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# Spheres of exchange in the Bulgarian transition

*Sophie Chevalier*<sup>1</sup>

## **Abstract:**

In her research on domestic economy and exchange systems linking Bulgaria's rural areas to its major cities, Sophie Chevalier was soon confronted with the necessity of describing and analysing a complex process which takes place at various levels. Based on her empirical material, she approaches this task by building up four conceptual "spheres" of exchange: kinship, state, market and international (currently "Europe"). Each of these spheres is characterised by specific types of social relations and requires different kinds of social investment by individuals. The study also opens up a way of looking at how people gain access to property.

First, the author presents the transformation of economic life through a brief account of her local fieldwork. Then she describes and analyses how people organise their economic strategies, both individual and collective. These may be mapped with reference to the four different spheres. The first three are internal to Bulgarian society in the long run, while the last involves recent historical changes in external relations. She compares all four spheres, paying particular attention to the growing importance of money. The spheres of exchange are based on different relational values, built up through individual experience and reflecting important historical changes in institutions. The paper thus explores the relative significance for Bulgarians today of personal identity; national citizenship; private contracts; and transnational community. In conclusion, Sophie Chevalier offers some remarks concerning the relevance of the framework developed here for the study of property relations.

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## Introduction

My interest in Eastern European countries has only been developed for a few years, and my fieldwork has been carried out exclusively in Bulgaria during this time. Before that – and still – I carried out comparative research in Western Europe, between France and Great Britain, focusing on consumption practices and forms of exchange (Chevalier forthcoming). My interest in Bulgaria is a part of this extended comparative project, but, in going East, my perspective has changed. If, at the beginning, I was mainly interested in the domestic sphere and only secondarily in how it reflected wider social influences, today my approach is based also on the public sphere, especially on the role of public institutions in the constitution of private spheres. As a social anthropologist, I seek to apprehend Bulgaria's transition through the personal experience of individuals.

So, for three years now, I have been undertaking research projects in Bulgaria. On the one hand, I have carried out “classical” fieldwork in a small town situated in the North-West of the country – Tchiprovtsi. Here I am working on domestic economy with special reference to exchange systems. On the other hand, within the framework of a project on European enlargement,<sup>2</sup> I have started to work on institutional programmes related to the development of the market economy, especially on development micro-loans. So far I have interviewed people in Sofia and Brussels.

I was soon confronted with the necessity of describing and analysing a complex process which takes place at various levels. Above all I have tried to see the situation as Bulgarian people experienced it. One of the big challenges of social anthropology today is to take into account different levels of reality, ranging from the local to the global, in short, history. Based on my empirical material, I approach this task by building up four conceptual “spheres”: kinship, state, market and international (now “Europe”).

Each of these spheres is characterised by specific types of social relations, and requires different kinds of social investment by individuals. Hitherto I have concentrated on the forms of exchange typical of each sphere. These tools help me to analyse individual strategies in different social spaces where distinctive statuses are relevant; rural and urban spaces. More generally, they allow us to articulate different levels of social change; and they can be used to analyse spheres of exchange in other European countries, thereby making comparison possible rather than treating Bulgaria as an isolated case. I also believe that study of the spheres of exchange I have identified does give us a way of looking at how people gain access to property<sup>3</sup>. Indeed three of the spheres correspond to the conventional classification

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<sup>2</sup> The first project takes place within the framework of a French-Bulgarian programme (CNRS/Bulgarian Academy of Sciences) and the other project was begun as part of a CNRS group called Laios (Laboratoire d'Anthropologie des Organisations et des Institutions Sociales) in Paris. Laios gave me the opportunity to discuss some aspects of this paper with Bulgarian colleagues, whom I would like to thank here.

<sup>3</sup> Marcel Mauss in his hitherto unpublished extensive political writings (*Ecrits Politiques*, edited by Marcel Fournier, Paris, 1997) shows the importance of thinking about exchange and property relations within a single framework of analysis.

of common, state and private property, even if there is not a strict equation between one sphere and one type of property relations. And the fourth, which I am calling “Europe” for now, represents the wider international context within which property relations are likely to be defined in Bulgaria in future.

Tchiprovtsi is my ethnographic point of departure; in contrast, the other spaces I consider are urban, like Montana, the main town of the district, but especially Sofia, the capital city of this still very centralised country (Creed 1993, 1998).<sup>4</sup> It is also relevant to introduce a new<sup>5</sup> international zone, “Europe”, which is starting to influence the lives of Tchiprovtsi’s inhabitants directly. But first I would like to present the transformation of local economic life through a brief account of Tchiprovtsi.

## I. Tchiprovtsi

The small town of Tchiprovtsi is located about 150 km from Sofia, in the North-West of the country, in the Balkan mountains, and about 10 km from the Serbian border (which is closed in this area, so the town is situated in a dead end). Tchiprovtsi is at the head of a county which includes nine villages in the district of Montana, the nearest city of any size. It played a major role in Bulgarian history. In 1688 this Catholic city took up arms against the Ottoman Empire with the help of the Austro-Hungarian Empire. This revolt failed and the inhabitants were killed or deported (to Banat or to Serbia and Moldavia), where their descendants still live. It is also well-known historically for its silversmith's school and today for its production of rugs ('kilims'). Several communist leaders were born in this region which is still politically "red" (as is the town council). During the last elections people re-elected a man who was already at the head of the town council before 1989. If there are no longer any Catholics, there is now a small evangelical community.

Households often combine several generations and both units of production and of consumption. Entrepreneurial projects are often based on kinship, usually two brothers with their wives, with the collaboration of the men's parents. The kinship system is patrilocal: young wives go to live with their parents-in-law. The town is organised in a few wards whose founders were important families. These wards are places of social and religious life and sources of support.

If in 1990 Tchiprovtsi had about 4,000 inhabitants, today there are only some 3,000 persons. The whole county has a bit more than 6,000 inhabitants. This situation is linked to the progressive disappearance of economic activities. If the main changes occurred just after 1989, reductions in the level of economic activity continue from one year to the next, so that

<sup>4</sup>It seems that, after 1989, the “transition” was followed by some devolution of powers to local authorities in their relations with the centre. But since 1997, when the “blues” (Union of Democratic Forces, a centre-right coalition) became the government, they have tried more or less successfully to increase control over local government bodies.

<sup>5</sup> Of course by “new” I do not intend to say that before 1989 Bulgaria did not have any relations with other European countries. But “Europe” in the sense of the European Union is a “sphere” of exchange to which Bulgaria will sooner or later be closely attached.

the transformation is ongoing and may be observed today. The main enterprises were (in 1989 and after):

- a mine which soon was unable to pay full wages; the miners tried working in rotation and now it is closed down;
- a factory, called "Revolution", which produced components for Kalashnikov rifles and has closed down recently;
- a co-operative textiles factory (kilims; sports gear) opened three years ago in the place of a former one; but some of the workers now make kilims at home;
- a co-operative bakery which is closed;
- a collective farm was dismantled, but in its place small co-operative farms were created in three surrounding villages.

Except for some small shops and one industrial bakery, few new economic activities are starting up. The state still provides some public services: a small hospital (supported by a grant from the European "Phare" programme); schools; a cultural centre – "Tchitalichte" - a library and a local museum. The return of lands to their former owners, begun in 1993, is being implemented slowly and with reluctance. The main obstacles to cultivation in this area are a lack of appropriate agricultural equipment, wide scattering of plots and difficulties in selling products. So agriculture in this area is not attractive because not profitable. Part of the population is indifferent to the return of land, because they don't see any immediate economic returns (except when lands are situated in the town centre or already built upon). The management of the forests, which cover a significant area, is on the way to being reformed in order to make it more profitable, but the town council has been delegated to allocate firewood.

Tchiprovtsi's inhabitants always cultivated a plot for subsistence. Generally, people have vegetable gardens around the houses they own, and some plots outside the town a few kilometres away (which they can reach by foot as not many people have cars). This practice has not only survived the political changes, but has expanded. People who did not cultivate their plots before, because they had high salaries which allowed them to pay for the food they needed, have now begun to do so. Many households also have domestic animals. Owners of goats and sheep are organised as an informal collective and they pay a shepherd to take the animals into the mountains from April to October. Some households collect mushrooms and berries, or go hunting. People use wood for heating: they collect wood in the forest with the agreement of the town council who try to organise it fairly. The first destination of products is domestic consumption by the extended family; surplus stocks are bartered against other products or more rarely sold for cash.

Little by little, economic activity for most of the inhabitants of the area has been reduced to subsistence farming. People feel bitter about what seems like a reversion to a "peasant" condition. Young people especially experience this decline as a humiliating loss of status. The previous regime's attempt to industrialise rural areas has come to an abrupt end, at least

for the time being. Tchiprovtsi, for the first time in its history, is falling into rurality, whereas its national image is as a small industrious town which always resisted oppression. In addition, accession to the European Union will reinforce this division between rural and urban spaces through the classification of areas for development purposes<sup>6</sup>. Tchiprovtsi has been included in a region designated as a priority area for agriculture and probably risks being consigned forever to the rural world.

## **II. Spheres of exchange**

I argue that, for people coming from this small town, different spaces – the city, Montana and especially Sofia, on the one hand, and their place of origin, the county of Tchiprovtsi on the other – offer distinctive resources which help actors to organise their economic strategies, both individual and collective. To these spaces must now be added Europe. These strategies may be mapped on four different spheres of exchange which rest on different forms of relations:

1. the sphere of kinship;
2. the sphere of the state;
3. the sphere of the market;
4. the sphere of international (especially European) institutions.

The Bulgarian transition is conventionally understood as a shift from state to market economy; but I will argue that such a shift needs to be placed in a context which includes the other two also. I will start by analysing the first three because they are internal to Bulgarian society in the long run and the last involves recent historical changes in external relations.

According to the classical understanding of spheres of exchanges (Bohannan 1955), goods of the same type usually circulate within a given sphere. In my analysis some goods are exclusive to one sphere, while others may be found in several. What matters is that each sphere gives expression to different values and forms of social integration. These spheres of circulation crosscut rural and urban worlds, and the actors bring into play different forms of exchange (both monetary and otherwise). Only money circulates in all spheres. It is not restricted to the sphere of the market which itself also involves non-monetary transactions like barter. Nor is the market sphere the same as “market economy”, since market exchange already existed during the period of planned economy. By widening the analysis of exchange to the four spheres I have listed, it becomes possible to examine how people build up their economic relationships in complex patterns capable of responding to the historical changes they face.

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<sup>6</sup> The European Union has introduced its own criteria to define “rural/urban areas”. An area is rural if its population is up to 100 inhabitants/kmsq. This is an average comprising both urban centres and countryside (including cultivated and uncultivated lands). This is a working definition, not an official one (oral communication from Andrew Davies, Territorial Development Service, OECD Paris).

### *1. The kinship sphere*

What I have in mind here is a range of intimate, long-term relations of which kinship networks are the most important; but friends and neighbours may also be included. Kinship is the prototype of close and lasting relationships between individuals; perhaps the obsolete term “kith and kin” captures it more accurately.

This sphere of mainly family relations is concerned with food production managed inside domestic units which include parents and dependent children, as well as often grown-up children who live in other towns. The members of this domestic group share the same house which often contains separate dwellings. In the relative absence of agricultural machines, labour is at a premium, so that it is important that kin, neighbours and friends help each other.

If the first destination of products is Tchiprovtsi’s domestic self-consumption, they enter into exchange networks within the extended family who live in cities, such as Montana and Sofia. At the end of summer, jars of preserves circulate intensively, empty on the way from cities to Tchiprovtsi, and full when they go back (Smollett 1989). In return, the beneficiaries – usually grow-up children who live away from home - come back to help out in domestic production in Tchiprovtsi, regularly or during their holidays (or even at week-ends). These visits also allow couples to see the young children they have left with their parents (usually the wife’s mother).

Few Tchiprovtsi inhabitants own flats in Montana or Sofia big enough to allow their children to live there as students or workers. Members of the family can be offered hospitality when they stay in the city to complete administrative procedures or to make important purchases. Transfers within families or between generations are made in two directions. Before 1989, it was mostly parents who helped their children because they retired early and had good pensions (this is also the situation in parts of Western Europe); but now, pensions are worth less every year and pensioners cannot survive without the help of absentees of the younger generation.

These exchanges within kin networks between city and country go beyond material goods and services, even if these are necessary for family survival. They also allow for expression of a symbolic element, as is revealed by the case of Manol and Tsvetelina, a recently married couple. Both are from the county of Tchiprovtsi, but they established their relationship in Sofia. They came back to Tchiprovtsi to get married, in order to respect the traditional ritual sequence of the wedding. Manol’s parents built an extra floor in their house to welcome the young couple. But they could not find a paid job in Tchiprovtsi, so they went back to Sofia where they live in a tiny flat. Tsvetelina is a housewife taking care of their small boy. Manol’s modest salary is not enough for survival without the help of Tsvetelina’s parents who send them almost all their food. The couple come back during holidays to help their families, and their commitment goes beyond material assistance.

Tchiprovtsi gives people the opportunity to assert their identity as members of a lineage and a community, which are defined by relationship to territory and house. Farming work is a very common and concrete way to assert local identity. Access to land is not only important for the

domestic group's survival, in both town and countryside, but also for anchoring the lineage in space. Inhabitants without access to land face economic difficulties for sure, but they are also made thereby marginal to the community or given a specific outsider status (as, for example, in the case of the Pentecostal priest who could find no-one who would lease him a plot to cultivate). Coming to get married in Tchiprovtsi, like Manol and Tsvetelina, or at least to take part in the annual collective sheep sacrifice (*courban*<sup>7</sup>) in Tchiprovtsi on September 6<sup>th</sup> are other ways of affirming identity. At the same time, being able to give kin access to urban consumption and to the city way of life (housing and transport, for example) brings prestige to people. Such symbolic dimensions of exchange are as important as the circulation of commodities or money.

Material and symbolic aspects of exchange strongly overlap: goods of both kinds circulate between kin in Tchiprovtsi and the big cities, in different forms. People of Tchiprovtsi exchange money (loans), food, commodities and various services, especially childcare and farming duties. People pool their labour, capital and other resources in family enterprises which are usually located in urban places. Hospitality is a common currency in this sphere, as much in the city as in the country. Exchanges in this sphere of kinship are quite balanced. City and country offer different resources which give people opportunities to keep or even increase their symbolic as well as material capital. Social integration in this sphere is based on personal and familial identity, and on local origin.

## *2. The state sphere*

Economic and financial exchanges between city and countryside are diminishing as a result of changes in recent years. Tchiprovtsi has lost its industrial production – and rural production is little more than subsistence agriculture. The taxes and fees collected there are very low. Monetary transfers from the state are intermittent and unpredictable; so that there is a shortage of cash in this rural area. Public services provided by the state are in decline, as is its role in economic development: having closed down the existing factories which are no longer sustainable, it has not been able to create any new jobs.

There is nevertheless one domain in which state "production" is always very important: law and administrative rules. These are supposed to give some framework for local actions, but very often civil servants re-interpret these rules or apply them without enthusiasm. Relations between Tchiprovtsi and the central government are marked by a mutual lack of confidence related to their political differences ("red" versus "blue"). Even if the national government has been relatively stable these last few years, the inhabitants of Tchiprovtsi don't have much faith in it, as I noticed when I was there during the Kosovo war. And the government in turn does not expect any democratic legitimacy from a county which is in the opposition.<sup>8</sup> Moreover, the locus of state political power remains in the big cities, especially Sofia.

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<sup>7</sup> A festival when one or more sheep are sacrificed; their meat is then cooked for a common meal, blessed by a priest and distributed to families and kinsfolk who sometimes come from far away.

<sup>8</sup> Written before the general election of June 2001 which voted in ex-King Simeon II's party.

Inhabitants of Tchiprovtsi go to Montana or to Sofia looking for the political patronage and expert help necessary for any public project to be successful.

One source of legitimacy for the state and its bureaucracy lies in its ability to redistribute goods and services. As Verdery (1991) shows, it is a characteristic of planned economies (also found to some extent in market economies) that bureaucrats control the redistribution of goods and services in order to maintain a patronage system. At the local level, the town council still plays this role (in social services, education and health), but only with difficulty, owing to its lack of resources. The system still operates partly at the regional level, but the people of Tchiprovtsi have a hard time at the central level. Most of their traditional networks are disappearing or cannot be used any more: after the “blues” came to power, the town council was deprived of its national networks. Also state bureaucracy is being replaced in some domains by local entrepreneurs who are building up client relations of their own.

In fact, the inhabitants of Tchiprovtsi now consider that they give much more to the state than they receive back; and that the latter can offer them very little except administrative documents which are of course necessary to legitimise transactions (for example titles to property and evidence of civil status). But often they have to rely first on kinship ties to obtain them. It is also true that part of the state’s duties are now left to the market sphere or to NGOs (known as “the third sector”) operating in the international sphere, mainly “European”; and these ostensibly act to replace the deficiencies of the public sector in reconstruction.

Social integration in this sphere is based on citizenship, an individual form of integration to society. Before 1989, this usually involved belonging to the Communist party which gave a wider dimension to citizenship, and brought symbolic prestige as well as easier access to some material and immaterial resources. To belong to the Communist party was the main basis for political and social identity, but today it is necessary to operate differently. To be a member of the BSP (Bulgarian Socialist Party) can be an advantage at the local level, but less so at the district level and none at all at the national. Citizenship is now something which operates in plural registers and the complexity of the game often led my informants to restrict themselves to the local level, or even to look towards Western Europe for international networks (or of course to maintain their networks in Eastern Europe).

### *3. The market sphere*

There are two main kinds of exchange in this sphere: monetary and non-monetary. These do not match the distinction between impersonal and personal exchange (Kaneff 1998). Shortage of cash and credit restricts the development of a fully monetarized market sphere. In addition, non-monetarized exchange always played an important role in the planned economy before 1989. Barter is the most important informal mode of exchange in this market sphere, especially for self-produced goods surplus to domestic consumption or the needs of the extended family. These barter exchanges happen between people who maybe already know each other, but the important link between them is contractual (mainly oral contracts). In fact, all exchanges in this market sphere are based on contracts.

Potatoes are over-produced in large quantities for purposes of barter. For example, a family of two couples from succeeding generations can produce more than one ton of potatoes a year. People from Tchiprovtsi barter with each other on a small scale; but exchanges on a larger scale happen either in local markets early on Sunday or in the district capital (Montana), in the plains. At the local level, this kind of exchange requires advance knowledge: everyone has to know who is producing what and more or less, how much. If the partners do not know each other, they have of course to reach an agreement over the kind of goods they want to exchange. This agreement may be carried over from year to year because it concerns agricultural products. At least the market has to be organised in such a way that people from Tchiprovtsi come with certain kinds of products and people from the plains with others. But actually the types of goods available for exchange don't fit so well with the needs of partnership; and people explained to me that they sometimes couldn't find partners to barter with.

Usually people from Tchiprovtsi barter potatoes for maize (for feeding animals); but also they barter potatoes for meat, or grapes to make wine, or vegetables for preserves when the crop is bad, etc. The value of the goods exchanged is based on local market prices. But these exchanges can include other goods like clothes: young women meet specifically to barter clothes, in order to vary their wardrobe. As well as objects or products, people exchange services: repairs; sewing; car trips; etc. In addition, most enterprises continue to pay their employees fringe benefits in kind. Thus employees of a textile company receive leisure clothes, and people who are working in the industrial bakery receive three loaves of bread a day which they can sell or barter afterwards. Similarly debts can be paid off by performing small tasks. Anatoli, the young owner of a small industrial bakery and shop with the monopoly of bread suggests to people who are in debt to him that they should do small jobs for him in order to reimburse him. As a specific mode of exchange, barter between individuals takes place within a restricted geographical space, in Tchiprovtsi and its surrounding area, sometimes in Montana, the main town of the district.

In contrast, monetarized exchanges take place in a much wider space articulating rural and urban worlds. Some self-produced or collected goods are sold. Mushrooms, berries (mostly blueberries) and walnuts are seasonally bought by traders who travel through villages on behalf of big preserves manufacturers in Sofia or other cities. For example, one of my informants, a young miner employed only part-time, collects 200 kilos of mushrooms per year. He keeps some for his own consumption and sells the bulk to wholesalers who fix the price. Kilims are also sold to traders; sometimes they order the rugs in advance by giving necessary material (wool; etc.). Several inhabitants of Tchiprovtsi trade directly: they sell kilims in Sofia, both newly made and old, but also spare parts for cars which are cheaper here than in Sofia. This trade is organised informally, on the basis of kinship and friendship, around somebody who has a car.

It is possible to buy some commodities in Tchiprovtsi in the few local shops. The choice of fresh foodstuffs is very restricted because most potential customers are self-sufficient. The

shelves contain a large choice of sparkling drinks, but not alcohol which is home-made; industrial preserves like mayonnaise and gherkins; sweets (especially sweets for children; etc.); ice-creams and cigarettes. Bread, the basic food, is sold only in one grocery, attached to the small industrial bakery. Anatoli, a young man in his thirties, and his Russian wife Tania own this shop and the factory, and have the monopoly of bread in Tchiprovtsi. They are probably the only ones who are becoming obviously rich from enterprise. Two small shops sell clothes. Usually prices are more expensive than in Sofia. The Sunday market is a place for browsing and buying, especially because it is expanding little by little with the addition of new traders beyond the regular dealers in grains and other crops, and domestic animals.

When people want to buy something important, like electronic goods or special clothes, such as a wedding dress for example (even though it could be made by a local seamstress), they prefer to travel to Sofia or to ask a friend or parent to buy it for them there. If they have opportunities or kin abroad, they are keen to acquire objects bought in foreign countries. Sofia embodies the new system of market economy. But Sofia, and the other big towns, are also places to find paid jobs, legal or illegal, or even to enter in some networks of self-employed activities. These urban places are also paradoxically a condition for developing farming activities. It is impossible at this stage of economic development to find credit for agriculture in the normal banking system, without offering security in the form of urban commodities. Rural plots of land or houses are not considered suitable as collateral or, in the words of one of my informants, "*If you want to borrow money to buy a cow, better to own a flat in Sofia -- if not, you have no chance!*"

In this market sphere everything – in principle – can be exchanged, but where money is largely absent, commodities are condemned to being circulated within a much restricted space. Shortage of money in rural areas reinforces the system of barter which in turn inhibits the development of a monetarized market geared towards mass consumption (Cellarius 2000). The inhabitants of Tchiprovtsi bring into play different forms of exchange, based on contractual links, whether personalised or not. These exchanges of goods and services using barter or money crosscut rural and urban spaces in a market which is hardly regulated by the state.

### **III. Spheres of exchange in the transition**

Of the four spheres I analyse, I have so far presented three “national” spheres. Let me now introduce a new international sphere which I call “Europe” (see footnote 3). If the three first spheres are internal to Bulgaria and exhibit a measure of long-term continuity, the last introduces a major historical shift. For, if Bulgaria’s international relations have long been mediated by a single external force, first the Ottoman and then the Soviet empires, the country has recently joined a new geographical zone of influence dominated by the European Union.

### *1. A new international sphere: “Europe”*

This new sphere implies Bulgaria’s integration into a supranational entity based on West Europe. I speak here mainly about the internal consequences of EU programmes. Of course, there are a lot of bilateral programmes run by different countries, whether members of the EU or not, which exist parallel to and quite often in competition with EU programmes, as was revealed in my research on development micro-loans (Chevalier 200b). Therefore it is unwise to talk about “Europe” as if it were a monolithic entity, even more to speak of a “European model”. Such a model is far from self-evident, beyond slogans like “democracy” or “market economy”. I will come back to this problem at the end, because I think that the idea of the transition as a confrontation between different models could help us to understand the construction of property relations.

For some Bulgarian authors recently, the process of integration into the EU is a third wave of imitation and of historical “catching up” after liberation from Ottoman rule and the imposition of a Communist system from 1944 (Ditchev 2000). If this European space is very abstract for most of my informants, its power of redistribution is becoming real enough and is scheduled to grow rapidly. European programmes do not only involve national institutions, but also Bulgarian individuals and local agencies can apply directly for specific projects. This in turn leads to possibilities for the redistribution of goods and services in society, exchanges taking place in either the state or market spheres. Most of these exchanges, however, are made through mediators, the numerous NGOs, international, national or local, which may be linked for example to a town council. Ever since 1989, when Western institutions first came to Bulgaria, they considered the post-communist state system to be unreliable (as shown by my interviews in Brussels), so they encouraged their partners to create NGO structures for receiving money and managing programmes. These NGOs quickly became in turn instruments of legitimization and power for the Bulgarian state and a relatively easy way to acquire foreign money. They are also a convenient springboard for many people working in politics or business. For the three last years, these NGOs have become an important element in power struggles between central and local authorities.

So far, to benefit from exchange relationships within this latest version of the international sphere, it has been necessary to approach Europe through state intermediaries and through important NGOs based in Sofia. For example, when the employees of the local museum in Tchiprovtsi applied to the “Phare” programme; they used their network in Sofia for advice and to elaborate their proposal. But they failed after they were not the first choice of the Ministry of Culture. This failure was interpreted as a political decision. Now they are waiting for when they can apply directly for European funds without going through national institutions which seem to them to be politically hostile. A project from the town of Lovetch failed similarly as a result of the Ministry’s veto (Angelidou 2000).

Therefore, although Sofia still plays an important role as a place to negotiate possible exchanges with Europe, more and more the system as it is organized by Brussels encourages regionalism (as has happened in other Western European countries like Spain), allowing rural

society and local government to enter directly into contact with European institutions. Town councils, especially those who are in opposition to the central government, have learned quickly how to build up direct links to Brussels or other European capitals and to organize their own NGOs with a view to managing European programmes. Some mayors already intend to bypass both the regional and national levels when aiming for European partners, either through EU programmes or through bilateral relationships with one or another European country. At the same time, the central government intends to coordinate the activities of foreign actors in its territory, by creating compulsory ways of negotiating economic relations. Bulgaria's new regional master plan for development (1999) integrates regional services – provided by unelected bodies – as the presumptive main channel for European money; and NGOs have to be organised as regional associations supervised from the centre.

Concrete participation in this sphere also requires specific competence and experience, such as for example speaking foreign languages (other than Russian). Here too a rapid shift is taking place: before, French was valued most highly by the ruling elite; but, with a new “blue” government, English and German are now more important. If individuals wish to participate in this new international sphere, they must either be politically integrated in the central institutions of the state sphere, or their personal networks, education and job experience must allow them to bypass the national level. So, paradoxically, social integration in this sphere is significantly linked to local and regional citizenship, and often to a specific political identity, as well as to cosmopolitan skills.

## *2. Spheres of exchange: a comparison*

The four spheres analyzed here all crosscut the geographical zones of rural, urban and international spaces, even if the sphere of kinship is focused mostly on rural areas, the state sphere on cities and Europe is by definition still an external point of reference. Relationships of complementarity have always existed between Tchiprovtsi and Montana or Sofia. Rural-urban exchanges bring not only material but also symbolic advantages, and they are essential to my informants' economic strategies. The recent influence of the EU on all this has been varied. Even the definition of rural and urban areas is now increasingly set at the European level, with important implications for choice of development projects and much else besides. If Sofia has divided the national territory into six regions and fixed which areas have priority, part of what actually takes place will be negotiated directly between these regions and Brussels. Inevitably the relationships between the spheres I have identified will change.

Indeed, this complementary balance has already started to change in the last few years, leading to transformations in the relative significance of the spheres of exchange. Before, the state controlled the market sphere and had a major influence over the kinship sphere. The state also encouraged the industrialisation of rural areas. Today its direct role in exchanges has diminished drastically with changes in the political and economic system, even if the state is still conceived of as the main actor in the “modernisation” of the country, through the

process of integration to the EU.

The kinship sphere is holding up and even expanding. Most city dwellers are dependent on the countryside for their food which reaches them through informal exchanges within family networks. They “pay for” this food with their labour. This work brings them symbolic as well as material advantage. In Tchiprovtsi, farm labour, even when limited, is becoming the main basis for social evaluation and for asserting ones identity as a member of the lineage and community. Some people who stay in Tchiprovtsi consider this exchange based mostly on farming activities as a kind of “prison”. Krasimir (an unemployed miner, 35 years old, married with two children) describes his bitterness: "*Of course I am going to farm, I must say without any desire for it. I am going to, but for me it is meaningless. I was trained to be a miner not a farmer! (...) People say that we can produce all we need; but it is not true. Except for potatoes, even to excess, in the end we always have to go to market....If I leave, I will lose my house – even if ten persons are living in it and it is hell – and I will lose what we are producing. Before it was difficult to move for political reasons, now it is difficult for economic reasons! We are like peasants or serfs!*". His comments express some longing for the development of a social division of labour -- in the sense given by Durkheim – and for the impersonal economic sphere associated with it, which allows a degree of individual autonomy.

The growth of the market sphere is linked to the increasing importance of monetarized exchanges. As Simmel has shown (1978), it is obvious that money plays an essential role in the development of market exchanges. Its use allows, among other things, the partners in transactions to be anonymous, as well as enhancing the instrumentality, rationality and abstraction of exchanges. Money is intrinsic to the expansion of a capitalist economic system. In consequence, ideally, mass consumption practices of the capitalist type rest on giving priority to monetary exchanges and, if possible, impersonal exchange. But I have already presented the main features of consumption practices in Tchiprovtsi: these are based on highly personalised relationships in both production and consumption, and, of course, on a prevalent shortage of money. When my informants talked about the use and value of money in Tchiprovtsi, they emphasised the difference between ‘before’ and ‘after’ 1989. Before the changes of the 90s, they had several ways to get and to increase their incomes (direct wages; part-time jobs, individual plots; etc). But these incomes did not necessarily give them access to consumption goods, because the market sphere was quite restricted and access to goods was related to the development of individual networks, especially those involving kinship, and to maintaining structures of self-production. People were driven inevitably to make savings as a result.

Today, on one the hand, the availability of goods is wider, at least in big cities like Sofia. But, on the other hand, goods and services, which before were cheap or free because they were heavily subsidised, are becoming scarce commodities and often very expensive because of the state’s withdrawal from their provision. These goods and services cannot any more be exchanged in the state sphere but they are now to be found in the market sphere or sometimes

in the “European” sphere. For these reasons, money is more and more assuming an extremely important role in the domestic economy. At the same time, however and paradoxically, money is rare: a lot of people are unemployed or, if employed, they don't receive any wages or their full wages. And again, money cannot play its role of being transformed into goods and services, because it is in short supply. The importance of the role of money in the economy, especially for domestic consumption, makes my informants feel poorer than is necessary and in a manner linked to objective changes in their collective way of life. Their sense of poverty is not related to ownership of goods (by some standards their possessions are often substantial), but to shortage of the money which could potentially help to buy goods and services, and to the insecurity they feel as a result of disinvestment of the state. This feeling is also related to their exclusion from the growing market sphere, at least from exchanges which imply the use of money in contrast to barter.

Even if Tchiprovtsi is still important for my informants, both for their economic survival and also their identity, the big city – Sofia – is becoming little by little quite preponderant, not only as a place of state power, but also as the main beneficiary of the growing importance of the market. This sphere in turn, whether monetarized or not, is symbiotically tied to the kinship sphere. The state sphere still exists, but the idea that exchanges within it are fair and reciprocal is being challenged. This lack of confidence in the state also poses a challenge to national citizenship as a form of social integration. People seem today to place more value in their exchanges on their family and local identities, and on formal or informal market contracts. The new European sphere influences not only economic and political life in general, but also the way that people and institutions experience economics and politics quite specifically. The state sphere becomes the theatre where conflicts between centre and periphery, between local practices and European models are played out. Money, work, prestige and legitimacy circulate within the European sphere, in competition or complementarity with the state sphere. Comparison between these four spheres reveals the complexity of Bulgaria's transition, at once at the individual level and as a historical process. The four spheres of exchanges are based on different relational values which are built up through individual experience and which reflect important historical changes in institutions affecting, respectively, the relative significance for Bulgarians today of personal identity; national citizenship; private contracts; and transnational community.

### **Conclusion : spheres of exchange and property relations**

As I said in the introduction, I was never directly concerned with property relations, except of course for the fact that exchange is a means of access to some forms of property. Even so it is clear that participation in one sphere or another leads us to engage with different kinds of property relations, which individuals must combine when building up their social strategies<sup>9</sup>.

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<sup>9</sup> In previous researches I examined how the circulation of domestic objects influences the meanings given to them (Chevalier 1998).

If I examine the spheres of exchange related to forms of property relations (for a general approach, see Hann ed 1998, Macpherson 1978), it is clear that participation in the sphere of kinship favours common property. All members of the extended family participating in kin-based exchanges acquire some rights, at least to usufruct of goods (house; lands; etc). Inheritance and household fission reveal these property relations, often in conflict situations, when it is necessary to create exclusive rights.

Ideally the market sphere is the place to create exclusive relationships to property, in other words, private property. The state sphere also, at least for some kind of goods such as real estate (restitution of lands, registration of ownership etc), is a site where exclusive relationships to property are created. But my ethnographic materials have shown the indeterminacy of such property relations, especially under conditions of transition from a state to a market economy. For example, the banking system for making loans is based on the fact that people must prove their private property in assets used as collateral. Today, the Bulgarian banks refuse to give micro-loans to small enterprises because they consider their claims to private property are very uncertain. This issue of security plagues development micro-loans programmes. Another example of confusion in the transition involves Anatoli, the owner of Tchiprovtsi's bakery, who discovered that some of his workers used to take more loaves than they were entitled to as part of their wages, in order to barter them for other goods. He lectured his workers, explaining to them that they do not work for an impersonal enterprise, but for him personally. When he told me this story, he did not characterize their behaviour as theft, but just as his workers' misunderstanding of property relations, which needed to be explained better. This example also illustrates the problem of defining state property, and of what is circulating in the state sphere. In Macpherson's terms, is it some kind of common property or rather state property as we understand it in Western Europe? Reformulating the question of transition from a state to a market economy in this way, linking the spheres of exchange I have identified to changing forms of property relations, may add a measure of precision to our inquiries.

My hypothesis is that the main arena in which the issue of property relations will be played out in years to come will be the European sphere, not least because Europe is able to define relationships between the public and private interests in certain key areas. Having said that, there is no unique European definition of anything, but rather various models of articulation between the public and private, as Norbert Elias among others has pointed out a long time ago (Chevalier and Privat forthcoming). There are also other actors operating in Bulgaria's transition who are imposing their own definitions. These include the World Bank and the IMF who are not reluctant to enter into controversy in these matters with the EU or individual European countries (Chevalier 2000b).

Bulgaria's transition thus involves several layers of internal and external social complexity. This paper has demonstrated that we must focus, first on the strategies of individual actors in particular situations, as they struggle to negotiate these complexities; and; second on how spheres of circulation interact with the emergence of new forms of property relations.

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