out to be much more serious. But I'm the sort of person who, once I set out to do something, I don't stop until it's done. I wanted it to be livestock farming from the very beginning. The location of the farm is ideal for it. The sheep shed I built is high up – the lowest point is some 600 m above sea level. It's a new one. I built it in 2008, with a cottage for the staff. The pastures start above it and reach an altitude of 815-820 m. It's mountain livestock farming proper. And presumably around me there are no arable lands that are sprayed. It turned out that after I got certified as organic through the dairy factory [which subcontracts the producer], the price of milk was very good for me. Milk, milk production is the main [budget] item in the economy of the farm. So that's why I decided the farm would be both for meat and for milk. Because the conditions are ideal for it. Once a year, and sometimes twice a year, people from their [the dairy factory's] certification company come to inspect my farm – the pastures, feedstuffs, way of feeding.

(Producer of organic sheep's milk – 1, 2014)

The location of the producer's land, the inherited experience and traditions, commitment to a particular way of life, but also knowledge (education and professional contacts) can make an urbanite – who, however, has rural roots – set up a livestock farm. In the portrait under review, though, the producer took up organic farming as a result of the actions of a large Bulgarian dairy factory that is almost entirely export-oriented, which was looking to widen its market as well as its range of suppliers of milk. Thus, the conversion to organic farming was done under pressure from the market – the organic dairy factory offered the producer not just a higher price but also a secure market and a specific value-orientation in tune with his own beliefs – producing organic milk. Furthermore, the dairy factory takes care of certification and control, thereby making things easier for the producer. All those factors have "bound" the producer to the dairy factory, since only a larger organic dairy factory, such as does not exist in Bulgaria, could have offered him better terms and conditions. In this particular case, the "bondage" is entirely positive because

it is governed simultaneously by the market and industrial orders, but also by the civic order of worth (sharing the idea of organic production). Moreover, the idea that the produce is exported and fetches prices that are unthinkable for the Bulgarian market made the undertaking of organic farming all the more worthwhile. Since we are talking about a newly established farm, it is the producer who was looking for a market – that is, who wanted to become part of the community of producers, of people and organizations that operate in the organic sector and/or have experience in it. The dairy factory in question is actually the only one that produces certified organic sheep's milk cheese in Bulgaria and, as such, is not difficult to identify as a potential partner. Although it is a monopolist, the price it offers seems good as there is nothing to compare it with except for the price for conventional produce. Hence, the monopoly in the sector is seen by producers as a good opportunity that is consistent with both their social and economic values.

The dairy factory does not have a strategy of looking specifically for newly established farms as partners. It looks for farms that guarantee the purity of their produce because of their location and natural resources. The good price it offers is an incentive for long-existing conventional farms to convert to organic farming.

> *My father was a veterinarian and he began raising sheep after 1989. He started out with 40-50 sheep. After I finished my military service, their number increased to 80 and then we bought some more, and it increased to 120-130. We kept female lambs [to breed from] and increased our flock to 450 sheep. We started organic farming four years ago. The people from the dairy factory that buys organic milk told us it would be more profitable for us to work for them, so that's how it happened. And now we're selling our milk to them. They constantly conduct inspections [on our farm].*
>
> (Producer of organic sheep's milk – 2, 2014)

Contrary to the case in Portrait 1, here the producers do not fully identify themselves with the milk processor/trader. They know little about the latter's history, mentioning only the dairy factory's name and the fact that it works for export and exercises control over their farms and the conditions in which they raise livestock. Although the producers and the processor/trader are mutually dependent, since it is the only, or one of the very few, of its kind in Bulgaria the processor/trader is regarded by the producers as being in a dominant, dictating position because it was the initiator of the market exchange, because it offers a higher price than conventional processors, and above all because of the control it exercises over their farms. Both producers of organic sheep's milk did not know the name of the certification company that controls them – to them, the figure exercising control is in fact the processor/trader. Unlike the case described in Portrait 1, here the dominant orders of worth are those of the market and industrial worlds. The significance of

producing organic products is recognized only partly and superficially – that is, there is almost no identification with the civic worth of producing clean food, just as there are no close personal relationships between the contractors. The relations of subcontracting – that is, of inter-corporate/inter-organizational dependence – have in fact led to the assimilation of the producers. They perceive themselves as being in a dependent position, and therefore give priority to the orders of worth of the market and industrial worlds.

Portrait 3: The Impossible Markets

As regards organic livestock farming, some markets for it are impossible to find in Bulgaria at present. A case in point is the market for fresh organic meat because in Bulgaria, according to our respondents, there is no certified organic slaughterhouse; furthermore, their farms are not located in proximity to conventional slaughterhouses that could be certified, nor could they supply sufficient quantities to make it economically worthwhile for a slaughterhouse to get certified as organic. In addition, this is a matter of taste (quality) and price: the way animals are slaughtered, whether they are transported or not, and how, directly affects the quality and price of meat. To this we should add also the lack of a regulatory framework allowing the purchase and use of mobile slaughterhouses in Bulgaria.

> *The nearest slaughterhouse is 50-60 km from our farm. Although it is conventional, in theory it is possible for us to agree with the owners, if they permit us to, that we will pay for its certification for a certain period – for example, to get the certification body to come, inspect [the slaughterhouse] and say: "This produce that's entering and leaving is organic." We've thought about that, but it's too difficult. Those slaughterhouses are simply too far away, which means very high transportation costs. Apart from that, it's impossible because of the way we raise our animals – they are very wild and if we transport them by whatever means, they'll go mad with fear, their adrenaline will surge, and their meat will taste like that of cows, not of six-month-old calves. They must not feel they are being slaughtered. The easiest, most humane way, the truly organic way, is to shoot them while they are grazing. That's also when you get the best-quality meat. But this means that we must have a mobile slaughterhouse. But this is something that doesn't exist in Bulgaria yet. There are absolutely no standards, no regulatory framework, no statutory arrangements for mobile slaughterhouses.*
>
> (Meat cattle farmer, 2014)

That is why the livestock farmers we interviewed trade only in livestock for slaughter, but not in certified organic meat.

So far we haven't been selling our livestock and meat as organic, not officially. It's more for prestige – having a certificate. We hope we'll start doing so once we create the right conditions. We're already selling our meat at higher prices than conventional meat. But our prices aren't shockingly higher even though our meat is certified. But the fact that we aren't selling it in the official way – that is, that we don't have the right to process it, is a problem.

(Meat cattle farmer, 2014)

Selling livestock is an extremely complex and difficult process. Part of it is handled by middlemen, but this reduces the price paid to producers and that is why none of the interviewed livestock farmers rely on profit from sales of livestock and meat. Milk sales, rural tourism, direct (on the farm or through shopping websites) but illegal sales of homemade preserves are what keep the livestock farming business going.

The lack of processing facilities such as slaughterhouses, as well as the low sales price per kg live weight, regardless of whether it is for the domestic or foreign market, and the lack of subsidies per head of livestock (except for the subsidies for local and indigenous breeds) are the reasons why organic livestock farmers do not look for markets for their meat and rely on other activities related to livestock farming to make a profit.

Perhaps the most emblematic example showing the impossibility of a market for certified organic meat in Bulgaria is the decision of one of the largest meat processors and traders in the country to close down their own organic cattle farm – the farm turned out to be loss-making and suffered state sanctions. Thus, despite the existing demand, supply of Bulgarian organic meat is practically non-existent. I call this mismatch between demand and supply "impossible markets".

As an interim conclusion summarizing the functioning of closed markets in Bulgaria, several elements can be identified:

First, closed markets are characteristic primarily of organic livestock farms because of the specificity of their produce, but in the case of Bulgaria, also because of the undeveloped organic sector (lack of processing facilities and scarcity of organic livestock farms).

Second, in the literature on the subject (see, e.g., Paradeise 1984) closed markets are described as higher-risk because of the inevitable dependence between the contractors, which can lead to artificial suppression of prices. The case of organic farming in Bulgaria, however, shows that despite the distortions, this type of markets turn out to be profitable for the contractors. What is more, closed markets are the only form at present that makes possible the existence of organic products from certified animals.

Third, because of the shared civic worths, in some cases closed markets are regulated not just by the market and industrial orders of worth, but also by the civic and domestic orders. This adds value to the relationship between contractors and

increases their mutual trust. Yet in other cases, the market and industrial orders of worth are dominant. What configuration of worths will dominate in the relationship between contractors is a matter of empirical investigation; the general theoretical conclusion is that the closed market is not subject to only one configuration of worths, as one may suppose, because of its character.

4.4. When Politics Interferes in the Economy: Markets (Non-)Encouraged by EU Subsidies

The Bulgarian organic producers who are involved in one of the three market situations examined above were motivated to start organic production and to look for markets, and did so, regardless of whether they were using or not the so-called subsidies available under the SAPARD programme and the Rural Development Programme (RDP) 2007-2013. However, there is another group of producers who took up organic production not because of the profit from the market and/or because they shared the values of organic production, but because of the opportunity to receive support under various measures in the RDP 2007-2013.[20] What is more, their entry into organic production was rarely due to some specific value-orientation; it is the expression of pragmatic motivation with a view to getting subsidies.

> *If you raised organic crops, you were awarded an extra twenty points. And it's precisely because of those twenty points that we decided to engage in organic farming in order to get ahead of the other applicants who had also submitted ready projects and business plans. To get ahead of them.*
>
> (Organic vegetable farmer, 2014)

Government interventions are not included in Boltanski and Thévenot's (1991) concept of orders of worth as coordinators of economic actions because free market exchange and the worths that govern it are, in principle, not related to politics, or at least not directly.[21] Our study of organic farming in Bulgaria, however, found that some producers were compelled to become involved in a situation of exchange by political instruments, not by their market- (price) or value- (principles of organic farming) orientation. What is more, this mechanism of involvement in a market situation most often leads to the marketing of their products as conventional, not as organic ones. In other words, the policies designed to encourage organic farming can lead to a substitution of its principles and encourage the exchange of organic products as conventional, not as organic.

Application for financing under various measures in the RDP 2007-2013 was most often bound to the requirement of developing a specified activity on a specified land area. None of the measures, however, bound the award of subsidies

[20] On the measures supporting organic production, see Svetla Stoeva's article in this book.

[21] The state indirectly intervenes in the market through the industrial order of worth – that is, by introducing standards and requirements for laboratory tests.

for the specified activity to the marketing of the produce. As a result, many of the organic producers in our case studies had applied for financing solely because of the opportunity to receive subsidies, without having the slightest idea what they would do with their produce.

The project doesn't oblige you to market your produce, it only obliges you to raise it in a particular way. What you market, what you sell, is left up to you. They don't oblige you to sell it.

(Producer of organic mushrooms and cucumbers)

The receipt of subsidies, however, compelled producers to become involved also in a market situation of exchange even if only so as not to throw away their produce, and to empty their storehouses. Depending on the crops they grew, the amount of produce ranged from tens or hundreds of kilos (oyster mushrooms, tomatoes, cucumbers) to tonnes (cereal and oilseed crops such as rapeseed and sunflower). All producers in our study who had been compelled to become involved in the market sold their produce as conventional, not as organic. Part of it was not sold at all – it was given away to friends and acquaintances or exchanged in return for services. In most cases, the sustainability of production was not guaranteed – most producers had quit, or planned to quit, organic farming after the expiry of the subsidy period. Some had continued their farming operations, but had switched to conventional methods because they thought it would be easier to find markets and could rely not just on profit from subsidies but also from sales. Although those producers were not driven by market or other worths to become involved in the market, once they found themselves there they have begun to give priority to various orders of worth.

I sell at the market here in [a town in Southern Bulgaria]. But I don't produce that much [of organic vegetables]. On one decare [0.10 ha], say, [I grow] three ares [300 sq m] of tomatoes, three ares of peppers and three ares of cucumbers. But I don't sell them as organic, I sell them as conventional. Because here no one's interested in whether they are organic. There's no such shop here. And if you say they are organic [that won't make a difference because] here practically one-third of the produce is organic. Because here there are lots of people from the countryside.

(Organic vegetable farmer, 2014)

Most often this applies to sales of perishable fresh agricultural products produced without preliminary market research and sales contracts. The local cooperative market is the marketplace that is the easiest to access and, moreover, at the lowest cost. This type of marketplaces, however, regard the "organic" label with derision, therefore it is practically impossible to sell organic products in them at premium prices. One reason for this is that local provincial markets are supplied with local

products that are very close to the homegrown/homemade ones – that is, products with a good taste at a good price, and perhaps most importantly, whose producers and their social and professional qualities are known to the local community. The second reason is that homegrown/homemade produce is very often equated with organic, therefore the higher price of organic products is regarded as unacceptable. The third reason is the low purchasing power in these areas – in addition to a lack of appreciation and demand for organic products, the latter are practically unaffordable here. Products can be marketed as organic only if they are sold far away from the place where they are produced – in Sofia and some bigger cities in Bulgaria, or abroad. The mass availability of these products (tomatoes, cucumbers, etc.) intensifies those tendencies. To market their products, producers in this case rely on their inclusion in social networks, on the reputation they have in their local community – that is, they rely on worths characteristic of the civic and domestic orders. The market is yet another dimension of the social and the collective, rather than a means of making a profit and getting a good price.

Other producers who were motivated not by the market but by the subsidies, do not even place their products on the market.

> *There are buyers, but not for organic. And when you tell them [that your produce is] "organic", they look at you what somewhat sceptically. They don't even know the mushroom [I grow]. Although this mushroom is expensive. Its price varies between ten and twelve leva per kilo. I offer it at five-six leva. Sometimes I even give it to them for free, just so they can try it. (...) I haven't looked for buyers. I make preserves from it or give it to friends. There's simply no point [in trying to sell it].*
>
> (Organic mushroom farmer, 2014)

For another group of producers, marketing their produce was much less important than the opportunity to plant larger areas for the cultivation of which they would get larger subsidies. This type of producers did not choose to grow a crop that is in demand on the market and did not research the potential market for their crop; they invested resources and efforts in increasing the land areas which they declared they would be cultivating and for which they would get subsidies.

> *I was chairman of the cooperative farm. But then the law changed. People began getting their land back. When I went into organic farming, my wife started out with 90 hectares and my daughter with 190 hectares. This was all the land I could [cultivate], which I owned or rented. The bad thing was that in the first years I had concluded a ten-year rental contract at a good rate – at approximately 90 or 100 leva per hectare. At the last tender I bid in, the rates reached 530 leva per hectare. So the money I was receiving in agri-environmental subsidies went to pay that rent. I'm talking about the state-owned land. But I had to bid in this tender because otherwise it would have been won by others. We left some 50-60*

hectares for conventional farming – not so much because we wanted to cultivate them by conventional methods but because they were not legally regulated. (…) The other producers produce, for example, [organic] chickpeas. They produce some [organic] products which they can package and offer on the market. But what can I do with, say, [organic] wheat? Which mill can I take it to in order to get it milled, considering that the mills mill conventional produce, too? Where am I to get it milled? Set up my own mill? Where am I to process [organic] sunflower? The products of organic farming are sold by people who produce small quantities. What do I mean? Potato farmers, vegetable farmers. But they cultivate 0.1-0.2 hectares – not 100 or 200 as I do. Things are more difficult for us. Besides this, I have less capacity. How can I store this produce long enough to find a mill or transport it to them? This raises costs. And the problem is that the amount of produce is small. I produce little.

(Organic grain farmer, 2014)

For one of the producers in our study, subsidies were not the only incentive for production – marketing was just as important. When those two incentives go hand-in-hand, there is a market-based choice of the crop to be grown, preliminary research of the market and experience of other people, and purposive search for information and contractors. As a whole, the producers who sought to profit from subsidies but who were compelled to market their produce, share the worths of the domestic order because of the need to be included in the local communities in which they give away or sell their produce. The representatives of this group least share the organic farming principles in the name of the very idea of a clean environment and clean food – that is, they least share the principles of the civic order of worth. To the majority of them, the principles of the industrial order are important insofar as they allowed them to meet requirements for the award of subsidies.

5. In Lieu of a Conclusion

Studying the market values and worths of the producers of organic products in Bulgaria by using the ideas of the French Convention School has enabled me to identify not just different market situations; it has enabled me to distinguish within each one of them different combinations of worths that coordinate the market exchange depending on the marketplace where it is done. What is more, using this concept has also enabled me to distinguish some local specificities such as "the impossible markets" and "markets (non-) encouraged by EU subsidies", which can probably be found in other countries, too – but this is subject to future research.

The study of combinations of worths allows me to conclude that the market of organic products in Bulgaria is, in essence, a non-homogeneous structure that is coordinated simultaneously by different orders of worth. Their combination depends on the market situation and marketplace just as much as it depends on the

interpretations and judgments of the actors involved. In this sense, the identified combinations of worths are stable over time insofar as the situations of exchange and the context of the marketplaces are stable; but they are also potentially liable to change at any moment depending on the actors' interpretations and situation.

It is noteworthy that with the exception of the conventional marketplaces at which organic products are also sold (the supermarkets), the sharing of the civic worth of the importance and principles of organic production is one of the main coordinating mechanisms of market exchange. This principle takes priority even over the question of prices (the market order), and very often also over that of the worths of the industrial order (certificate and tests). This means that most of the market situations in which organic products are exchanged are dominated by socially-mediated mechanisms, and that the markets for organic products are (mostly) social in nature. Regardless of the political ambitions to place this social nature of the organic market under control by constant regulation, by labels, requirements for certificates, registers, and so on, because it has emerged as a social movement based on collectively shared values and worths this market remains dominated by the social – that is, by the situational, the subjective, and the variable – not by the transparency of objectified standards and rules. This may be due to the underdevelopment of the organic market in Bulgaria as well as to the ideology of the organic farming principles which has been mastered by the actors and has become part of their discourse, but the data I have at my disposal do not allow me to discuss those hypothetically possible reasons explaining the state of the market of organic products in Bulgaria as established in this study.

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COLLECTIVE FORMS OF SOCIAL ACTION: THE CASE OF ORGANIC FARMING IN BULGARIA

Dona Pickard

> The success and survival of
> locally based economic systems
> is directly tied to the democratic efforts
> of the community to which they belong.
> (Sabel, 1992)

1. Introduction

One of the important conditions for developing and promoting organic farming as a sustainable element of agriculture and food production is the establishment and maintenance of networks of interaction between organic operators themselves, as well as between organic operators and the relevant organizations, institutions and actors (Michelsen et al. 2001). Such interaction is necessary primarily because of the traditionally smaller scale of organic production, market pressure from the more accessible conventional products, and the lower level of expertise of the typical organic operator as compared to the conventional ones (Lotter 2003). Although the problems and tasks of those employed in the organic sector – problems and tasks related to production, administration, financing, marketing – may be different for each operator, most of them are rooted in structural characteristics of the institutional environment, food markets, and relationships with the conventional sector (Lynggaard 2001:85; Schumilas 2012). As the organic sector is more dependent than the conventional agricultural sector on the social, economic, and political context within which it functions, its ability to initiate collective action is critically important for its growth (Michelsen et al. 2001). For example, the problems related to consumers' lack of information about the qualities of organic products and the places where they can be bought can be addressed more effectively through regional or national information campaigns conducted jointly by professional organizations, educational institutions, and NGOs. Market pressure from the more profitable large-scale conventional producers is often compensated for by cooperation of small organic producers in production, marketing and logistics, with the aim of producing larger quantities and lowering the end price of organic foods so as to make them attractive to a wider range of consumers and general retailers. In addition to reducing the cost of the end product through cooperation, organic producers are involved in lobbying for statutory recognition of the public goods

they deliver in terms of environmental and human health protection[1] (Greene et al. 2009; Meredith et al. 2014). This not only increases public awareness of the fact that in the long term and at the macro-level, conventional products cost societies as much as (if not more than) organic products; it also helps the organic sector win more institutional and financial support. In a Communication on an *Action Plan for the Future of Organic Production in the European Union* of the European Commission (2014), it has been confirmed that the excessively complicated rules are a major challenge to the organic sector and, at the same time, that the sector responds to societal demands for environmentally friendly production practices and high quality of food. The associations of organic producers, processors and traders can exert pressure on lawmakers and local governments to ease excessively strict requirements for production methods, processing and labelling, as well as unfavourable, for organic producers, regulations on land use[2] where such exist. Such collective pressure from the organic sector contributes to the development of national strategies to deal with the shortage of adequate human resources in the sector (Schumilas 2012). The benefits of uniting the efforts of organic producers, processors and traders are also visible in expanding the markets for organic products, especially abroad. Successful introduction of organic products in new markets requires much more knowledge and skills than technical maintenance of the production process and conscientious compliance with production, processing and trade requirements. Access to information, reliable partners and well-organized organic food marketing chains are valuable resources that are acquired through social contacts and activity in organic farming networks (Geier 1998).

That is why it is assumed that the main challenges to development of organic farming can be best resolved not individually but in networks of interaction. These networks enable farmers to share experience and to design a common strategy for marketing their products, as well as to exert pressure on institutions for equal access to resources such as information and infrastructure. In this way – through solidarity, association and active participation in the fight[3] for development of the sector – they can compensate for their lower economic efficiency as compared to larger, industrial and conventional operators (Hinrichs & Lyson 2007).

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[1] For example, less residues of chemical pesticides in water and food, lower levels of food contamination, higher content of healthy nutrients, improved soil quality, energy saving, carbon capture, and enhanced biodiversity (Meredith et al. 2014).

[2] Such as the municipal zoning by-laws which impede the development of small organic farming in Ontario, Canada (Learmonth 2010; Schumilas 2012).

[3] According to Michelsen et al. (2001), organic farming is based on an open criticism of mainstream agricultural practices. The development of organic farming depends on its ability to overcome its unequal position in the conflict with the stronger positions of mainstream agriculture institutions (ibid.:i-ii). This conflict is often so intense that it justifies description in military terms.

The analysis in this article is based on the presumption that in Bulgaria (as in Europe and the rest of the world) the political, market and socioeconomic environment in which organic operators function places them in a disadvantaged position with respect to business opportunities in the domestic and foreign markets. Their position can be improved if they exert collective pressure on the relevant structures – policies, consumer attitudes towards organic foods, lobbying for and marketing Bulgarian organic products in the domestic and foreign markets. That is why the sociological study of the organic sector in Bulgaria must also address the question of what is the potential for development of this sector according to the capacity of organic producers, processors and traders to build and maintain networks of interaction that will facilitate their operation and help solve their problems through collective action. Looking for an answer to this question, I will analyse the key characteristics of Bulgarian organic operators that are relevant to their propensities for collective action, and examine the specific aspects of the creation and strengthening of these propensities and the practices related to them. To conceptualize the connection between collective action and the achievement of positive results in resolving key problems of the organic sector (marketing, statutory constraints, consumer trust), I will look for an answer to the question of which are the social factors and mechanisms that lead to such positive results.

2. Conceptual and Theoretical Framework

This article analyses the representatives of the Bulgarian organic sector, where by this term I mean the totality of organic producers, processors and traders, whom I will also refer to as organic entrepreneurs or organic operators. All agricultural producers, owners or managers of enterprises processing organic produce, as well as traders in organic foods, will be regarded as such. This totality will not include organizations and representatives of the non-governmental sector engaged in promotion of organic farming and organic foods, or other organizations and institutions servicing the direct participants in the organic production chain from producer to end-consumer, such as expert agronomists, consultants and control bodies. The totality of organic entrepreneurs in Bulgaria can also be termed an organic community insofar as it is characterized by a specific economic activity and is equally affected by the statutory framework in the country. On the other hand, the question of whether it is a collectively recognized community that fosters a sense of belonging and identification in its members will be examined later in this analysis, after conceptualization of the concept of collectivity and its favourable effects. It is precisely the capacity of organic entrepreneurs in Bulgaria to initiate and conduct collective action aimed to solve various problems of the sector that is the subject of this analysis.

In the sociological literature, it is assumed that collective action improves the well-being of communities of all sorts – local, family, organizational, and so on. In this analysis, the concept of collective forms of social action will include

all instances of organized and planned action of organic operators aimed at influencing the production, processing and trading environment they operate in. This includes influence on statutory regulations, the market structure (including market competition from conventional and imported organic products), public opinion of organic products, and the level of consumer trust in these products. The presumption that collective action can contribute to more effective resolution of the structural problems faced by individual actors in the Bulgarian organic sector is based on theoretical assumptions developed already by some of the founding fathers of the contemporary social sciences, such as Emile Durkheim, Alexis de Tocqueville and Adam Smith, insofar as they highlight the important role that community plays in individual well-being (Giorgas 2007:207; Halpern 2005:3). Alexis de Tocqueville marvelled at the vibrant associational life in America, which facilitates social collaboration through which "*the hearts* [are] *enlarged* (...) *by reciprocal actions of men upon one another*", and which acts as a counterbalance to the dangers of individualism that might otherwise degenerate into an "*exaggerated love of self which leads a man to think of all things in terms of himself and prefer himself to all*" (quoted in Halpern 2005:5). Emile Durkheim claimed that even the most individualistic acts, such as suicide, can be understood only after analysing the community in which they are embedded, while Adam Smith stressed the importance of shared values and mutual understanding in the functioning of markets (ibid.:6).

One of the key theoretical concepts used in recent decades to analyse the connection between collective action and community well-being is *social capital*. Social capital is assumed to be a central factor for the effective functioning not just of stable democracy but also of modern economies (Claridge 2004; Schuller et al. 2000; Putnam 2000). Its aspects – such as trust, reciprocity and social cohesion – are perceived as favourable characteristics of social communities that help to alleviate a series of problems, such as poverty, unemployment, and access to quality healthcare and education.

The term "social capital" was first used by Lyda Judson Hanifan in 1916. Writing about the importance of community involvement for successful schools, Hanifan pointed out a series of elements of social capital, such as sympathy and fellowship, and its effects on individuals and on the community as a whole:

> *The individual is helpless socially, if left to himself... If he comes into contact with his neighbor, and they with other neighbors, there will be an accumulation of social capital, which may immediately satisfy his social needs and which may bear a social potentiality sufficient to the substantial improvement of living conditions in the whole community. The community as a whole will benefit by the cooperation of all its parts, while the individual will find in his associations the advantages of the help, the sympathy and fellowship of his neighbors.*
>
> (Quoted in Putnam 2000:19)

Several decades after this term was coined, it was rediscovered by Pierre Bourdieu and James Coleman (although it did not become central to their studies), as well as other sociologists – such as Robert Putnam, who has devoted his career to developing a consistent and exhaustive theory of social capital. Studying culture as a dynamic, but also a structured, phenomenon, from the late 1960s onwards Bourdieu began to use and gradually developed the concept of capital in a much wider sense than its strictly economic one. He investigated capital not just as financial and material resources and gains, but also on a much wider scale – as intangible assets that are transformed and exchanged in complex networks and through different fields (Bourdieu 1986). The term "social capital" appeared already in the book *Reproduction in Education, Culture and Society* (Bourdieu & Passeron 1977). Although social capital is discussed only marginally in it, this book established the framework within which Bourdieu's concept was to develop – namely, the use of the word "capital" as definitive of power relations as well as of the relationship between the cultural and the economic (Schuller et al. 2000:3; Moore 2008). Bourdieu went on to define social capital in his essay "The Forms of Capital". According to his definition, "[s]*ocial capital is the aggregate of the actual or potential resources which are linked to possession of a durable network of more or less institutionalized relationships of mutual acquaintance and recognition* (...) *which provides each of its members with the backing of the collectivity-owned capital*" (Bourdieu 1986:51).

In examining social capital, this article will proceed from the assumption that community networks are a resource, but it will not use the Bourdieusian perspective on social capital as a resource related to the social structures of society and the power relations of domination between them. According to Bourdieu, social capital is a means of reproducing the cultural capital of the elites and one of the ways of preserving their privileges (Bourdieu & Passeron 1977; Lin 2001:14-17; Onyx et al. 2007:216) – that is, Bourdieu's concept of social capital is related to social structures and power. This article, however, seeks a concept that defines collectivity as a resource which is open to all members of a particular community, regardless of their financial, economic, social, or power positions – that is, a resource which is not related to the social structure of the organic sector in Bulgaria. Such a concept can be found in the work of Robert Putnam, who defines social capital as the sum of three key elements: (1) inclination to become involved in groups and organizations, also called "associational involvement", (2) commitment to community goals and norms, and (3) high levels of trust both within the community and in other individuals, organizations and institutions (Giorgas 2007:209). According to Putnam, social capital is about the value of social connections and networks, and cooperation among the social actors involved in them. Defining social capital, Putnam draws an analogy to physical capital and human capital, which constitute valuable resources – in the case of social capital, the most valuable resource is membership in social networks. Just

as physical capital and human capital, social networks and contacts can increase the productivity and effectiveness of the individual members of these networks as well as of entire groups of people (Putnam 2000:18-19). Putnam offers one of the shortest and most accurate definitions of social capital in his essay "Who Killed Civic America?": "*By 'social capital' I mean features of social life-networks, norms, and trust – that enable participants to act together more effectively to pursue shared objectives*" (Putnam 1996:66). It is precisely this approach to social capital that will be key in the present analysis. It allows identification of factors that open up space for collective action and, in this sense, leads to the research hypothesis that the absence of these factors (developed networks and trust between the members of the organic sector, and between them and other actors and institutions that are of key importance to them, shared norms of good practices, and shared notions of the future of the sector) would be a serious obstacle to the initiation and conduct of collective action to develop the sector.

In addition to establishing whether the key conditions for successful collective action are in place, this article will also attempt to identify the specific mechanisms through which involvement in networks, trust, and sharing of common norms and views about development of the sector lead to actual positive changes in the socioeconomic, political and market environment in which the organic sector operates in Bulgaria. In the literature on social capital, theoretical explanations of the functioning of those mechanisms are lacking mainly because of the common tendency towards circular reasoning – that is, the tendency to explain a particular phenomenon by referring to the phenomenon itself. For example, explaining associational involvement by referring to high levels of trust actually implies correlating two elements of one and the same concept – social capital. This analysis will follow Putnam's approach in viewing collective action not as an element but as an effect of social capital. Unlike associational involvement, which is about inclination to join groups and networks, collective action is about more active commitment to solving a particular problem. Putnam explains how social capital works by emphasizing its capacity to maintain the normative framework of a society. Social capital thus ensures compliance with publicly beneficial norms of behaviour and activities, such as paying taxes and saving resources, as people are certain that the others will do likewise. It fosters a sense of community that stimulates collective action and leads to improvement of the well-being of the whole community (Putnam 2000:288-299). This explanation, however, cannot serve to analyse the ways in which collective action (stimulated by social capital) in a professional community leads to change in the status quo and the social norms and structures in society as a whole. A differentiated approach to social capital as a resource that works in different ways depending on the character of the social connections involved is more adequate as a theoretical explanation for the mechanisms through which social capital works. To this end, it is important to differentiate the three types of social capital distinguished by Putnam:

− Bonding: this type of social capital binds together people with similar characteristics, often members of small communities with strong ties, such as family members, close friends and work colleagues, or ethnic and religious communities. In our study it relates to the close circle of people trusted by the respondents – friends asked for advice about career development and professional decisions; family members who help in running the business or influence the professional choices of the respondent; peers who serve as role models.

− Bridging: this type of social capital refers to weaker ties with people with different social and demographic characteristics.

Those two types are not mutually exclusive, but they signify a distinction between social capital in closed groups in which existing identities are reinforced and conditions are created for antagonism with other groups (bonding), and social capital in groups with ties between members of different communities establishing weaker but wider contacts that encourage development of new models of action and social change (Putnam 2000). Within the framework of the study of the organic sector in Bulgaria, such ties are found in established relationships between entrepreneurs from different spheres of activity in the organic sector;[4] with different social and economic status, with different geographical location, motivation for work, and experience. In the case of bonding and bridging social capital, the ties are horizontal.

− Linking: this type of social capital refers to the vertical ties between actors, organizations and institutions with a different degree of political or economic power (Alexandrov 2003). In the organic sector, linking social capital is characteristic of the participation of its representatives in organizations with political influence, or acquaintance with and reliance for help on figures with political influence. This type of social capital is less researched than the other two, but it is assumed to be an important factor for the well-being of every society and it is of central importance for the development of poor and marginalized communities (Grootaert et al. 2004:4; Giorgas 2007:213).

Those three categories of social capital are instrumental to understanding the different mechanisms through which social connections and networks influence concrete communities depending on the homogeneity, boundaries, and vertical power structure of each community. A comparison of those three types of social capital points to the conclusion that, whereas bonding social capital creates mechanisms for preserving the status quo and reinforcing the existing norms and practices in a particular community, bridging and linking social capital can change the socioeconomic characteristics of the communities in which they are found, as well as of the overall socioeconomic and political environment in which they function (Pickard 2013). On that basis, it is reasonable to suppose that *the conditions for development of the organic sector, which require changing the environment, depend on trust in and association with groups of a heterogeneous character – both*

[4] According to their position in the production chain – producers, processors and traders.

within the community of organic entrepreneurs in different spheres of activity, and with regard to political institutions, the conventional agricultural and food sector, and the totality of existing and potential consumers of organic products. This does not necessarily mean agreement with those groups; it means effective cooperation in identifying and solving problems (Michelsen et al. 2001).

In this regard, the concept of social capital provides instruments for analysing the factors that contribute to the creation of collective attitudes, as well as the networks in which collective action must be conducted to enable the solution of structural problems in the development of the organic sector. However, there is yet another key aspect to the definition of the organic sector – namely, whether its members identify themselves as part of a community with shared and generally accepted internal norms, whether they recognize themselves as members of this community, whether they feel solidarity with its other members and participate together in elaborating visions and strategies for its development. In other words, this is the process of establishing a conscious organic farming community, which is also the first condition for successful development of the sector according to Michelsen et al. (2001:vi). This is of key importance for the functioning of social capital as a factor for collectivity in a particular community, since collective action presupposes recognition of common interests and shared expectations about the desired outcomes (Grootaert et al. 2004; Lin 2001). In this sense, collective action by a given community is possible only if there is a community identity among its members. This fact has not been discussed in detail in the literature on social capital, but it needs to be explained theoretically in order to establish the relationship between the elements of social capital (participation in networks, trust, and compliance with common norms) and investment of time and effort in the conduct of collective action. One of the theories that can serve to analyse the transition from personal choice of economic activity (in our case, organic entrepreneurship) to solidarity and identification with the problems of others who have chosen the same activity, is the theory of social learning in the so-called communities of practice, developed by Etienne Wenger (1999). The choice of this theory is based on the proposition that collectivity is developed through the processes of socialization which are, in essence, processes of learning concrete community norms and models of behaviour in a particular social group. Wenger expounds the principles of social learning as a method for identification with a particular community and its goals and ideals, achievement of membership in it by sharing a common aim, and above all, by sharing common practices and activities (ibid.). The choice of this theory to analyse the process of development of collective attitudes in the organic sector is appropriate because of the need for a conceptual framework that allows analysing a professional field which does not presuppose daily contacts between those involved in it, and in which one can study a community that shares many common problems and goals but does not demonstrate collectivity in their solution (Stoeva, Slavova & Georgieva 2013).

According to Wenger, social learning is a process of shared experiences in a shared domain of human endeavour. It takes place in "communities of practice", which "*are groups of people who share a concern or a passion for something they do and learn how to do it better as they interact regularly*" (Wenger 2006:1). As Wenger (ibid.:2) points out,

> *Having the same job or the same title does not make for a community of practice unless members interact and learn together. (...) But members of a community of practice do not necessarily work together on a daily basis. The Impressionists, for instance, used to meet in cafes and studios to discuss the style of painting they were inventing together.*

According to this concept, social learning occurs in the process of social engagement in practices (in addition to similar occupations, also shared historical and social resources and frameworks that sustain the respective activity) that are recognized as significant and *meaningful* within a particular recognizable *community* in which personal histories of *identity* and *belonging* to it are created (Wenger 1999:5).

This theoretical perspective is adequate for analysing how organic operators "learn" to identify opportunities for personal development through collective action because it binds the process of learning how to interact in a particular community to self-recognition as a member of this community. Since the first condition for constructing knowledge and social skills is, according to Wenger (1999), that they must pertain to an activity that is perceived as worth pursuing, it is important to examine the extent to which organic operators identify organic farming as a sector that develops activities which they consider to be worthwhile and meaningful, and whether they share common visions for its development. As the results of the study of the development of organic farming in Bulgaria show, the internal community life of the organic sector is still not functioning sufficiently well, and although there already are relevant professional organizations, at the local level there are still no structures and practices facilitating cooperation of operators and the marketing of their produce (Stoeva, Slavova & Georgieva 2013). Following the theory of communities of practice, it is reasonable to suppose that social learning of norms and practices would be difficult in an environment of weak internal community life in the sector.

On the basis of the specificities of the organic sector identified above and coming from the chosen theoretical framework of analysis, the initial research question of this article – namely, what is the potential for development of the organic sector in Bulgaria according to the capacity of organic operators to solve their collective problems through collective action – may receive the following hypothetical answers which will be addressed in this analysis:

(1) The key factor that opens up space for collective action by organic operators is the social capital that exists in the organic sector in the form of trust between organic operators and between them and political institutions, the conventional sector and society at large, participation in networks of organic operators, and shared values in the sector. Hence, if the levels of those elements of social capital are found to be low, this would indicate a serious obstacle to the development of organic farming through collective action;
(2) The potential of the organic sector to influence the political, economic and social environment in which it operates depends on the organic operators' association with and trust in groups of a heterogeneous character both within the sector and with regard to the conventional sector, political institutions and society at large. The stronger and more widespread these positive attitudes are, the higher the chances that organic operators will succeed in their attempts to improve the environment they operate in;
(3) To develop a collective identity, organic operators must find it worthwhile and meaningful, and they must share common visions for its future through active community life. To what extent, and how, the organic sector develops activities which they find to be worthwhile and meaningful will also determine the potential for consolidating the collective identity of organic operators.

3. Methodology

The analysis is based on in-depth interviews with thirty-two organic producers, processors and traders. The capacity of organic operators in Bulgaria to initiate and conduct collective action aimed at developing the organic sector will be evaluated on the basis of data from the interviews about the three types of social capital they have access to: bonding, bridging, and linking social capital. These last will be measured through the following indicators: levels of trust in friends, acquaintances, and representatives of the organic sector, society and institutions; contacts with other organic operators or actors contributing to the development of their own business or of the organic sector as a whole; membership in civic and professional groups and associations, contacts with actors and institutions with different power resources. The similarity of the shared visions for development of organic farming among the respondents and their positive assessments of the activities of other organic operators will be analysed as an indicator of their collective identity and of the capacity of the organic farming community to develop as a "community of practice" that integrates members through social learning and sharing of common values. The respondents' visions of the development of the organic sector in Bulgaria will be identified on the basis of direct description of their notions of what it should ideally be like – in economic, social, political and environmental

terms – as well as indirect references regarding employment growth, poverty alleviation, economic diversification, improvement of the demographic profile of the population, infrastructure improvements.

The analysis of the types of social capital and its elements, as well as of the evidence about the existence of a collective identity among organic operators in Bulgaria, is based solely on the interviews conducted under this study. However, considering that the sample was selected to represent the typological characteristics of organic entrepreneurs in Bulgaria, the conclusions from this study may serve as a basis for further analysis of the organic sector in the country as a whole.

To systematize the review of the levels of social capital among organic operators and its impact on the inclination to take collective social action, the analysis traces the existence or absence of contrasts in this respect along three lines of comparison: by type of operator (producers, processors and traders); previous occupation prior to entry into organic farming (with and without previous experience in agriculture); motive (believers in the organic cause and people who use it as an instrumental value for financial gain). The choice of those three criteria for comparison is based on the categorization of respondents according to the methodology of this study, described in the Introduction, and on empirical observations on key characteristics of the organic sector and its development in Bulgaria. One of those key characteristics is the rapid growth in the number of organic operators (MAF 2014:6-7), which raises questions about the expertise of operators, and especially about that of producers, as well as about the motives for their choice to enter the organic sector.[5]

4. Social Capital and Collective Action of Producers, Processors and Traders

The majority – about two-thirds – of the respondents are producers, followed by processors, traders, and representatives of entire chains from production to marketing. The lowest general levels of social capital were identified among producers, among whom bonding social capital prevails. In those cases the levels of bridging and linking social capital are significantly lower. In line with the first research hypothesis, those low levels of social capital correlate with less or no involvement in collective action to solve the problems of the sector.

Twelve out of twenty-one producers were found to have only limited contacts both within the local community (consisting mainly in aloofness from the neighbouring community) and within the community of organic producers, and to distrust local and central government institutions. The strongest social networks they are involved in are those of the family and of a close circle of friends in which the idea of organic farming was born and/or developed.

[5] For a detailed analysis of these issues, see Zdravka Georgieva's article in this book.

Interviewer*: How did you get introduced to the idea of organic farming?*
Respondent*: The woman who was preparing my project told me about organic production.*
(...)
I.: *How did you get in touch with her?*
R.: *Through friends – they put me in touch with her. I had a friend in Blagoevgrad who knows her and I got in touch with her through him. So that's how I got to know her. I work quite well with her.*
(...)
I.: *You said your father helps you with the mushrooms and cucumbers. Are other members of your family engaged in farming, do they help you?*
R.: *Yes – my mother, my sister when she has time.*
(...)
R.: *No, I haven't borrowed money from the bank. My mother and father helped me with the money, everyone gave me a little bit.*

(Organic mushroom farmer)

In two cases, even when the producers used contacts with the local institutions, those contacts were in the form of bonding social capital because they were personal (their own or family members'), not built in a process of equipollent communication and establishment of contacts between citizens and the local administration.

No one in my family has ever had anything to do with farming. I'm the only one who has – I had been working at a Land Commission since '91. So I had some information. And then [I worked] at the Municipal Agriculture Office... So that's why I had some information about different things.

(Organic lavender farmer)

In the cases of low levels of social capital, those low levels are determined by the low level of trust both in the other organic producers and in the local communities with which the respondents rarely identify themselves, especially if they come from other parts of the country. For example, a producer who is from Sofia is certain that the people in the village where he is developing his business "don't like Sofianites".

R.: *Their way of life is completely different from that in Sofia and in the big cities. They have their own way of life, their own interests. And we clashed precisely with that. I want something but they won't let me have it because they believe it's theirs. Although it's not theirs, according to the documents.*
I.: *You mean they thought the land you bought was actually theirs?*
R.: *Not that it's theirs; but this disturbs their way of life at some point.*

Their stereotype of life changes. They are used to a lackadaisical, slow way of life. It can be today, but it can also be tomorrow. But why should it be tomorrow when it can be put off for the day after tomorrow. No, it can't.

(...)

R.: *My land for the hens at present is less than a decare.*[6] *And I possibly have a reserve of fifteen decares for food. According to the project, the reserve of the land could reach ten decares... But that's up to the local authorities.*

I.: *You mean you have to buy it from the municipality?*

R.: *No, it belongs to private owners. But that's where the spite comes in – they hate the idea that I'll start doing something. By and large, people in the countryside are full of spite against Sofianites. They don't want to work but they won't let anyone else have something.*

(Producer of organic eggs and hens)

There are also low levels of trust in the other organic producers and in organic products as a whole. An organic vegetable farmer believes that "*you can cheat them* [the certification bodies] *any way you want to*".

Also noteworthy is an interesting connection between the low levels of trust (in the local community as well as in the political institutions and professional organizations), on the one hand, and the lack of long-term intentions to keep up organic production, on the other. In those cases the respondents do not regard organic production as an agricultural method that contributes to the sustainable development of society or to the health of their own families and of consumers; they were motivated to undertake an agri-environmental commitment because of the subsidies they expected to receive. The most outstanding cases – respondents who openly said they intended to terminate their agri-environmental commitment upon its expiry, or who declared they did not look to market their products as organic products – are also characterized by the lowest levels of social capital.

I.: *How did you decide to grow organic almonds? Why not conventional almonds?*

R.: *Because they were giving away some money. Because they would give me my money back. That's why I made this investment.*

(...)

I.: *You said you have workers who are helping you? How many people are necessary to cultivate your almond orchard? Because it's obvious you're not doing the ploughing or the pruning yourself?*

R.: *No, I do this myself. When it comes to pruning and other such jobs I do them myself because I don't trust them.*

(...)

[6] 1 decare is 0.1 hectare or 1000 m^2.

R.: *After the fifth year, when it's all over.*
I.: *You'll continue* [growing organic almonds]*?*
R.: *No, I won't continue.*
I.: *You'll convert to conventional?*
R.: *Yes.*
I.: *Why?*
R.: *Because I'll want them to start bearing fruit. That's why I've planted them.*
I.: *But they'll also start bearing fruit if they are organic?*
R.: *They will, but the yield will be 50% less.*
I.: *Yes, but the price of organic almonds is higher?*
R.: *Well, yes, it's higher, I know.*
I.: *Have you already thought about marketing?*
R.: *No, I'll think about it next year.*

(Organic almond farmer)

An explanation for this connection may be sought in the nature of the goals those entrepreneurs set themselves. Since their priority was to receive a higher score in the process of approval of their project applications for support from EU programmes financing the National Rural Development Programme (NRDP) 2007-2013 (inclusion of an agri-environmental commitment in the project application carried higher points), those programmes are perceived as a competitive contest (it is telling that the respondents often used the phrase "playing under the programmes" instead of "applying" or "participating"). In this sense, the other organic producers are seen as rivals, not as a community aiming at more efficient and competitive production, within which the relationships between farmers are relationships of reciprocity and fellowship, not of hostile competition. The following quote well illustrates how the lack of motivation for looking for markets for the products is directly related to non-recognition of the potential benefits of cooperation with other producers and lack of belief that interaction with other producers can lead to positive changes in the environment they operate in, by solving everyday problems of producers – such as high production costs, logistics and marketing – as well as to changes in the legislative framework:

I.: *Have you thought about cooperating with some other producers from the region, not just from this village?*
R.: *No, I haven't. What are we supposed to do when we cooperate?*
I.: *Well, for example, if you're all engaged in organic production you'll be able to supply larger quantities of produce.*
R.: *Is there demand?*
I.: *I don't know, there might be.*
R.: *But if there's no demand, if we can't really produce quality products? I'm talking about myself, I don't know what's the case with colleagues who also*

grow organic tomatoes. If it's in a greenhouse, perhaps the yield is higher. But it's hard to grow [organic tomatoes] *in the field, there are no subsidies, I have no money to invest in organic plant protection products. And I have no interest in cooperating, joining organizations, and so on. There's no point. So what if we cooperate? The ordinance is clear, the law is clear, we'll hardly change anything with our cooperative, will we?*

(Organic vegetable farmer)

In contrast to the cases of high levels of bonding social capital but low levels of bridging and linking social capital, in the cases where the general levels of social capital were found to be high they are usually a combination of all three types. This holds true especially for the producers motivated by their value-orientation towards clean food and their philosophy of preserving natural resources and ensuring a healthy way of life for their own families and friends. All of them are characterized by involvement in very strong family and friendship networks (bonding social capital), well-established and maintained relationships with fellow producers, traders, and like-minded people from different social circles and professional communities (bridging social capital), and frequent personal or indirect (through representatives in the professional organizations) participation in discussions on policies in the sector (linking social capital). Proceeding from the assumption that there is a connection between the low levels of social capital (lack of trust and associational involvement) and the instrumental motives of producers to engage in organic production because of the available financial support, here the well-developed social capital is explicable. Since the goal is production of quality foods and affirmation of the value-system underlying the organic sector, the most effective way to achieve this goal would be to expand the market for organic products, which can be done through common efforts to make production more profitable both at the level of the individual farm and of the sector as a whole. Internalized belief that organic products are the best alternative both for their own families and for society at large also becomes a motive for identification and development of relationships between all stakeholders: fellow-producers, processors, traders, and relevant institutions. Here a positive connection was again found between the existence of trust, wide contacts within and outside the organic sector (high levels of social capital), and active involvement in collective action for its development. For example, a producer of organic aromatic and cereal crops, who took up farming more than twenty years ago to ensure quality milk for his nephew, and who was a co-founder of a cooperative that failed who nevertheless found it worthwhile to invest his time in another cooperative, has a clear idea of the benefits of cooperation. His personal and emotional attitude towards his occupation is a characteristic expression of his value-commitment to organic production. This commitment also serves as a motive for initiative and pro-activeness for cooperation of producers. Asked if he himself consumes organic products at home, he answered as follows:

Yes, everything which, say, I've bought myself [is organic]... We were in Nice, in France, last year, and I always look for such markets – always, wherever I go – I always ask about organic markets also so that I can compare and see how far people have advanced. I was absolutely fascinated [by the organic market in Nice].
(...)
...so it's in our interest to cooperate with people, to be together on the market – then your risk is lower. So that's why I'm telling you that Bulgaria only needs a larger percentage of organic production and then people will cooperate whether they want to or not.

(Producer of organic cereal and aromatic crops)

An organic fish farmer, whose business partner is a financial expert, plans to found an association of producers of organic fish products. He believes in the successful development of this business not because of national and EU subsidies but because the idea is sound and reasonable, considering the local conditions for production and the potential markets. He has a vision for the future not just of his own enterprise but also of the potential for development of the whole sector as well as its benefits for society, such as developing new markets and reducing unemployment:

I've been to all farms and I know the potential of every single place. One of the production sectors with a very good potential for development in Bulgaria is turbot farming. We're the country of turbot. On the one hand, Bulgaria has a long tradition of turbot consumption. On the other, there are also huge markets [for turbot] in Turkey, Russia, Romania. Such a farm, especially if it's organic, creates jobs as well as very good added value.

(Organic fish farmer)

The characteristic combination of high levels of all three types of social capital (in the cases where such were identified) and involvement in collective action to develop the organic sector was also found among traders and processors. The direct dependence on the other participants in the chain to ensure that the product gets to the end-consumer is probably a powerful factor for the development of awareness about the need for collaboration and solidarity between the participants in a small economic sector in which the common administrative and market problems are more urgent than the problems of competition for scarce resources – such as reliable suppliers of sufficient and good-quality raw materials. Evidence of rich contacts, knowledge of foreign markets, and various professional experience in and contacts with other spheres, such as engineering, finance, software development, traditional medicine, and biological sciences – that is, high levels of bridging social capital – was found among the respondents, parallel with principles of cooperation and

interaction even with actors vying for the same markets and suppliers. This once again suggests that it is precisely the existence of social capital which determines collective action. While the only two organic children's kitchens in Sofia run by managers with strong bonding but weak bridging social capital exist in parallel and are engaged in unfair competition for clients, the manager of a factory for organic canned foods has initiated a partnership with another factory so that they can share a freezer for organic primary produce:

> *We have managed to achieve symbiosis – in fact, to reach the end-level, that is, an end-product, here in Bulgaria. (...) That's why I'm saying that successful initiatives in finding subcontractors, in pooling certain resources, actually help to reduce the investment risk, to reduce the stress on each of the companies. And at the end of the day, I think it's very good to have more than one company collaborate on a project.*
>
> (Organic fruit processor)

A trader who has started his own raspberry farming business, an ex-military with contacts that vary widely by distance and strength (with different degrees of personal involvement, in different professional spheres, institutional fields, power levels and geographical locations), thinks that contacts and interaction between the participants in the organic food chain is a key factor for strengthening the community of organic producers in Bulgaria, and for expanding it by attracting new members:

> I.: *Have other Bulgarian raspberry farmers or traders ever contacted your company? And shown interest in partnership? Or have other organic farmers ever wanted to join your company in some form?*
> R.: *Just a single one – last summer I got a call from someone I didn't know. He told me where he'd got my number. He asked me if he could send someone who wanted to start growing raspberries and if I could help him. I said "yes, you're welcome." That was it.*
> I.: *Have you ever sought partnership with other companies?*
> R.: *Do you mean in Bulgaria?*
> I.: *Yes, companies growing raspberries in Bulgaria? Because there already are* [other companies engaged in] *organic raspberry farming* [in Bulgaria], *aren't there?*
> R.: *Yes. I practically know all* [organic raspberry farmers] *in the region, all of us are in contact with each other. As for* [people from] *the other regions, I've sought contacts with refrigerators, with processors, in some cases when our partners have asked me to check whether something they want to buy is available in Bulgaria. So I've sought contacts in such cases.*
>
> (Organic raspberry farmer)

What is characteristic of the respondents with a high level of associational involvement, who belong to the group of traders and processors, is networks of contacts established prior to their decision to go into the organic farming business. Those networks are most often based on business partnerships in Bulgaria and abroad, and/or education abroad that led to the establishment of contacts, acquisition of knowledge, and development of a sense of empowerment and capacity to utilize available natural, human and financial resources to develop the organic sector in Bulgaria. This sense of empowerment is missing in the respondents who did not demonstrate tendencies towards collective action – which suggests that it is a key factor, in addition to the elements of social capital, for propensities for association and collective action among organic entrepreneurs.

A summary of the data on the impact of social capital on collectivity among the different types of organic operators (producers, processors and traders) in Bulgaria shows that there is a similarity in the role of the levels of trust, but significant differences between other elements of social capital. The levels of trust differ significantly between the respondents who are involved in collective action and those who are not. Where there is evidence of existing trust among the organic operators, their trust is equally high when it comes to the close members of small homogeneous groups such as family and friends (bonding social capital), but when it comes to communities at a larger social and power distance – colleagues in the sector or representatives of institutions (bridging and linking social capital) – the level of trust is higher among the respondents who are involved in collective activities. However, there are differences in the connections between collectivity and the other two elements of social capital (involvement in networks of contacts and sharing of common norms and values) between producers, on the one hand, and traders and processors on the other. In the group of producers, involvement in collective action is closely connected to the sharing of a common value-attitude towards organic production and pro-market orientation, where receipt of subsidies is not a major goal. Among traders and processors in the organic sector, there is a more visible connection between their involvement in collective action, on the one hand, and their wide networks of contacts, on the other. In this case, it is difficult to empirically establish a causal connection between associational involvement (overall positive attitude towards participation in networks and organizations) and collective action (active commitment to collective goals and efforts to the benefit of the community as a whole), and in this way, to verify the hypothesis of the positive impact of social capital on collectivity. The data from the interviews are insufficient to answer the question of whether associational involvement and participation in collective action are a function of a third factor – namely, accumulated entrepreneurial experience and a sense of empowerment and potential to influence the environment of work (on a personal, not collective basis), or another personal quality stimulating pro-activeness.

This difference between producers, on the one hand, and processors and traders on the other, could be attributed to the existence of different ways for construction of

collectivity. Hypothetically, it is possible that the producers who believe in organic production because of the philosophy it is based on have developed propensities for associational involvement as a result of their rational search for ways to make their farms more efficient, even if other elements of linking and bonding social capital are missing in them. It is possible that such elements will be developed later, as the result of purposive efforts to establish and maintain contacts that are significant for their farming business and for marketing their produce, and personal experience of the benefits of such contacts. Conversely, in the case of traders and producers there is more evidence of pre-developed elements of social capital (involvement in networks and access to valuable information and power resources), which have motivated the operators to enter the organic sector and to continue to apply their professional and life-strategies for working in groups and networks with common interests. This hypothesis can be tested in part through an analysis that compares the extent to which collectivity is connected to a richer experience in organic farming and in agriculture in general. If associational involvement – and hence, collectivity – is a function of the recognition of the benefits of participation in networks of solidarity and reciprocity, then it will be more characteristic of producers with a longer experience than of those who are less experienced.

4.1. Differences in Associational Involvement Levels between Producers with Longer and Shorter Experience in the Organic Sector[7]

Of the twenty-one interviewed producers, including producers involved in processing and trade,[8] all who started production without pre-established networks (the others are discussed in the next paragraph) demonstrated correlated levels of experience and associational involvement: those who started a longer time ago are characterized by strong associational involvement and positive attitudes towards cooperation and interaction in various aspects of their activity, while those who are less experienced distrust possibilities for collective activities. In this comparison I have chosen to draw the dividing line between the more experienced and those with less experience as organic producers in the middle of the 2000-2015 period, where the year 2000 marks the earliest start for the respondents in our sample and 2015 is the year in which the last interviews with respondents were conducted in this study. Thus, those who started production after 2007 fall into the category of the less

[7] I have chosen to focus my analysis only on producers because in this group it is possible to trace entry into organic farming or agriculture in general without any contacts with other representatives of the organic sector, and to test the hypothesis that it is possible to build collectivity not on the basis of pre-established contacts but on shared values about the future of the sector.

[8] The Experimental Base of the Research Institute of Mountain Stockbreeding and Agriculture in Troyan is not included in this analysis because its mechanisms of decision-making regarding participation in cooperative activities with other producers, processors and traders are different from those of agricultural producers who make decisions on their own or together with their business partners.

experienced producers. This creates a methodological difficulty in that there is an overlap of the impact of two factors – experience, and incentives coming from the financial mechanisms for support of agri-environmental activities, which entered into force after 2007. As the analysis above shows, it is possible that farmers motivated by financial incentives have not developed a potential for associational involvement because the goals they pursue through organic production are not bound to effective marketing of their produce, therefore collective action in the farming community is not worthwhile for them. However, some of the producers who started after 2007 said they were not motivated by subsidies but by their value-orientation towards organic production and priority commitment to producing healthy food for their families and for the market. A case in point is a goji berry farmer who started not because of subsidies but "*above all, to help people. To see whether it's as effective as they say it is. Simply to try out something new which I hadn't done before*." Just as the others who started organic production after 2007, he, too, is not strongly inclined towards association. The first farmer to grow goji berries in Bulgaria had initiated contacts between the several other Bulgarian farmers of goji berries, which the respondent said was a good idea with a view to promoting this product, but he does not see future association as an opportunity to produce and sell more efficiently:

> I.: *You said you have freezers. Did you buy them in advance or do you simply have a partner [who has freezers] where you can keep your produce?*
> R.: *No, I don't have any partners. I do everything on my own. I wouldn't touch partnership with a barge pole.*
>
> (Organic goji berry farmer)

On the other hand, it is noteworthy that the newcomers to organic farming who demonstrated strong belief that cooperation at various stages in their activity is worthwhile, were characterized by high levels of bridging social capital (involvement in various networks) already before they started their activity. However, in addition to producers, they are also processors and traders – which is in tune with the hypothesis, formulated above, that processors and traders enter the organic sector with already established network resources and positive attitudes towards association. That is why their profile does not fully correspond to that of the producers we expected (according to our hypothesis) not to have developed awareness of the benefits of collective activities with other producers at the time they started organic farming.

The comparison between the character of the bridging and linking social capital of the more experienced and of the less experienced producers shows differences in the mechanisms of its creation and the fields of application of its positive effects. Whereas the new producers use networks established in a setting outside agriculture (colleagues and friends from university, business partners in another professional sphere, or acquaintances of partners), the collectivity of the

older ones is built within the community of producers – most often of producers of the same crops which require similar treatment and cultivation, who operate under the same conditions and are faced with the same problems of production and marketing. So far the data show that it is reasonable to suppose that associational involvement among producers with longer experience is probably a function of the recognition of the benefits of participation in networks of solidarity and reciprocity, therefore it can be developed over time also among the producers who currently are not inclined to cooperate in production and marketing, and who do not believe that collective action could help improve the efficiency of their farms.

One exception from these findings is worth analysing – a farmer engaged in cattle-breeding and milk production since 1995, one of the first certified dairy farmers in Bulgaria who converted to organic farming in 2000. Unlike the other old organic producers, he demonstrated scepticism about cooperation in the Bulgarian context, referring to cooperation in finding common markets:

> *Now look, this [cooperation] is something that happens in those other, richer countries. Where everyone can [afford to] buy [organic products]. Here in Bulgaria not everyone can. There are 300 requirements; we have nothing in common with the normal people over there. That's because we're more Catholic than the Pope. They make their cheese and stuff in cellars there, too. But here in Bulgaria you have to meet [too many] requirements for a dairy factory. And to fill in 56 diaries. I think we have enough work to do without having to take on more work [by cooperating] in sales. There are people who are qualified in management, sales. It's not that we have no idea how to do it. All we need is someone normal to instruct us. (...) This isn't our job.*

On the other hand, at the beginning of his activity as a dairy farmer he was a member of a cooperative for organic milk production which later closed down; at present he is a member of the Bulgarian Organic Products Association, and he has also participated in protests against Ministry of Agriculture and Food policies that are unfavourable for the organic sector. Those facts are indicative of propensities for association and involvement in collective action, but they conflict with the clichés, used by the respondent, about the Bulgarian national mentality that makes cooperation impossible:

> I.: *This cooperative with Bioselena that was established from the start – wasn't there a way you could have set up, say, a collective cooperative dairy factory?*
> R.: *There was, but we're Bulgarian after all, right? We'd found (...) a Russian to chair that cooperative, but things sort of didn't work out well with him. He wasn't able to find the right market. But we were hoping things would get going... So that's why we didn't set it up.*
>
> (Organic dairy farmer)

Against the background of this contradiction between past life-choices involving association and active political action, on the one hand, and present rejection of attempts to pool efforts with other producers to overcome the problems of organic milk production and marketing, on the other, this respondent pointed out the support provided by Harmonica, a company for organic foods and drinks, and its organic milk processing farm, which ensure the sale of his milk. In this sense, this producer has secure markets for his produce and, apart from the risk that Harmonica may terminate or seriously downsize its operations, he does not really need direct support from fellow dairy farmers or cattle-breeders. This case provides further evidence in favour of the hypothesis that associational involvement is probably a quality that is developed in desperate or critical situations requiring identification with and reliance upon a wider circle of producers who have the same problems or face the same risks. Identification of common problems and sharing of common values associated with organic production were found to be basic conditions for development of propensities for association and involvement in collective action among the interviewed organic operators. Although trust and involvement in wide networks of contacts have also turned out to be important indicators of collectivity, those elements of social capital are less significant for collective action than the shared common problems and values of organic entrepreneurs. In this sense, the first research hypothesis can be revised, as it is reasonable to suppose that although trust and network involvement of organic operators are conducive to collective action, the key factor for the initiation of collective action are the shared common values and problems in the organic sector in Bulgaria.

As regards the second hypothesis – of the importance of bridging and linking social capital for the potential of the organic sector to influence the political, economic and social environment in which it operates – it is necessary to examine and analyse the cases of successful collective action to this end, and the extent to which they are bound to the existence of those two types of social capital.

5. Social Capital as a Factor for Successful Collective Action

The cases of successful collective social action of organic operators aimed at influencing the political, economic, and market situation they are in are not many, but all of them were initiated and conducted by operators with various contacts within and outside the sector. The Bulgarian Organic Products Association (BOPA) was founded in response to the numerous problems encountered by the organic producers in the process of applying for and receiving financial support under the NRDP 2007-2013, but in the course of their political activity they have attracted and interacted with like-minded people and partners with various lines of business and power resources. Since it was established in 2009, the BOPA has been putting Bulgarian organic operators in touch with foreign partners and helping them to market their products both in Bulgaria and abroad. The BOPA represents the interests of the organic sector in the process of design of national policies on organic

farming development. The pressure it exerts as a collective actor on the regulatory framework regarding the requirements and terms and conditions for conducting activities in the sphere of organic farming in Bulgaria is an important instrument whereby organic operators can influence the political environment they operate in at both the national and local levels. Some of the most active figures in the BOPA are in close contact with politicians as well as with the local administration and NGO activists. An organic meat farmer and active member of the BOPA said that participation in the Association and collective "noise-making" to draw attention to the problems of the organic sector had been provoked by the need to find solutions to urgent problems:

> *We were driven to it out of necessity. To look for like-minded people, to look for people who have the same problems as we do and to look for ways to save ourselves.*

The cases of collective action described by the respondents consist mainly in looking for common markets and solutions to problems of processing, as well as promotion of organic products among consumers, but without any indications of conflict with the conventional sector. In all cases in which the respondent was the initiator of such collective action, he or she is characterized by high levels of bridging and linking social capital. They began to function as the core of a collective group and to attract other members, thereby encouraging the establishment of new contacts and the expansion of networks with new members. Another active BOPA member, with years-long experience in grain farming and wide contacts within and outside the sector, has made attempts to set up an organization of producers in order to apply for funding under the NRDP for the new programming period, 2014-2020:

> R.: *There are several* [producers]. *One is certified organic. There are others who are in the process of certification. I want to unite them, I want us to become a group, an association, so that we can apply. This will be extremely well-supported in the future. So I've been explaining to them that if we have a longer-term partnership, whatever we buy – processing machines,* [land] *cultivation machines, whatever – we'll be reimbursed up to 90%. Up to 90%. Which is simply wonderful. I don't know if I'll succeed, but I think there's hope* [that I will]. *At present I can't say for sure.*
> I.: *Is there interest* [on the part of the other producers]*?*
> R.: *There is interest, yes – but there are still but's, although we've drawn up something and signed it.*
> I.: *In the form of an agreement?*
> R.: *Yes. But the signature doesn't mean anything.*
> I.: *There's no inclination* [towards establishing such an organization]*?*
> R.: *That's right.*
> I.: *But what's important is that there's no resistance?*

R.: *No, no, no, there's no resistance. For the time being at least they understand the efficiency* [of such a partnership].

(Organic grain farmer)

By establishing such associations, it is also possible to ensure lower end-prices for consumers and larger quantities of produce that will attract interest in the market both in Bulgaria and abroad. Often however, when the new members of these organizations are not the leading figures, they do not fully trust the other members and are not wholly committed to the collective cause:

I.: *When you started growing organic goji berries, did you know anything about the market of organic products in Bulgaria?*
R.: *No.*
I.: *Do you know anything now?*
R.: *Now I know, because there's been promotion and they are beginning to be more and more interested. If I'm not wrong, I think there are six or seven of us goji berry farmers in Bulgaria at present. All are certified organic. And some sort of association will most likely be set up between all of us so that we could start exporting together – for example, to Italy maybe, but I don't know exactly. That's how I see things. Because I've spoken with Petrov*[9] (...) *and he said, "We can do this without any problem." He's the first person in Bulgaria who planted goji berries and we'll let him take over* [the leadership role]. *We trust him. Because it's he who taught us* [how to grow goji berries].

(Organic goji berry farmer)

Some respondents who are members of professional organizations even said that this membership has not brought them any benefits. A sheep farmer who is aware that successful marketing requires cooperation because a market like Jordan, for example, requires a supply of 5,000 sheep a week, but who is not characterized by high levels of bridging and linking social capital, claimed that he has not gained anything from membership in associations:

I'm a member of this association – [of breeders] of West Stara Planina sheep. I'm also a member of the association of organic farmers. But I got nothing out of it, so to speak.

(Organic sheep farmer)

The data so far indicate that the second research hypothesis – namely, that bridging and linking social capital are a factor for the success of collective action – is correct. The results from the interviews show that there is a clear connection

[9] All names have been changed.

between the respondents' various contacts within and outside the sector, and their capacity to initiate and successfully carry out collective action for development of organic farming. They also show, however, that there are respondents with many close contacts in various spheres of activity as well as abroad, who are not involved in, or have given up on, initiatives to change the institutional environment in Bulgaria. Unlike the sense of empowerment and belief in the capacity of the organic sector to win strong positions in Bulgaria and to develop successfully through the efforts of organic operators, which is characteristic of the leading figures in collective action, those respondents were found to lack trust in politicians as well as in the social environment as a whole.

> *As a sociologist, you must know much better than us that the interests of the normal people who are making something in this country and the interests of the people who make political decisions are in fact radically different. All who pretend to be "servants of the people" and to work for the people, in fact work only and solely for themselves.*
> *(...)*
> *Polish farmers work as a team with their MPs and MEPs, but here there's no contact and communication [between farmers and policymakers] whatsoever.*
>
> (Organic meat processor)

> R.: *At the level of ideas, there always have been* [ideas about uniting]*, but they've never been turned into concrete action. That's because, to be honest, so far we've never seen any point in it. Now, in the new programming period, there's this provision – it was also valid in the previous one – that organizations of producers* [applying for financial support] *should be given some priority* [over those applying individually]. *There were such measures, but it became obvious that they aren't effective. Now, apparently, things would get better, but these are just promises for the time being.*
> I.: *So you don't trust that* [things will improve]*?*
> R.: *No, I don't. If you're actually engaged in this activity, there's no way you can have trust. It's more than obvious that things are not going well.*
>
> (Producer, processor and trader of organic honey)

In this sense, it is important to note that in addition to participation in networks, which is characteristic of bridging and linking social capital, the other key factor for involvement in and conduct of successful collective action to change the political, economic and social environment in which the organic sector operates in Bulgaria, are the high levels of trust in political institutions and in society as a whole. The feeling of many of the respondents is that they are struggling with institutions in their operations, and that this struggle is unequal and therefore doomed to fail. This has given rise to the conviction that those operating in the sector are powerless to

bring about change, and the lack of empowerment demotivates them to take action to exert collective pressure on what they see as a system that cannot be changed. Many of the responses in the interviews are examples not just of criticism of the work of institutions and their competence and integrity, but also of the lack of resolve to take action to change the objective reality in which organic operators operate:

> *They [associations] cannot do anything, they don't have any power. The programmes are designed in a way where you get penalized for making even the smallest mistake. And there's nothing you can do about it. You have to conduct endless lawsuits. That's it.*
>
> (Organic grain farmer)

> *Everything is terrible. Simple-minded people – weak state. We'll never sort ourselves out. Unless someone from the outside sorts us out, I don't see how we'll manage on our own. No way. (...) Those 10% who are [rich] will never get poorer and the others will never get richer. It's all over – the distribution of the pie. The pie has been distributed. All [who have received a share of the pie] are cronies, relatives (...) [turncoats through and through] who've changed parties, sponging off all of them. They are invariably the same people, they only change their colours.*
>
> (Organic dairy farmer)

Among the respondents, there are also some who claimed they know that cooperation makes sense, but think that the rest of their fellow-operators are not like them. The lack of trust in others is not necessarily due only to cultural accumulation of the effects of the systematic erosion of social capital in Bulgaria;[10] there are also objective reasons for it, such as regular theft of produce and lack of action on the part of local authorities and institutions to crack down on crime. A kiwi farmer who said she would like to join an organic farming cooperative, and who offers her produce on an online consumer network on a cooperative principle and develops relationships of trust with her clients, has decided not to invest in drip irrigation because of the thefts in the area, including theft of her produce. According to her, the local administration is not doing its job properly and she has no hope that her conditions of work will change in the foreseeable future:

> *We can't protect ourselves from [theft by] others. Not until we realize that everyone works in order to get something and that we must respect the work of others. But the prospects for that [happening] are very distant, it's not part of the Bulgarian mindset.*
>
> (Organic kiwi farmer)

[10] One of the most often noted factors for the social alienation and disintegration of Bulgarian society is the country's totalitarian political past (Fotev 2009; Hjøllund & Svendsen 2000).

Any analysis that uses the theoretical perspective of social capital risks becoming the target of criticism from the ideological opponents of this approach. Because of the importance assigned by social capital theory to in-group ties and the potential they create for solving common problems and crisis situations, the critics of this concept claim that those theories are very convenient for the central government, which can rid itself of the duty to ensure the well-being of its citizens (Onyx et al. 2007; Brooks 2007) by shifting the whole responsibility for their development onto their own resources. That is precisely why it is important to point out that although this analysis provides evidence in support of the hypothesis that bridging and linking capital are a key factor for development of the organic sector through influence on the statutory, economic and social environment, this resource cannot be sufficient to remove all barriers to the development of the sector. It is not realistic to expect that the representatives of one agricultural sector have the capacity to raise the living standards in the country or to change the way of work of all organic operators who prefer to operate in the grey sector and thus make life more difficult for those who seek to develop their business and associations "in the light". Although the reasons for the development of a system of official and unwritten rules in the national and local context that encourage the grey economy and hinder local and national economic and social development are not the subject of analysis in this article, it is reasonable to presume that they are so complex that they cannot be successfully resolved by a single sector such as organic production:

...it is well-known that consumers in Bulgaria have very low purchasing power. At the end of the day, what's the market? Balance between supply and demand.
(Organic meat processor)

R.: *At the present rate of subsidies in Bulgaria, any agricultural company that operates in the light, paying [social security and health] insurance contributions for every employee and paying its taxes at the end of the year, is bound to be in the red and will die.*
(...)
Because at present if you go to the field when we're picking the raspberries, [you'll see that] we have 30 hired workers and we pay their [social security and health] insurance contributions. The person who works for us has his insurance contributions paid by us and he costs us, say, 25 leva per day. But the person who works over there, right next to us, gets paid cash in hand. And he gets paid, say, 17-18 leva [per day]. So he [the other employer] pays 17-18 leva, while we pay 25. While it [hiring a worker] costs us 25 [leva per day], it costs him 17.
I.: *And your opinion is that this* [practice] *is commonplace?*
R.: *Yes, and everyone knows it, after all. Purely economically, it's a matter of simple mathematics and arithmetic that can be calculated by anyone who's finished primary school. Yes, that's right.*

I.: *And in fact you, I don't know, maybe from the point of view of the Association, as united organic producers, have a better chance to do something about it?*
R.: *You can't do this in an association in which almost everyone operates in the same way as in the grey economy. Small producers who rely on* [getting away with it] *under the title of agricultural producer. In Bulgaria you can have an agricultural producer who has 40 hectares of raspberries and strawberries which he has harvested, according to the records, with his wife and two children. That's impossible, isn't it? He needs just as many workers as we do.*
I.: *But nobody checks this out or nobody cares?*
R.: *Nobody is concerned with this. Because if somebody sets out to do this, they will hurt the interests of many people, many small agricultural producers, but they are voters from somewhere.*
I.: *In the respective* [electoral] *district?*
R.: *Everyone's simply turning a blind eye. But those who suffer are the companies that are operating entirely in the light. That's to say, they are discriminated against. The companies that operate in the light and that pay all* [social security and health] *insurance contributions and that are in the light economy are discriminated against.*
I.: *I've been told about another problem, too. I would like to ask you about it. Is it true that actually the workers themselves don't want to be registered* [as employed]*?*
R.: *Yes, they don't want to, because they are getting unemployment benefits* [as unemployed]. *And it's very difficult to find workers to work for you. Because they absolutely don't want to sign anything on paper.*

(Organic strawberry and raspberry farmer)

6. Potential for Development of Collective Identity in the Organic Sector through Social Learning in "Communities of Practice"

The previous two sections pointed out evidence in support of the hypotheses that social capital stimulates collective social action and that bridging and linking social capital, in particular, contribute to the initiation and conduct of successful action to change the social, economic and political environment in which operators operate in Bulgaria. It is also necessary, however, to examine the question of the organic sector as a conscious organic farming community with active community life and collective elaboration of visions and strategies for the development of the sector. As mentioned above, according to Michelsen et al. (2001:vi) the existence of such collective organic communities is a basic condition for development of organic farming, and it is also important for the functioning of social capital through shared expectations about the common goals, understandings about the common problems, and involvement of every member of the community in their solution.

Using Etienne Wenger's theory of social learning in communities of practice, such collective identity can be "learned" through shared experiences and work in a domain that is perceived as worthwhile, attractive and common to everyone practicing organic farming. To analyse the potential of organic operators in Bulgaria to create a collective organic identity, I will examine the data on the respondents' participation in common practices and sharing of common value-frameworks and visions for the future of the sector that are perceived as significant and meaningful and which create conditions for the development of a sense of belonging to it.

Following the conclusions from the analysis in Section 4, according to which it is possible for propensities for association to develop among producers who have no other resource for coping with their everyday problems and are compelled "out of necessity" to associate with fellow producers in order to find administrative as well as political solutions to their problems, we may suppose that one of the ways for developing collective identity among organic operators appears when they suffer from a lack of resources (financial, information, administrative, etc.). This lack can motivate them to identify partners with whom to pool efforts in order to solve their problems. However, it is methodologically impossible to check whether the lack of such resources, characteristic of the start-up period of organic production of the first certified organic farmers in Bulgaria, would have such an effect at present, too, since the objective conditions in which the sector is functioning today are very different. Parallel with that, as already mentioned above, the producers whose sole motive for registering as organic farmers was the desire to take advantage of the available financial support, cannot be expected to have a motive for developing collective identity as part of the organic farming community, because their goals are different. Although the BOPA emerged precisely as a collective instrument for exchange of information and facilitation of the procedures for subsidies, its goals are to ensure financial support for the development of organic farming activities as worthwhile. This is also the main difference between the motivation that encourages collective identity and the motivation that erodes it. Whereas the struggle for transparent and adequate rules for subsidizing the sector is motivated by a desire to ensure financial support for the development of a well-organized and well-functioning organic farming sector, the individual struggle for higher subsidies without a vision for long-term operation cannot be a basis for development of collective identity.

Hence, the potential for development of collective identity among individuals who do not identify themselves with the value-oriented motives (ecological, social and health-related) for developing organic farming tends to be low, since the formation of such an identity presupposes participation in the practices of the community and self-identification with the latter when the concrete individual perceives membership in this community as worthwhile and is therefore willing to change his or her actions and social habits in order to join it. Judging from the interviews, many of the respondents do not identify themselves with the organic farming sector as a community of entrepreneurs who share a common profession

and have common goals and directions of development. As can be seen in the following quote from the interview with a producer who is formally a member of a professional organization but shows no inclination towards associational involvement even when discussing the benefits of partnership, he thinks of them solely as benefits for his own business:

> *So I had an offer from the first one I told you about, from Vasko. He proposed that we become partners, that we set up [a partnership]. But I think that partnership is a good thing, on the one hand, but on the other it could also spoil relations. That's why it's better for me, and for him, and for us, not to be partners. You know, anything could happen. I'd rather work on my own. Because it's not such a big deal, it's not a business that requires too much paperwork and, generally, physical resources.*
>
> (Organic sheep farmer)

In a sector such as organic farming, where the objective conditions for successful business are perceived as difficult (lack of support from the institutions, lack of a skilled and reliable workforce, consumers' unfamiliarity with and distrust of the product) and where there is insufficient cooperation in production, processing and marketing activities, the lack of a common vision for development further hinders the growth of the sector. The data from the interviews show an overall lack of in-depth concepts about the development of the sector among organic entrepreneurs in Bulgaria. Some of the respondents who spoke about the future of the sector see it as a function of the survival of the individual operator. Their view of successful organic production or organic processing and trade is limited to ensuring profitability of the business and does not include increasing consumers' purchasing power or improving interaction between operators and institutions:

> *I haven't lost faith [in the future of organic farming in Bulgaria] at all. But at present it is not profitable and not convenient for me, so I'm not doing it. I haven't lost faith. To my mind, organic production has a future. Besides this, if you do it properly, organic production can be much more economical than conventional production. I mean, if you plant and grow the right crops in the right places – the places where they grow best in natural conditions. And without having to spray them. This is one of the things, the main thing...*
>
> (Organic vegetable farmer)

Even when this approach to production offers solutions also for other social groups affected by the activities in the organic sector, these solutions are usually not thought of as benefiting a wide range of beneficiaries and as a means through which organic farming and all activities related to it can have a positive impact on marginalized local communities:

Make them work in some way, [provide] incentives for work. So as to make people from the villages work. (...) Find some way to make them get out on the [labour] market. If he's receiving money without working, there's no way you can make him [work].

(Producer of organic eggs and hens)

Some respondents also expressed views about the development of the sector as seen from the two opposite perspectives: on the one hand, with a focus on organic farming practices themselves – the need of support for "*clean, organic production on small areas, small farming*", "*without hindering business operations*"; and on the other, with a focus on the need to develop the administrative and political capacity for management and control of organic farming activities – "*policymakers must be clear about* [the state of] *the sector and its actual problems*" and "*politicians must be clear about the vision about the strategic branches in agriculture – roses, etc.; they must be competent, not dilettantes*."

Parallel with those views regarding the development of the organic farming sector in Bulgaria, which are limited to specific problems of organic operators, such as the need for financial and professional support at the national level, the interviews showed that there is a significant number of respondents who, regardless of their levels of social capital, think about the future of the sector in a wider context and give priority not just to the survival of organic farmers and of the organic farming business but also to the socioeconomic development of all communities. This gives grounds for hope that, even though it is not consolidated as a community of action, the organic farming sector can largely be a community of thought and this, in itself, is conducive to future collective action. The following quotes from the interviews illustrate this construction of the notion of the future of organic entrepreneurship in Bulgaria against the background of the positive development of society as a whole. Although they do not prove that there is a sense of belonging to the sector and of self-identification with it as a community, which is a condition for the preservation of communities of practice according to Etienne Wenger, these quotes nevertheless demonstrate reflexivity on the part of some operators and a modern holistic vision about the development of the organic farming sector in Bulgaria:

The development [of the sector] should be in the direction of improving the standard of living so that clients can afford organic products.

(Manager of an organic children's kitchen)

Organic farming and agriculture in general are Bulgaria's potential, not robots and computers; the state must provide incentives for business and people to take up farming and not to loathe it.

(Organic fruit processor)

It has a social aspect – women and people from isolated villages can work in aquaculture.

(Organic fish farmer)

[Provide] subsidies for small [farms], without monocultures, crop rotation; [set up] test fields in every municipality to grow food for children's canteens; [make] administrative officials go to farmers, not the other way round, so that farmers won't have to go looking for them without knowing when they'll feel like turning up at work.

(Organic grain farmer)

The analysis of the potential for development of a collective identity of organic operators in Bulgaria shows that, although they are rarer, there are examples of operators who experience their engagement in organic farming as value-bound and as conducted in "communities of practice" with shared common norms, discourses and information channels that stimulate their collective action for improving the social, economic and political environment in which they are developing their activities. Admittedly, the data show that those who undertook agri-environmental commitments solely because of the available financial support are much less inclined to identify themselves with the organic farming community, and this raises barriers to their involvement in collective action and excludes them from the potential internal social resource of the organic sector. Yet on the other hand, the sector is attracting a significant number of actors with already existing networks of interaction, who have the potential to transmit these resources (including the models of their utilization) to other actors in the sector. As regards the construction of visions about the future of the organic farming sector in Bulgaria, there is sufficient evidence to suppose that the development not just of this sector but also of the socioeconomic prosperity of society at large are a priority in the work of some of the operators and, in this sense, the existing understandings about it can lay the foundations of a discourse with political positions, which will lead to qualitative changes in the institutional setting of organic production and organic trade in Bulgaria.

7. Conclusion

Based on the qualitative data from the study on organic farming in Bulgaria, this article analysed the connections between the social capital and collective community identity of organic operators, on the one hand, and their potential to develop the sector through collective social action, on the other.

One may conclude that although, as a whole, higher levels of social capital correlate to higher levels of collectivity, linking and bridging social capital in particular are an indication of higher levels of associational involvement and lead

to more active participation in collective action, while bonding social capital (close ties in homogeneous communities) is conducive to lower levels of associational involvement. Value-commitment to the organic farming principles is also a key factor for higher levels of collectivity among organic operators. They do not have the potential to be a community in the sociological sense of the word – subjects of a group that identifies common interests and tasks in the development of agriculture – if their goal is not such development but short-term instrumental goals of securing income, which has a negative impact on their inclination towards collective action. In this sense, the operators who identify themselves as a community not with other operators (with whom, from an instrumental point of view, they are only competitors for financing under the measures supporting agriculture and rural development), but with their networks of consultants or friends and relatives (from whom they receive support in the form of land and resources which win points in project application and reporting), demonstrate also lower levels of associational involvement and commitment to collective initiatives.

On the other hand, even in the cases where there is a lack of bridging and linking social capital, those two types of social capital can be developed and they can lead to involvement in collective action provided that (1) there is a value-orientation towards organic production as an activity that is meant to serve the interests of local communities, consumers, and future generations by preserving valuable resources, biodiversity and the healthy environment, and (2) there is a professional organic farming community with a common cause and mission, which offers its members a recognizable identity.

Although at present the dominant discourse on organic products in Bulgaria is not constructed by those employed in the organic farming sector, it has the potential to be influenced by organic entrepreneurs. This can happen if they consolidate their positions and efforts to steer relevant government policies in the direction of marketing organic products, elaboration of a regulatory framework that facilitates the work of organic operators, and socioeconomic development of society as a whole so as to increase consumption of organic products. For such collective efforts to be effective, the networks of organic operators must simultaneously unite (1) more operators with similar characteristics – type of crop grown or type of business, similar markets, geographical location, and so on, so that they will succeed in creating levers to protect their interests in the respective niche; (2) heterogeneous operators, in order to create maximally wide networks for pressure on policymakers taking strategic political decisions relevant to the long-term vision for development of the organic farming sector; and (3) organic operators and actors with influence at the local and national levels, who will act together to bring about real legislative and administrative changes in the operation and control of the organic farming sector so that it will develop in a way that is beneficial for those employed in it, for local communities, and for society at large.

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When and how did the idea of organic farming emerge in Bulgaria? Who are the organic producers, and of what type are they? How and why did they decide to take up alternative agricultural practices? How, where, and to whom do they sell their produce? Do EU subsidies hinder or help the development of organic farming? Why does cooperation remain a challenge for small producers, and when is it recognized as necessary?

The articles in this book present the first sociological analysis of the development of organic farming in Bulgaria, a phenomenon that is new to the country. Four sociological interpretations offer an answer to the questions of how organic farming became an opportunity for entrepreneurship in Bulgaria, what motivated people to engage in this type of farming, how the markets of organic products were created and how they function, and how this agricultural practice promotes participation in collective action in rural areas.

Through these articles, the reader will learn about the political, social and economic aspects of organic farming in Bulgaria in the 1990–2012 period. The analyses are based on data from multiple sources, collected through different sociological methods. They are addressed at everyone interested in organic farming as a social, political and economic phenomenon.

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