

THE ROLE OF SOCIAL FARMING FOR SUSTAINABLE RURAL DEVELOPMENT IN BULGARIA

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Abstract

The concept of social farming has gained wide popularity in Bulgaria over the last decade. A number of authors emphasize the importance of this concept for social inclusion and economic empowerment of vulnerable groups of society. Social farming contributes to increasing the level of social capital of the representatives of these groups, provides employment and allows them to become independent economic units. The aim of the study is to show the potential of social farming for achieving sustainable results in the rural areas of Bulgaria, based on the analysis of a network of organizations implementing an integrated model for small business support among disadvantaged families. The study applies social network analysis and case study methods. The results confirm the importance of the concept in addressing major rural problems. Some challenges for social farming have been outlined. Conclusions and recommendations have been made on policies in the area concerned.

Key words: social farming, entrepreneurship, sustainable development, rural areas

INTRODUCTION

The EU's rural areas are an important part of its identity. According to Eurostat in 2017, Bulgaria is the EU Member State with the highest percentage (38.9%) of the population at risk of poverty and social exclusion [5]. The relevant indicator in the rural areas of the country, which cover a significant part of the territory and a large percentage of the population, reaches almost 52 %. What is more, in these regions 31.2% of young people aged 18-24 are neither in employment nor in education or training [5]. Hence the problems in rural areas of Bulgaria are deeper and harder to overcome.

The circle of declining rural regions proposed by OECD describes the main obstacles to rural development. This circle begins with a low population density, which in turn is a prerequisite for a lack of critical mass in terms of infrastructure and services. That leads to relatively limited business activity and creation of fewer jobs in the region. Labour market problems generate migration processes which, in combination with aging populations, aggravate the problem of its density closing the circle of decline [13].

In this regard, stimulating entrepreneurial activity is among the possible solutions to overcome the challenges facing rural areas. At the same time, Kabeer et al. [9] points out that providing only access to finance is not enough for overcoming poverty. The authors emphasise that processes need to be accompanied by population empowerment activities.

Different tools and programs have been developed and implemented for this purpose, including Rural Development Programme (e.g. LEADER/ CLLD approach). The negative side is that the various program measures require the availability of a certain initial capital, which often the applicants gain through loans. Vulnerable groups in society however have difficult access to financial resources. In addition, Beluhova-Uzunova et al. [1] have stressed that “small farms, are essential for the sustainable development of rural areas and struggling against poverty”. The latter determines the need to develop different models and initiatives to cover the gap.

A number of studies have come to the conclusion that social farming has a great potential in the relevant sphere [11, 19].

Although the concept is characterized by the lack of a uniform definition and a broad interpretation of the term, the common features across them exist.

There are different approaches to the application of social farming: in the form of additional services offered by farms; providing employment or being carried out by NGOs for supporting entrepreneurial activity among isolated communities.

The following definition was adopted within the current study: "creating better conditions for people from disadvantaged groups to become independent economic units" [6, 17].

The aim of the present study is to outline the potential of social farming to achieve sustainable results in rural areas of Bulgaria, based on an analysis of a network of organizations implementing an integrated model for supporting small businesses in rural areas. In order to achieve the goal, the study goes through the following stages: (1) case study of a good practice in Bulgaria; (2) building the network of organizations and analysing the level of structural social capital; (3) outline the main challenges for social farming implementation in Bulgaria and (4) formulating recommendations for policies in the relevant area.

MATERIALS AND METHODS

The following methods for collecting, processing and analysing information are applied in the study: participatory observation, in-depth interview, document analysis, social network analysis and case study method.

The participatory observation covers the implementation of the Model under consideration, as well as part of activities under the two Social Farming projects involving Bulgaria as a partner. In addition the following main sources of information are used: Eurostat databases, the Central Register of Non-Profit Legal Entities [12]; official websites and publications of surveyed organizations.

The network is built on direct relation between organizations for the 2014-2018 period. Ties are valued. In regard to social network analysis, the UCINET 6 software

package is used to calculate the degree centrality and betweenness centrality measures [8]. The dynamics of network density is also evaluated.

Within the study non-governmental organizations (NGOs), directly supporting social farming activities are considered, as well as several partner organisations involved in the process. The NGOs are functioning in the districts of Plovdiv, Razgrad, Kyustendil, Pazardzhik, Stara Zagora, Vratsa, Vidin, Yambol, Veliko Tarnovo and Burgas.

The dynamics of network density makes it possible to draw conclusions about the changes in the level of structural social capital.

RESULTS AND DISCUSSIONS

The analysis of the projects implemented in the field of social farming in Bulgaria revealed that among the most wide-ranging initiatives related to socio-economic empowerment is a Model implemented by the Land Source of Income Foundation [19, 16 and 7].

This integrated model supports small business initiatives of isolated communities. Its aim is to make families/ households independent economic units integrated into the existing socio-economic system [14]. Although the Model was created more than 20 years ago, it is constantly evolving through years. The main elements included are: 1) the development of human capital and 2) the provision of access to tangible assets as well as enhancing the employment opportunities. The presence of these two components is one of the main prerequisites for overcoming poverty in rural areas [15, 17].

The human capital development component of the Model includes not only tools for acquiring knowledge and skills to start own business, but also important elements concerning the development of the social capital of local communities and the program participants themselves – e.g. to change attitudes towards the problems of disadvantaged groups, building trust, etc.

The second component of the model, which concerns the provision of access to tangible assets, is based on three main schemes for the purchase of: 1) land, 2) LTA, and 3) STA [10].

It is important to underline that each of these schemes provides for own contribution in a different form and reimbursement of the allocated funds. Positive results from the implementation of the model are a good prerequisite for its dissemination in other regions of the country.

In 2011, the organization began to share its experience with other NGOs in Bulgaria to expand the outreach of the supported families. Initially 8 organizations with expertise in different fields were included. Some of them have experience in the application of financial schemes, others – do not. The second type of organization performs activities in the field of social empowerment of disadvantaged groups and those related to advocacy. Only one of the partners has been active in both directions.

Through the dissemination process it has been found that among the most important elements for the successful implementation of the model are: 1) the access to the community and 2) the built trust [10]. For this reason, despite the experience of implementing

financial schemes, organizations that did not have such access failed to support economic initiatives.

After the completion of the first stage of the dissemination process three of the organizations dropped out, other two became associated partners. On the next stage Foundation started to seek for new partners. The process was assisted by the positive results in the dissemination regions.

Since 2014, the number of official partners implementing the Integrated Model of the Land - Source of Income Foundation has become five. Their territorial distribution is relatively good and allows support for vulnerable groups from different regions of the country. This is why the respective year is selected for the beginning of the study period. The network of organizations, besides the mentioned six NGOs, includes several other partners which have helped the coordination of the activities, their promotion and the support of beneficiaries in the more remote areas. The main activities performed by the organizations concerned outside the applied model are related to social support, education, advocacy, mediation of access to health services, provision of employment, etc.

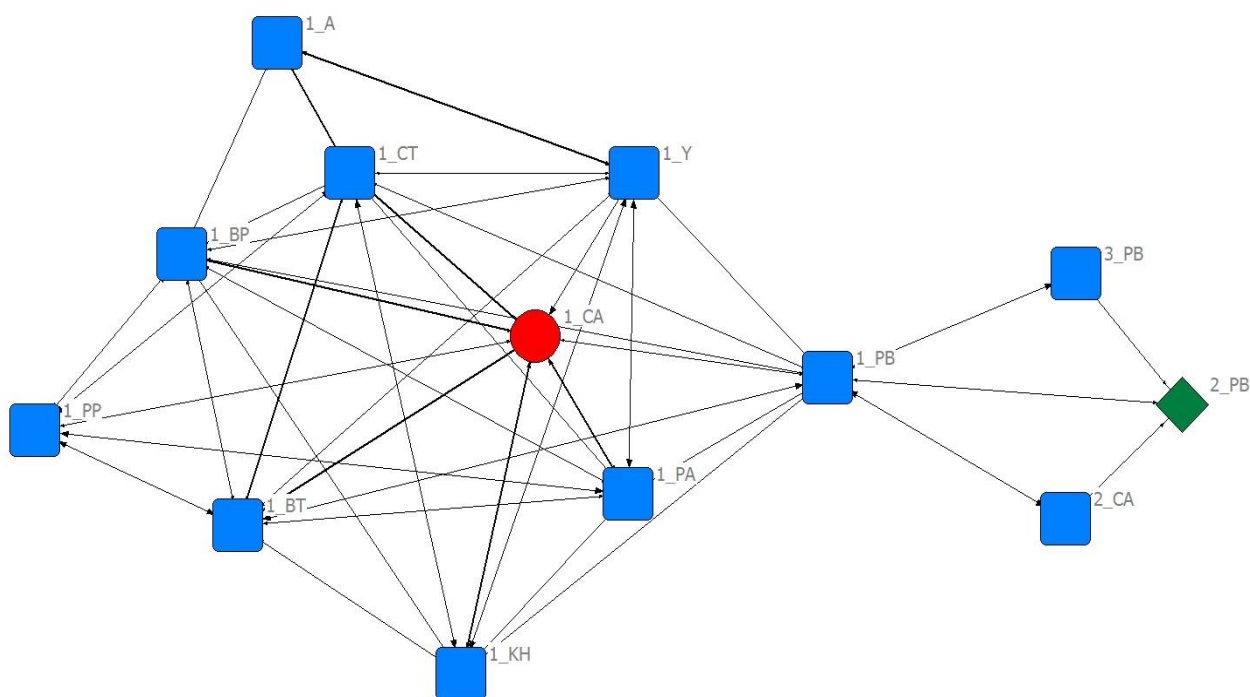


Fig. 1. Network of NGOs implementing activities in the field of social farming, 2018
Source: Own research.

In 2014 the NGOs implementing the Model supported 117 families, with over € 31,000 provided by the five partner organizations for the 27 economic initiatives [10]. It is important to emphasize that, while a major part of the initiatives of the Land - Source of Income Foundation refers to agricultural activities (purchasing of land and tangible assets), several non-agricultural initiatives have also been implemented with the help of partner organizations. Nevertheless, the latter are important for promotion of social farming activities. In 2018, the total number of families that NGOs supported during the implementation period reached 276.

Figure 1 graphically presents the network of organizations supporting initiatives in the field of social farming. Ties are defined on the basis of their joint project work. The network includes fourteen organizations. In the sociogram the NGOs are notated with a blue square, the donor organization with a red circle and the educational institution (Agricultural University) with a green diamond.

Table 1. Descriptive statistics

| N | Indicator | Degree Centrality | Betweenness Centrality |
|---|----------------|-------------------|------------------------|
| 1 | Mean | 9.07 | 6.21 |
| 2 | Std. Deviation | 6.34 | 13.92 |
| 3 | Variance | 40.21 | 193.82 |
| 4 | Minimum | 0.00 | 0.00 |
| 5 | Maximum | 20.00 | 55.17 |
| 6 | Number | 14.00 | 14.00 |

Source: Own research

The results of the analysis show that the average number of connections available to one organization in the network is 9.07 with a minimum number of these connections 0 and a maximum of 20 (Table 1). The latter is determined by the cooperation of the several organisations on more than one project. Nevertheless there is an organization that has not worked in partnership with other NGOs thought this year.

Network centralization is 24.52%. In general the lower values of this indicator are preferred as they reveal the lack of significant

concentration of connections in individual participants. In this case the indicated percentage is relatively low.

For the betweenness centrality indicator, the average extent to which an organization performs a mediating function or falls on the shortest path between two other organisations is 6.214 with a standard deviation of 13.922.

On the other hand, the Network Centralization Index is 33.79%, which signifies that there are actors with relatively more power than others. In other words, theoretically organizations with higher mediatory role may limit the actions of other network participants.

Table 2. Test for a difference in density in time

| Year | 2018 | 2014 |
|---|------|------|
| Density | 0.24 | 0.19 |
| Variance of ties | 0.20 | 0.15 |
| Estimated Bootstrap SE (10 000 samples) | 0.07 | 0.07 |
| T-statistics | 1.98 | |
| P(T<=t) two-tail | 0.04 | |
| P(T<=t) one-tail | 0.04 | |

Source: Own research

The results for the network based on the relations of joint activities among organizations in different fields, do not reveal a statistically significant difference in network density in 2018 compared to 2014.

In this respect, a comparison is made in regard to the performed activities in the sphere of social farming. The results of the Bootstrap Paired Sample T-Test are presented in tabular form (Table 2). This approach is carried out with a number of 10,000 sub-samples. A one-tailed test is applied. The formulated null hypothesis states that there are no differences in the density of network ties at the beginning and at end of the period. The alternative hypothesis assumes that density increases over time. Since the data are valued, the hypothesis testing aims to determine whether there is a change in the average strength of the relations between actors.

The network density in 2018 and 2014 is 0.24 and 0.19 respectively. In other words at the end of the period the average strength of

network ties increased by 0.05 compared to its beginning. There is a greater variation in the connections in 2018 (0.20) compared to 2014 (0.15).

The p-value (0.04) is below the chosen level of significance $\alpha = 0.05$ and the null hypothesis can be rejected. This means that there is sufficient reason to state that the average strength of network ties in 2018 exceeds those of 2014. Therefore the level of social capital available to organizations in the network is increasing.

Previous own research reveals that a higher level of social capital helps to attract financial resources and to extend the scope of beneficiaries [17]. On this basis it can be stated that the activities carried out by the organizations are efficient prerequisite for the sustainable development of the rural areas.

Among the main challenges that hinder the rapid development of social farming in Bulgaria is the lack of sufficient legal basis. The results of the survey indicate that the majority of the organizations in Bulgaria carrying out activities in this sphere are representatives of the non-governmental sector. According to FASST [7] “the great unexplored and unexploited potential of social farming for social inclusion, employability and rural development is undermined by the lack of a coherent regulatory framework and definition at EU and national levels”. Underdeveloped legislation also does not stimulate farmers to provide typical social farming services: rehabilitation-care activities, social care activities, etc.

Another often highlighted challenge is the lack of sufficient funding for NGOs [2]. This is partly due to the withdrawal of some international donors from the country as well as support for other types of entrepreneurial activity. Possible sources of funding can be microfinance institutions; EU programs (especially RDP of each Member State), other national programs, etc.

The optional microfinance and social entrepreneurship funding opportunities at the European level include: different microcredit providers and social enterprises financiers supported by the Microfinance and Social

Entrepreneurship axis of the EU Employment and Social Innovation Programme [3]; other microcredit institutions, etc. In addition the EVPA [4] has systemised the following EU funding for social entrepreneurship: European Social Fund, European Fund for Strategic Investments; Social Accelerator; European Social Innovation Competition.

Similar to those sources of funding, even if not directly mentioned, people and organizations performing social farming can receive support under the Rural Development Programmes measures. Several countries have developed special documents that reveal the place of social farming in the RDPs as well as other funding opportunities (e.g., Italy [18], Czech Republic, etc.).

CONCLUSIONS

Based on the results of the study the following conclusions and recommendations could be highlighted.

The level of structural social capital of the surveyed organizations has increased over time. This means that new relations are created between the organisations and joint activities are implemented, as well as information and experience exchange are carried out. The latter is a prerequisite for facilitating and accelerating processes in the field of sustainable development.

One or more network organizations perform a mediating function in the field of social farming. To overcome this problem expansion of the collaboration activities among NGOs are recommended such as: training development at national level, enhancing the number of experience exchange events for the supported families and better advertisement. Some of those activities organizations already apply but they need more financial resources. Support for the implementation of social-farming activities is not sufficiently attractive to engage a large number of farmers in this area. Developing good normative regulation is also essential. In the Member States where this has already been done, social farming is an additional source of income and helps

owners of agricultural holdings to achieve good financial sustainability.

At the European level, there are a number of funding options for the initiatives under consideration, one part are directly orientated for entrepreneurs, others require intermediaries. However, they all have to be supplemented by the development of the human and social capital of actors involved in the processes to accomplish sustainable results.

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