

# Bulgaria

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*Using a sociological approach, the authors try to explain the development of the Third Sector in Bulgaria and the main factors which define the motivation of the people who contribute to it. The latter is supported by some facts from a survey carried out by the Centre for the Study of Democracy in May 1994. This survey showed that voluntary organisations are out of favour with a public that still leans on the state as the preferred source of all social services. The analysis is supported by a number of historical facts and current observations of the Third Sector. The major types of organisation, according to a number of different elements, are presented. The following problems, connected with the voluntary sector, are outlined: lack of resources, lack of legal regulation, incomplete tax policy, negligence of NGO issues in national and local policies on the one hand and no existing network for mutual support on the other, lack of nationwide structures, lack of experience in NGO management. The overall picture shows the immaturity and unevenness of the development of the Third sector in Bulgaria, which is, according to the authors, insignificant.*

*Keywords: Bulgaria, third sector, historical tradition, types of organisations, economics, law, regulation*

## Introduction

This article is an attempt to explain the development of the Third sector in Bulgaria and the main factors which define the motivation of the people who contribute to it. First, we will describe in brief the historical tradition and some general features of the ethno-psychological portrait of the Bulgarians, relevant to the issue; second, the current state of the Third sector; and third, on the basis of more recent surveys we will attempt to highlight the main values and current attitudes of the general public towards Third sector activities.

Our approach to the subject is a sociological one - we look at nonprofit organizations in their connection with society at large, its communities, groups, social spheres, needs, interests, and values. We ask and seek to answer the following questions. Why do these organizations appear? What are their functions and purposes? How do they contribute to the creation of a civil society in this country?

Although we do not prefer negative definitions (nonprofit, nongovernment), we are going to use them because of their widespread usage in the field. The subjects of the Third sector are non-state organizations, but that does not necessarily exclude state participation (especially in a transitory situation as the one

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our country is now) or the involvement in business activity. The institutions in the Third Sector have charitable or humanitarian goals and do not directly distribute profit to their members. Complete isolation from the state seems both unreasonable - some are subsidized by the state budget - and unrealistic. The state provides the necessary legal basis for the existence and the development of the Third Sector and is often active in encouraging the development of nonprofit organizations in various social spheres, especially when its own resources are not able to deal with needs adequately (e.g. culture, arts, social and health care, environment protection, etc). Bulgarian language is rather rich in names relating to the Third sector organizations. Some are old words, others are international terms such as sponsorship, foundation, philanthropy. The communist regime tried to mock words such as "voluntary", "self-active", "unselfish", "nonprofit", calling them "obsolete", and "reactionary bourgeois" expressions. As a consequence, serious damage was done both in understanding such terms adequately, and in their dissemination in the language. Now many of the ordinary people sometimes do not understand what it is all about and this alienates them from organizations that are supposed to serve their needs.

## Historical Traditions

Charity and mutual aid in the Bulgarian lands goes back to at least the times of the Turkish domination (1393-1878). In that age of misfortune, charity and mutual aid were necessary to preserve the Bulgarian identity - social conscience, language, religion. The Bulgarian churches and monasteries, the schools, and the appearance of a small, but able and thoughtful intelligentsia would have been unlikely under the conditions of a the foreign and alien rite rule had they not been supported by the generous gifts of wealthy Bulgarians and the people as a whole. Demolished by the Ottoman invaders, the Rila Monastery was rebuilt with voluntary donations within fourteen years after the Turkish conquest of the Bulgarian State. Mutual help - most by work - has been an old tradition among the Bulgarians, especially in the villages and small towns where it was quite common to voluntarily help your neighbor to build a house (especially in cases of disaster or disease). Building of a fountain or a well for common use was considered a good civic contribution; such water fountains still exist at crossroads to provide drinking water for travelers, and are known by the names of their makers. One of the first institutionalized charities was the Bulgarska Dobrodetelna Druzhdina (Bulgarian Charity Community), founded in 1862. It amassed considerable financial resources mostly by donations of prominent and wealthy Bulgarians. Its tasks went far beyond pure charity; in fact, it - granted scholarships for studying, helped orphans and widows, and led to struggle for independence. The organization raised 36 mil golden Lews during the Pre-liberation period (18-19 century), an impressive sum for the time and an indication of the strength and tradition of giving and support in an enslaved country.

The "chitalishta" (literally - "reading clubs") occupied a particular place during this period as genuine cores of culture and education. These clubs weren't solely repositories of books and newspapers - they also maintained classes for both initial qualification and retraining, amateur theater and music teams, and

delivered lectures on issues of common interest. These activities were supported entirely through voluntary contributions of local communities.

Immediately after the Liberation (1878), new urgent needs arose, which the young state could not afford to meet. The brothers Evlogui and Hristo Gueorguievs, perhaps the richest Bulgarians at the time, donated the land and 6 mil Golden Levs for the building of the first Bulgarian University in Sofia. The St. Alexander Nevsky Cathedral and the monument of the Bulgarian Apostle of Freedom, Vassil Levsky, were built using voluntary donations collected by the people. About 680 young Bulgarians were offered scholarships, mostly by private persons, to study in Russia and Western Europe.

In 1917 the first endowment - The Foundation for the War Orphans - was established with 6 mil Levs assets (made up of 5 mil from private donations and 1 mil from the government). This endowment built eighteen orphanages. The Royal Family, which supported several foundations, fostered the formation of a charity system according to the European standards and lines. In 1933, the National Assembly adopted the first law on foundations.

Between the two world wars, organizations which protected and promoted the interests of new professions became popular. One of the few still existing organizations of this kind is the Federation of the Scientific and Technical Unions, created in 1893 under the name Bulgarian Engineers' and Architects' Society (BEAS). On the eve of World War II Bulgaria had, by the European standards of the time, a noteworthy level of charity and civil sector whose history still needs to be studied. However, some of the organizations, identified as Anglo-American, were banned after Bulgaria joined the Axis with Nazi Germany. Those organizations were banned again when the power was taken by the communists - this time on the ground that they were "fascist". Only organizations which inserted in their statutes the commitment to "contribute to the victory of communism" were allowed under communism.<sup>1</sup> Curiously enough, Bulgaria was the only country among former "Socialist" block countries which legally recognized foundations and Third sector organizations. Of course, the presence of legal formulations does not mean that it was possible to freely establish and register such an organization. The prior suggestion or confirmation by the respective party committee was necessary, of course.

The so-called "socialism", with its demonstrative, top-down campaigns and forced enthusiasm, created in people's minds suspicion, distrust, and internal resistance that undermined appeals for volunteer work, mutual assistance, and charity. It appeared to be a model environment for stymieing any kind of positive initiative. Perhaps, this is one of its most negative consequences. The omnipotent State presumably was "giving" everything to everybody, no matter that its "gifts" were in short supply and of low quality: housing, salary, food, education, recreation... The mentality that the state has fostered has produced an unwillingness to accept the hardship and mind, which produces an unwillingness to accept the hardships and complicity of reforming the economic system and, in particular, has made it difficult to create the nonprofit initiative in our country. Although it is impossible to give all the numerous reasons for this situation here, a major one was the severe isolation of Bulgaria from outside influences and the lack of international monitoring over what was happening in the country. That enabled the authorities to stifle any attempt of independent mind without fear of the international public opinion, and to place the most active individuals into madhouses and jails. People felt free only within their networks of friends and relatives, and re-

lied on them for solving their everyday life problems. They organized informally "small circles of freedom". These groups not only became the basis for opposition to restore old political parties and to create new ones, but they also founded many voluntary organizations.

## Current State of the Sector

Bulgaria's Third sector developed extremely dynamically in 1991 and 1992. However, lack of statistical data and the difficulty in accessing court registers, make the exact picture unavailable. Excluding explicitly political groupings, we identified, from information in the mass media and other sources, about 400 organizations of different types active in various social spheres. It is possible that there exists an additional number of other registered organizations in the country, but that has been inactive.

### *Major Types*

Less than a dozen of such organizations consider themselves to be successors of ones which existed before the communist coup in the country. These are, for example, the Unions of the Deaf and the Blind, professional associations such as of the writers, journalists, painters, scientists, architects, actors, composers, or hobby organizations (e.g. the Union of Bulgarian Philatelists). These organizations, however, now suffer a serious identity crisis and are fragmented into factions. Furthermore, attempts to form new such associations so far has failed primarily because of the withdrawal of the genuine intelligentsia from the too politicized rivals.

On the other hand, specific legal status of nonprofit organizations appeared to be a serious obstacle to proving the juridical continuity. That is why just two of nonprofit organizations we studied - the "Shalom" Organization of Jews in Bulgaria (the Jewish Consistory) and the "D.A. Tsenov" Foundation in Svishtov declare their intention to use the Restitution Act to reclaim property belonging to their predecessors. This disruption of continuity means a serious loss of tradition and experience.

However, the transfer of the typically substantial resources of those organizations to autonomous foundations is a positive trend. Actually, the proper transfer of the once powerful public funds - adhering to some strict rules and procedures, indeed - seems to be not only a way of saving them from embezzlement, but also for making them effective sources for the shaping of a powerful Third sector. Positive examples of this phenomenon include the transformation of the former Communist Youth's Technical and Scientific Creation Fund (TNM) into the "Eureka" Foundation, as well as the appearance of some medical foundations on the similar basis.

The rapid growth of the Third sector occurred more than a year after the beginning of the political changes in our country (the intervening time seems to have been the necessary gestation period). In 1990, 40 of the 257 organizations that we studied were created; twice as many (87) were formed in 1991, and that

rate of increase continued in 1992. In 1993, however, we observe that the growth faltered: it is about equal to the rate of growth in 1990, and this pattern continues in 1994. This "slow-down" might be due to a failure to count all newly emerged organizations because many of them didn't manage to announce themselves in the national mass media. A new trend is observed more recently: it seems that there is an end to the former inclination to centralize everything in the capital; numerous new nonprofit organizations have been established in various towns all over the country.

The Bulgarian Third Sector is immature and unevenly developed. To a certain degree it seems isolated and relatively behind in comparison to the scope of changes in the economy and polity. From the functional point of view the cultural and arts organizations connected are disproportionately represented in Bulgaria - an image quite different to what is observed in other countries in transition. As much as the International Classification of the Nonprofit Organizations (ICNPO) is conditional (as well as, by the way, any classification) - it leads us to a certain somber reflections. In a survey of 302 organizations, 71 proved to be oriented mostly to culture and arts issues (various artistic and cultural activities, museums, theaters, orchestras, and festivals). Another eleven are connected with leisure activities, such as entertainment, hobbies, and sports (not including the official sports' federations, associations and clubs). This group supplements the classification group 1 to comprise as a whole 17.9% of the classified organizations. The second group of the catalogue includes organizations connected with education, science and scientific research - a total of 44, or 16.8% of the total. Thus, those two categories - culture and science/education - account for an impressive 34.7%. This fact could be explained with the traditional Bulgarians' love of culture and education. It also might be due to the prominence of intellectuals as the essential "entrepreneurs" of the nonprofit organizations. But it may also mean that intellectuals are seeking refuge for themselves in these difficult times. In contrast, excluding specialized health associations, only 4.32 per cent of the total represents social organizations (group 4, which includes social welfare, disaster and victim relief, and maintenance of the poor. Foreigners who don't realize unaware that almost 80% of the country's population nowadays lives at or below the poverty line might think that Bulgaria is a prosperous country. Moreover, purely social and charity organizations appeared to be the most unprepared and vulnerable under the current economic conditions and challenges. Some of them, such as "Home for Everybody", have disappeared, leaving no specialized organization to deal with the plight of the homeless. The free food distribution organized noisily in 1990 seem to have disappeared, though problem has gotten worse. Organizations like "The Charitable Swan" and "Diet-Yordanov" continue to exist only on paper. The number of environmental organizations (group 5) is also relatively high - 9.5 per cent from the total of the organizations studied. According to some sources, these organizations in our country now total about 150.

From the point of view of their "social origin", nonprofit organizations may be divided into state and public ones, combined state and public ones with private involvement, entirely private ones, and international or such with predominantly foreign involvement. The first ones, created entirely by the means of the state budget and supported by it, making only 4.7 per cent of the total. They include both the organizations created during the communist regime and by the municipi-

pal budget. With regard to the state and public ones with private involvement, we consider those organizations which have been created mainly on public money, but later, at least partially, were "privatized" and separated from the state or further secured their funds from private sources within Bulgaria. This category comprises 15.2 per cent of the 257 organizations surveyed. The genuinely international organizations - we don't mean the ones which only claim to be international, a widespread practice obviously inclined to increase their influence - and those with predominate foreign involvement represent 10.5 per cent. And, finally, the largest category are the private organizations (69.6 per cent). Indeed, this classification, based on study of organizations' documents, is to a certain degree conditional and a deeper survey could lead us to more or less significant corrections. Seemingly, it heralds a condition we would like to see in the near future in our economy - an abrupt change of the state and private property ratio in favor of the private one. It would be quite natural that the Third sector which is incomparably more flexible and autonomous, can easily surpass the general economic reforms. This is the case with those public organizations with certain private involvement, and the organizations where foreign interests are involved. They have a great advantage due to their larger resources. On the other hand, the entirely private organizations, which are the majority, tend to be miserably poor and often merely exist as a good but vague dream.

### *Networks*

Dispersion, weakness, lack of national-wide structures of most of the existing organizations, and complete lack of information about the activities of similar organizations, brings up a necessity for creating certain umbrella organizations and networks for mutual support. The third sector organizations also need common efforts in order to protect and defend themselves and to communicate on equal basis with the authorities - both local and central. Lobbying for modern and favorable legislation requires common presentation of shared interests. On the other hand, such efforts may evoke a fear that they may be perceived as a step back towards submission and centralization, and a loss of independence. Thus, after long debates and doubts, in April 1992 the Union of the Bulgarian Foundations was created to affiliate initially 35, and most recently 72 associations, foundations, unions and other organizations of various types and shapes with the exception of political ones. The Open Society Foundation, a part of the Soros Foundations, preferred not to join the Union, creating their own network of affiliated chapters, clubs, and community foundations. So did the Bulgarian Red Cross and others. At the same time, some steps need to be done to foster cooperation beyond the borders, especially with partners from the neighboring Albania, Macedonia, and Romania.

### *Economy*

Except for a few foundations, such as "Open Society", "St. Cyril and Methodius", "Eureka", and several others, the great majority of Bulgarian nonprofit organizations have insufficient resources to achieve their objectives. Exact data is difficult

to ascertain because organizations prefer not to disclose their finances. However, based on a rough estimation, 90 per cent of them dispose of funds between US\$ 2,000 and US\$ 4,000. It is quite natural that these low budgets prevent organizations to have ambitious programs.

Socioeconomic conditions in Bulgaria are now very unfavorable for the development of its Third sector. A vicious circle prevails: society, having fallen into a deep socioeconomic crisis, needs Third Sector, but the NGOs are crippled by the circumstances.

Finding sources of financing of an activity is a universal problem. Although the problem is exacerbated in a poor country like Bulgaria, some of its factors can be overcome or at least reduced. Among them we would point out inertia and deficiency of experience in fund-raising. Complaints about the scarcity of money often seem like a helpless whimpering. Simultaneously, there are organizations such as "Budno", "Nature and Health", "After Noon", "Tashko", "Mother Theresa" and a number of others that manage to find donors for their initiatives even in these hard times.

Factors other than sheer lack of money undercut fund-raising efforts. Practically, all possible sources of material support are deterred and this is not only an outcome of the overall economic stagnation. State enterprises are collapsing and any disposition to donate money for public purposes most likely reflects the cover privatization strategy of an individual manager. The so far weak private businesses are not able to make contributions. Even if single businessmen have the desire and the potential to donate, they lack appropriate incentives and reason to do so. Hence, it is understandable that business people tend to promote shows such as "Miss Topless" for its advertising value rather than the treatment of a seriously ill child for the reward of the appreciation of its parents alone. Furthermore, the state cannot free itself from the persisting obsession with centralization, which produces high tax rates that often are foredoomed to be not collectible, and by fears of independence of the non-state organizations.

### *Laws and Regulations*

Another formidable challenge for the nonprofit organizations in Bulgaria is the lack of adequate legal regulation. The hopelessly obsolete Persons and Families Act (PFA) exhausted its potential in this respect a long time ago. Bulgarian Law distinguishes five types of nonprofit entities: 1. RELIGIOUS ORGANIZATIONS, which are to be established with the particular approval of a specialized administrative agency. According to a recent amendment in the law, it is after receiving prior approval that religious organizations may seek to register as an association or a foundation, or may choose to exist administratively as a specific confession-regulating body; 2. LABOR UNIONS are another category. According to a recent amendment in the law, they register with the courts (which they were not required to do earlier) as associations, but there are no provisions to provide for a specific structure and procedure of governance; 3. POLITICAL PARTIES are the third specific type of organizations. As a remnant of single-party regime until the spring of 1990, the newly established political parties had to register under the PFA. According to the current law, a political party may be formed by at least 50 founding members and must apply to the court to be entered in the aggregate

national register, kept at the Sofia city court; 4. ASSOCIATIONS is a catch-all category which includes all membership organizations with the exceptions of the political parties and some religious organizations. 15 founding members are necessary to form an association; 5. FOUNDATIONS are believed to be "a specific property dedicated to a specific objective". Their simplified procedure for registration after an application by three people, submission of a statute, and vague formulation of the provisions for their structure and way of governance, facilitated foundations to spread extensively. "A Foundation" under Bulgarian law means all non-membership organizations but some religious ones. Both Associations and Foundations may apply for registration in any of the 28 district courts, according to their declared domicile for which they pay a moderate fee.

Under Bulgarian law, both Associations and Foundations are private (non-governmental) juridical persons with a nonprofit (literally "non-economic") purpose. There is no differentiation of "mutual benefit", "public benefit", "charitable" organizations, or any other sub-category, and thus all these organizations are subject to a single set of legal rules. Current legislation provides also that every foundation is expected to have "a supervising member of the government, whose domain is related to the purposes of the foundation". Formally, the designated supervisor possesses large jurisdictions, including replacing officers of the foundation, amending the statute and even changing the purposes of the foundation. However, in practice, most of the ministers are not familiar at all with the foundations in "their" field and, since the separation of the powers has been largely promoted during recent years, they avoid bothering themselves with such controversial activities (in the words of a former minister, "I am not going to deal with a body which is not approved either by myself or by my ministry"). This is one more example of an inoperable provision of the law. Unprepared to deal with hundreds of autonomously appearing and self-regulating subjects, the old fashioned legislative system literally crashed down before our eyes. The enterprising Bulgarian, who has ever had a dubious mind toward the justice and the legislative system (there is an old saying that the law is a "gate in the field" and only the fools go through that gate), immediately seized the wide opportunities for self-enrichment, offered by the confused situation.

### *Tax Policy*

The existing tax legislation and tax policy are equivocal and incomplete; and so they often leave to the whims of individual tax officials to rule out the nature of a given payment. Under a recent amendment in the law, non-profit associations are obliged to pay a 40% corporate income tax on the increase of their property as a result of economic activity (income from interest and securities is not included). Foundations do not pay any corporate income tax.

With the introduction of the VAT at a single rate of 18%, all nonprofit organizations are obliged to pay it as included in the prices of all goods and services as regular consumers do.

There is an inheritance tax at progressive rates - starting at 2 per cent and going as high as 50 per cent. In case the property has been bequeathed, the amount of the tax due is increased by another 50 per cent. As far as foundations keeping bequeathed property, they are exempt from tax on bequests. If they transfer the



bequeathed property, they have to prove that this is done according to their original purposes; if they fail to do so, they owe the full amount of tax on both the bequeathed and the transferred property. Associations are liable for the full amount of that tax.

Another type of tax is the municipal fee on donations. Property donations are charged with a progressive fee, starting at 2 per cent and going as high as 50 per cent. Foundations are exempted from this fee under the same conditions as described in the case of bequests; there is no provision for exempting associations.

Both associations and foundations have to pay in full all provided customs duties levied on in-kind contributions from abroad. There is a cumbersome procedure by which the Minister of Finance may relieve nonprofit organizations from paying custom duty on a case by case basis. This, in fact, curtails the efforts of nonprofit organizations to seek in-kind contributions because it is quite possible that some organizations might not have enough funds at their disposal to meet customs duties.

As for deductions among individuals, only the self-employed are entitled to deduct as much as 20 per cent from their taxable incomes for the contributions made to the state, as well as to organizations with educational, scientific, cultural, health care, sports and tourism goals - both voluntary and funded by the state budget; to charities; to funds for the support of victims of natural disasters, restoration and preservation of natural, historical and cultural monuments; and for support of children with health problems, orphans, and handicapped. Bulgarian corporations are currently not allowed to deduct any contributions for charitable purposes from their taxable profit; unlike them, foreign corporations and joint ventures (with more than 50 per cent foreign-owned) may deduct contributions for activities such as listed above from their taxable income without limitation.

These are the rules for the moment. A distinctive feature of the tax policy in Bulgaria in recent years is its unpredictability and fluctuations with the often changing cabinets.

### *National and Local Policy*

As a rule, consequent cabinets, no matter of political color, virtually neglected the issue of the NGOs, and revealed full ignorance about their problems. Initially, in 1990, quite liberal rules governing nonprofit organizations were introduced. However, following some abuses left without proper investigation, these rules were abruptly severed. This is of course negatively reflected in the VOs activity, depriving them of opportunities to expand and develop. A recent example illustrates this negligence towards the Third Sector. At the hearings of the State Budget draft, The National Consumers Federation was denied the small amount of money it had requested in order to use as a matching fund for acquiring substantial foreign aid. The high-ended attitude of the government is strongly felt by the organizations concerned. In a recent survey of voluntary charity associations (Donchev & Minev, 1994), the respondents were asked to assess how the state influences their activity. They did so mentioning mainly the social climate it promotes. It is favorable according to 13 per cent, and unfavorable according to 38.7 per cent. In another survey (Nikolov, 1992) the interviewed leaders of 80 nonprofit organizations were asked to rate the role of 10 important factors for the devel-

opment of the nonprofit practice in Bulgaria. The survey found that "the existing legislation" was rated among the least favorable ones with 2.61 on a 6-point scale.

Similarly, there are some occasions where the local authorities enhance the activity of some local organizations, especially when those promote activities which the municipal budget is no longer able to maintain entirely - such as museums, orchestras, etc. They may be given office rooms and other facilities free of charge or be helped and supported in some other way.

On national level, there are several foundations which were established or are regulated by a special governmental decree - "1300 Years of the Bulgarian State" Fund, "St. Cyril and Methodius" International Foundation, Open Society Foundation, and so on. They receive indirect government support, such as favorable exchange rates, exemption from some taxes, etc.

Some organizations have partially subsidizes budgets - the unions of the handicapped, the deaf, the blind, the Red Cross, etc. being commissioned to execute certain national activities (e.g. the Bulgarian Red Cross maintains the mountain rescue and water safety services).

## A Special Topic: Public Opinion of NGOs

Certain tension is present in the interrelations between the population and the nonprofit organizations. Public attitudes seem to disfavor these organizations. Sociological surveys confirm an almost persistent tendency to lean on the state as a preferred source of all social services - from employment, education, medical care and regular income to the care of teenagers and the old. According to data collected with the assistance of the Center for the Study of Democracy in May 1994 representative sociological survey, sponsored by Charles S. Mott Foundation (CSD, 1994), Bulgarians in their huge majority do not only trust the nonprofits, but they are also almost unaware that such ones organizations exist. Asked "According to your opinion, who truly is able to solve the your town/village problems in the following domains - health, education, public order, transportation, and social service", civil associations receive a disappointingly low expectations - from 0.8% for the health and education to 1.4% for the... public order(?!).

If we turn to another representative sociological survey (Nikolov, 1991), we see that only 28.0 per cent of those surveyed have a positive attitude to the civil organizations and movements (and solely 6.3 per cent - absolutely positive), while almost half (48.4 per cent) reject them.

Among the answers to another question - How do you perceive the following words: "environment" and "culture and arts" (together with the "peaceful transition") - respondents ranked them on undisputable first places, receiving the positive evaluation respectively of 73.0 per cent and 72.6 per cent of those interviewed. On the contrary, "political party" (45.7% positive attitudes and the highest level of negative ones among the all - 28.0 per cent), "individualism" (42.0 per cent : 25.5 per cent), and "foundation" (40.9 per cent : 14.6 per cent, but with a highest level of "not knowing" - 27.6 per cent) occupy the least places in the "classification" (CSD, 1994).

The respondents were also asked to assess the civil groups activities in their most important role, i.e. the influence on the authorities to undertake certain

political measures. The question was: "According to you, to which degree can various groups of citizens, united by a common goal, impact solutions of problems in the indicated below domains". The answers indicated greater optimism and understanding of the role of these groups in the civil society, although respondents are too reserved as for their potential. Only 7.5 per cent and respectively 7.7 per cent expect from these groups to impact "in a great degree" in the fields as national security and the economy and finances (CSD, 1994). It is obvious that the majority of respondents sees such areas as exclusively public domains; "unauthorized" citizens are not welcomed. Only in the domain of environmental protection - probably under the influence of very active organizations in this field - 20.3 per cent of the interviewed responded positively. (It is worth mentioning here that only 4.1 per cent of the interviewed indicated that the environment protection is among the three most salient issues of our country.)

Under these circumstances, when the distrust is so strong, both fund-raising and recruitment of volunteers from the grass roots is not an easy task. An attempt was made to reveal the personal opinions of the interviewed, by asking them what they personally would do now in order to help solving the problems of both culture and improving the environment (CSD, 1994). Quite naturally, under the circumstances of widespread impoverishment, as little as 3.1 per cent (in the case of culture) and 2.0 per cent (environment) reveal readiness to donate personal funds (cash). Respectively, 15.7 per cent and 24.3 per cent in the two fields were ready to extend their labor and knowledge. The most - 31.7 per cent and 29.1 per cent - feel themselves not in position to offer anything more than moral support. It is promising that the "egoistic" position of "I don't dispose of neither time, nor a desire to help" has been chosen by only 8.2 per cent and 5.2 per cent in the two cases. At the same time, the majority of the respondents (respectively, 38.8 per cent and 36.8 per cent) are convinced that problems of both culture and the environment protection have to be entirely charged to the state and solving them ought not additionally bother ordinary people (CSD, 1994). The circle is closing itself: the statist model is hard to uproot among the Bulgarians.

Viewed through the prism of the age groups, answers to the above questions are shaped as an irregular pyramid. A proportion of those who express readiness to undertake one or another activity in supporting culture and environment increases progressively until the age cohort of 41-50, then it starts to sharply diminish, and to be very low with the eldest group. This tendency is especially explicit in the answer "I would help with money".

Unwillingness of the Bulgarians to show their personal concerns, together with the already mentioned distrust toward the governmental institutions and public organizations is disclosed especially strongly in the answers of the following question: If in your family an urgent need of a great amount of money has emerged, (for example, for a treatment of a disease), from whom you would first seek support? The answers are persuasive: 74.3 per cent would approach friends and relatives, only 11.0 per cent would look to the municipality of the town/village of their residence, and 2.6 per cent would consider a foundation, and less than 2.0% would approach the President, Council of Ministers and the Parliament (CSD, 1994).

Heavy distrust toward the civil organizations and movements is in a great degree based on a broadly spread ignorance about the essence of these organiza-

tions. To a question with an open answer to identify names of NGOs and nonprofits, 87.7 per cent from the interviewed were not able to indicate even one name, 10% has indicated one name, 4.8 per cent indicate two, and only 2.5 per cent three. Regardless the heavy and hungry 1990/91 winter when a considerable amount of aid mainly from Western countries and our compatriots living abroad was directed to our country, 81.5 per cent of our respondents have never received any kind of aid from charity organizations and merely 8.7 per cent did (Nikolov, 1991). Three years later the situation is as follows: only 0.4 per cent from the interviewed admitted receiving (by themselves or by a member of their family) any kind of support from a certain foundation, 3.7 per cent had "heard of such a case among neighbors or known people", 10.5 per cent hadn't received, but would like to, 11.9 per cent did not know about the existence of such organizations, and the remaining 72.5 per cent of those interviewed report of knowing no case of support from a charitable organization (CSD, 1994). The Bulgarians' attitude towards the charity organizations is controversial: 27.2 per cent from the surveyed estimate the charity organizations in our country as an expression of a "noble tradition", 19.8% say that "they are useful", 30.8% regard them as means of a fast enrichment of dishonest people and dirty money laundering, and 22.3% have no opinion (Nikolov, 1991). When we included the same question in the questionnaire for the 1994 Center for the Study of Democracy study, we added exemplary answers among the existing earlier - "They (i.e., the nonprofits and foundations) give to the people opportunity better to defend their interests and to participate in decision making concerning important issues" and "They are superfluous and unnecessary". Respondents could select up to two answers. 30.7 per cent of them believed that charities and foundations existing in Bulgaria revived a noble Bulgarian tradition, 19.1 per cent believed the later ones are useful for our survival during these difficult times, and 10.2 per cent argued that these organizations give the people opportunity to protect their interests better and to take part in the decision making on important issues. After so many charges against individual foundations and the prevailing negative attitude toward them, 17.0 per cent see these types of organizations as a tool for fast enrichment, 12.0 per cent view them as a device for dirt money laundering, 9.7 per cent perceive them as superfluous and unnecessary, and 7.4 per cent think of them as channels of alien interests. As a whole, the proportion is noticeably in favor of the positive interpretation - 60.0 per cent : 46.1 per cent, which seems very unexpected under the circumstances of a strong definitely negatively biased anti-foundation campaign, maintained persistently especially by some of the most read Bulgarian newspapers.

## Critical Assessment

If one compares the nonprofit organizations in Bulgaria to an ideal state or to a fully developed, ripe civil society with strong, powerful, well-structured Third sector, with broad public support and financially stable, with good networks, and deep grassroots, etc., then it is quite easy to say that third sector in this country is insignificant. Although the Third sector in Bulgaria is rather weak, and immature in comparison to other countries, but it is there and is on the way. Some of

the organizations are in a good state, assessed even by very strict standards. It is true, though, that they are a minority. The majority is quite immature, being very young and at the beginning of its activity. The rather chaotic rise and disappearance of numerous organizations, which was characteristic for the beginning of the transition period, seems to have subsided. The picture is more stable now, and nonprofit organizations slowly grow in number. They also grow stronger and more efficient, although the process is long and difficult.

The nonprofit organizations indeed are enthusiastic, their members are sensitive to the public issues and willing to do good. At the same time, the lack of experience and of management skills is evident. They have difficulties in communication - with local authorities, with target groups, with the various communities, and with the general public. They do not know how to advertise, and how to raise funds, how to recruit volunteers. Quite often, they do not make their efforts effective. Some organizations consist almost only of their executive boards and exist merely on paper: they do not wish to join in broader actions organized by others.

The social circumstances in the country may be evaluated in two ways as to the activity of the nonprofits. On one hand, there exist some suspicion and doubts towards them, due to some misdeeds, already mentioned above, but also to the lack of numerous positive results and poor advertising. Generally, people do not feel that nonprofit organizations are part of their lives. The legislation is not quite favorable and neither is the social climate. There aren't many rich people to help financially, and those who are there, are not quite inclined towards charity or cultural causes, let alone - toward charity through foundations, or towards supporting the NGOs themselves.

On the other hand, the existence of so many problems of all kinds in Bulgarian society now is itself a good opportunity for the Third sector to become active in dealing with them, launching campaigns in support of significant issues, working for socially approved causes, making people willing to help the communities and those in greatest need. In such a way, the relative isolation of the nonprofits may break and once it is better understood accepted, public support for it and other social circumstances will change for the better.

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The rapid expansion of charitable and other nonprofit organizations in Bulgaria is, obviously, a positive phenomenon. It shows that the noble tradition has not disappeared. It only needed a favorable environment in order to be fully restored. The media report almost daily the establishment or undertakings of some helping association, concerned with the sick, the poor, the education of gifted children, the rescue of endangered cultural monuments, and the like. Such serious allegations have surfaced that their genuine purposes behind the noble missions are not quite fair. However, the mere existence of these forms of self-help calls society's attention to certain needs and issues in the conditions of distress and disorientation, when practical experience is missing, and means that the Third sector is positioning itself for a constructive role in the social life in our country.

The Third sector in Bulgaria has a difficult road ahead until it matures and achieves its proper place in the country's social structure. A less auspicious time

could hardly be chosen for its start. Nevertheless, it must succeed because it is crucial to the achievement of a democratic civil society in Bulgaria through a relatively painless transition from the exhausted centralized socioeconomic system to the unmerciful anarchy of the market-economy society.

### Note

1. Published in the Durzhaven Vestnik (State Gazette), No.182 of 9. August 1949, corrections published in Izvestiya na Prezidiuma na Narodnoto Subranie (Journal of the Presidium of the National Assembly), No.193/1949, amendments No.12/1951, No.12 and No.92/1952, No.15/1953 (corr.16/1953), 89/1953, No.90/1990, No.90/1956, No.50/1961, and in Durzhaven Vestnik No.23/1968, No.36/1979, No.41/1985, No.46/1989, No.20/1990 and No.15/1994. For the elaboration of this particular section, authors did use Kjutchukov (1995).

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