

Why New Agrarian Capitalists are Successful in Bulgaria: The Relevance of Personalized Social Networks and Face to Face Trust Relations

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Introduction: Wealth and Trust

At first sight the title of this article may seem paradoxical and controversial. This impression, which is based on Francis Fukuyama's known reflections, stems from the main thesis that this American-Japanese author put forward in his famous book *Trust: The Social Virtues and the Creation of Prosperity*, i.e., from a socioeconomic standpoint individuals and social prosperity cannot be based on the predominance of purely personal trust relationships and ways of thinking, which are essentially located in the private sphere. Individual and social prosperity, instead, are attributable mainly to the widespread presence of forms of social organization grounded in impersonal and systemic trust within the public sphere.

For such organizational structures, the neoliberal thinker Fukuyama focuses mainly on the democratic institutions of the civil society (alliances, associations, NGOs, parties, unions, etc.); in this case also the states' institutions should not be left out as instruments of a legitimate authority. Fukuyama's presumption is connected to a theoretical model of an ideal-typical division between *high-trust* and *low-trust* societies. Although this dichotomy is rhetorically effective and to a degree scientifically plausible, from an anthropological or ethnological standpoint it should not be received uncritically as it contains obvious as well as hidden ideas of an ethnocentric nature which should not be unquestionably accepted.

Despite the undeniable heuristic significance of Fukuyama's theoretical framework, anthropologists ought to be critical of the evident *Orientalistic* (Said 1978) and respectively *Balkanistic* (Todorova 1997) connotation inherent to the dichotomy *high-trust/low-trust societies*.

Next, it could be pointed out that Fukuyama's division between high-trust and

low-trust societies has created a limited theory, as he ascribes a moral value to the first social type that is not present in the second one. The positive human and social qualities that make up this moral value, however, are the same ones in which liberal-capitalist models (with the exception of Japan) of occidental and especially north European and North American origin are grounded. Fukuyama automatically qualifies all societies that consider the Western way either socially not desirable, i.e. culturally inadequate, or follow it conditionally, as low-trust societies and as such carrying a stigma. Thus, Fukuyama's ethnocentrism is clearly discernable, since he obviously aims to confirm the occidental model's moral superiority as well as its socioeconomic supremacy because of the presence of specific systemic trust structures that generate wealth.

Given the legitimate doubts about the ideological argumentation connected to Fukuyama's above-mentioned theoretical model, from an anthropological viewpoint the question is whether the assumption that low-trust societies in comparison to high-trust societies are generally plagued by mistrust, and therefore their members are principally unwilling to cooperate with each other, can be empirically verified. From here, we can ask specifically whether and to what extent are other virtues important and if other forms of trust, cooperation, and eventually the accumulation of wealth are also observable in low-trust societies.

In order to counter Fukuyama's thesis, this article uses empirical data relating to the socioeconomic activities of successful entrepreneurs in the agricultural sector of the Bulgarian Dobrudzha region to exemplify that socioeconomic prosperity is entirely possible in low-trust societies in which public mistrust is undoubtedly present. In contrast to Fukuyama's opinion, wealth in this case stems from the development of trust and cooperation structures mainly based on personal relationships. I argue that Fukuyama's concept of *low-trust societies* lacks sufficient precision and ought to be replaced by *societies of public mistrust*. I will also show that agrarian entrepreneurs in the Bulgarian Dobrudzha region did not adhere in full to the western model of modernity, which Fukuyama implies to be the best way to prosperity. In this sense, the analyzed case confirms that modernity should be considered as a *plurality* rather than just as a singularity, following S. N. Eisenstadt's (2002) concept of "multiple modernities".

The Post-socialist Agricultural Reform in Bulgaria: A Return to the Future?

The de-collectivization of farmable land was one of the foremost problems of all Eastern European post-socialist governments, from Estonia to Bulgaria. Still, this process was slightly different in each of these countries. The new post-socialist governments in most of the Eastern European countries enacted the return of the land to the original owners as a necessary act of justice towards the people who had been illegally deprived of their property. The owners were viewed as the victims of a brutal and cruel policy of illegitimate governments.

In many cases the entire process was based on the following two specific agropolitical presumptions:

- Restore pre-socialism ownership relationships
- Establish family-operated farms on the basis of the post-socialist agricultural sector

The official intent of a necessary compensation for the suffering conceals the rather covert wish to reverse history. At first, the main idea was to recreate forms of peasant society and village community, wiped out by 50 years of socialist collectivism, which were regarded as the cradle and guardians of true national values, virtues, and traditions. Immediately after the breakdown of socialism, some politicians stood behind a *village ideology* based on a population consisting of small farmers. Consciously or unconsciously, a part of the political, bureaucratic as well as the intellectual elite, with the support of well-meaning experts from the West, advocated a national-populist agricultural policy based on the times prior to World War II. This form resulting in *paysannerie pensée* held hardly any similarities with the actual *paysannerie vécue* that surfaced after socialist times. But it was conceived at first as an abstraction that was to serve as a benchmark for the formulation of the land reform laws.

Bulgaria is an excellent example of how land reform laws and their application shortly after the fall of the Berlin Wall intended to reinstate the pre-socialist past of the *small nation of small farmers*. The primordial *land ownership* of the Bulgarian nation, which famous writers and artists had praised and which was celebrated by the Bulgarian-National-Agriculture-Union with its charismatic leader Alexander

Stambolijski in the political arena, proved to be a myth which socialism had neither demolished nor outlived.

Thanks to these ideological instruments, the 1991 Land law and its amendments in 1992 and 1995 managed to provide the conditions to dissolve the agricultural collectives, which were the socioeconomic basis of Bulgaria's entire socialist agricultural sector, and subsequently re-establish the precarious state of affairs of farmland existing in 1946. But this meant re-establishing those days' excessive fragmentation of land property, based on the expectation that new legal landowners, following the philosophy of the reformers, would take on the role of small farmers as in pre-socialist times.

This attempt to place the past in the present and even in the future through a reversion of history, and simultaneously to revitalize the mythical figure of the traditional Bulgarian peasant in post-socialism, has proven to be highly problematic.

It should be mentioned that the total lack of land registers in many of the Bulgarian Dobrudzha villages and the poor organization of the land registry offices in other parts of Bulgaria made it extremely difficult to define the borders of the land parcels as they were in 1946. In several cases the local land commissions thought that asking the older members of the community to reconstruct the size and location of the individually owned land parcels would suffice. However, since human memory tends to be selective, it is not surprising that the method chosen by state institutions, especially in a *society of public mistrust* such as the Bulgarian one, was considered arbitrary and dubious. The result was an astonishing number of protests, court proceedings, pleas, and disputes not only between the state and the people involved, but also between former, and at the same time new, individual landowners. Contentious cases were handed over to the courts, but these were understaffed, did not enforce the new and constantly changing terms of the land reform laws and were therefore unable to solve the cases quickly. The land commissions were soon blamed of siding with different parties and of dishonesty (if not corruption), and for many citizens the bad reputation of the state's courts was once again confirmed. The perception of permanent and widespread judicial uncertainty increased especially among the population of the Bulgarian Dobrudzha, as they already deeply mistrusted the official powers and especially the courts.

A second serious problem with the land reform was the fact that returning the land division to its 1946 state of affairs resulted in an extremely fragmented land-

scape, as we already pointed out. This was also true in the Bulgarian Dobrudzha where the fragmentation was not as severe as in other parts of Bulgaria.

Until 1878, when it was granted autonomy that *de facto* put an end to Ottoman domination, Bulgaria had neither laws of Slavic origin nor an Ottoman legislation regulating the equal division of land between several heirs. All owned land, regardless of its lawful categorization (*timar*, *chiflik*, *zadruga*, or others), represented a whole that was passed on from generation to generation as such. After 1878, during the so-called *Europeanization*, legal policies and practices were imported from the western part of the Old Continent. This process of restructuring the laws affected not only the entire public administration and the government structures, but also private relationships. The new inheritance and land laws stated that the land was to be divided equally among all heirs, leading to the progressive fragmentation of the land parcels. This alarming trend, which paved the way for some serious socioeconomic consequences (Bell 1977: 13), was also clearly recognized by the Prime Minister Alexander Stambolijski. Before his assassination in 1923, he drafted a reform project for the consolidation of the small landowners. The land fragmentation reached its peak in 1946 when over 92% of all farms were smaller than 10 hectares, about 7% of the land parcels were smaller than 20 hectares and only 1% of the landowners had more than 20 hectares (Minkov/Lăzov 1979: 12). The requirement of the 1991 Land Reform to revert land distribution to its 1946 state of affairs also meant reintroducing the small-scale production of the past, while the fragmentation was made even worse because many of the owners of the small land parcels had died during socialism and their heirs divided the land even further between themselves.

The third fundamental problem with the return of landownership to its 1946 state of affairs was linked to the fact that the land reform's beneficiaries were people who had little or no experience or knowledge when it came to agricultural work.

The forced industrialization of the late 1940s caused a massive migration of the Bulgarian population to the cities. This caused the greatest population reduction in the agricultural sector within all Eastern European satellite states (Eberhardt 1993: 35). Massive urbanization meant not only a radical job change, but also a great change in social position, value system, and lifestyle. Thus, the new migrants turned into an urban middle-class with its own values, life standards, wishes, goals, etc. Members of this new social stratum with its distinct mental attitudes and social

practices could hardly negotiate a life as a peasant or a return to the countryside. According to my direct observations, managers, technicians, and often also the workers of the agricultural farms in the Bulgarian Dobrudzha live in an urban social environment. They commute daily between their town residence and the rural working place as if they were industry employees. This was an entirely different daily routine from the classical peasant's one whose schedule was determined mainly by the seasons and the weather. In sparsely populated areas such as the Dobrudzha, which are characterized by a highly mechanized production of cereals as well as by intensive animal husbandry, the land areas were almost deserted. In the villages one can meet only old people and a few qualified agrarian workers.

Unexpected Consequences and Awkward Agents: The Role of the *Arendatori* in the Post-socialist Agricultural Sector in the Bulgarian Dobrudzha

For the abovementioned reasons, the resurgence of the family-run farms based on small land parcels never took place. Both the people directly involved in agriculture (managers, technical workers and employees of the former collectivized production farms) and the new landowners, most of whom lived in an urban environment, thought that the land reform law was absurd. Almost without exception the people involved described the new land law not so much as unjust, but rather as a mistake and a project created by the incompetent political elite in the Capital. Some critical voices from the Bulgarian Dobrudzha declared that politicians in Sofia were acting in accordance with a plan that was not based on actual reality and consequently were unable to grasp the problems of the region's agricultural sector, not to mention solve them. First and foremost, turning large farms into thousands of small autonomous land parcels, given Dobrudzha's geographical location and practical circumstances, seemed utter nonsense and the prelude to a socioeconomic catastrophe for the entire region. One must add that today this negative stance is shared even by those few who more than eighteen years ago endorsed the agrarian law. Nowadays the agricultural reform is unanimously regarded as a complete fiasco that had catastrophic consequences on the development of agriculture in the Dobrudzha region.

In the framework of this widespread atmosphere of public mistrust, several

actors who were already present in the agricultural sector under socialism took initiatives that later proved to be economically sound and financially successful for them and their co-workers. Loopholes in the agricultural reform laws allowed them already in the early 1990s to develop economic strategies that they have maintained to this day.

The main players in this new scenario, which the lawmakers did not foresee in the Bulgarian Dobrudzha or in the other fertile regions of Bulgaria, are undoubtedly the so-called *arendatori*. These are entrepreneurs in the agricultural sector that rent land from the new owners whose land was returned through the reform laws but who are unable or unwilling to farm and rarely want to sell. We ought to mention that most beneficiaries of the post-socialist agricultural reform are citizens who are barely or utterly unfamiliar with a market-oriented agriculture.

Several *arendatori* were members of the local political or agricultural elite during the socialist period. They were well-trained professional farmers who began their careers as functionaries in the TKZS production farms (TKZS - Labour Cooperative Agrarian Farms). Although these old agricultural unions were dissolved and all the employees of these huge institutions were laid off in the first half of the 1990s, the land reform did not manage to take their leaders' power away. The goal of eliminating all traces of communism in the country's agricultural and industrial branches was not reached, because the local *nomenklatura* realized that after a short while of widespread confusion they could appropriate the best machines and equipment. At the same time they were able to mobilize their past *network of relationships* in order to rent the best land parcels from the new owners, i.e., the ones who got them back during the agricultural reform. The *arendatori* also turned astonishingly quickly into remarkably capable capitalists.

In the Bulgarian Dobrudzha, where the first *arendatori* appeared, some were able to get a hold of up to 10,000 hectares of land. In addition, they recruited people from the agricultural collectives that belonged to their closer circle of acquaintances and had them working as hired employees in their post-socialist companies. At first, the *arendatori* engaged in highly speculative privatization ventures in the agricultural sector. Their strategies at those times were similar to the ones Max Weber described as *pre-rational capitalism* (Weber 1956: Vol. 2: 834), of which short-term rent contracts (one to five years) are an example. The *arendatori* focused on intensive corn production with the use of pesticides, neglecting both the necessary

improvement of the farmland and the ecological balance.

After a glorious start, several *arendatori* went quickly bankrupt. In the Bulgarian Dobrudzha, however, several of them were very successful and became the leading actors in the agricultural sector to this date.

In order to portray such socio-anthropologically representative and relevant careers we will analyze a case study, which can undoubtedly be considered nearly ideal and which was often used as a reference model by the people of Dobrudzha. The person is N. M. whom we interviewed regularly between January 1992 and April 2008 in order to systematically reconstruct his social and economic development (Giordano/Kostova 2002: 82).

In January 1992 we were introduced to N. by an employee of the regional section of the agricultural trade union in Dobric, the capital of the Bulgarian Dobrudzha region. This was shortly before the agricultural reform laws came into force. At that time, the central-right coalition's plans for agrarian reform had caused great excitement in the whole region, but had not come into effect yet. Public opinion feared that the whole socioeconomic structure of the Dobrudzha region was in danger. In these regions with their almost legendary *red* traditions one was to expect great resistance, if not an open rebellion against putting the government's reform project into practice. In this general atmosphere of open discussions, in which there was no lack of slogans and catchphrases against the de-collectivization and the land restitution, we had our first talk with N. who was known for being a staunch advocate of the socialist agricultural collectives' system. We were in the village O. at about fifteen kilometres from Dobric where the collective's main office was located. Here everything was still under N.'s control, since this agricultural production collective had not been dissolved yet. In our first long conversation he delved into his socialist management policy. He was positive that the collective's economic success was to be explained solely thanks to his personal experience as an agronomist and his loyalty to the old party directives. Next, he noted the advantages of collectivization for a region such as Dobrudzha and pointed out that the policy of privatization and the restitution were a fatal mistake. At the end of the interview he mentioned in the presence of his employees:

"The members of this collective will never accept the de-collectivization of agriculture. We will continue to do what we have been doing until now."

About six months after the revised land reform law was put into effect, we met N. again. In the meantime he had been dismissed and his collective which through judicial intervention had been placed under the power of a liquidation council consisted of a small group of people who were very close to the new centre-right government. This second conversation with N. took place in a cold, small room of the once proud headquarters of the agricultural union in the town of Dobric. This meeting had none of the collectivist pride that had been central in our first discussion; it was a shorter and more dramatic conversation. N. explained with uneasiness and not without bitter irony that now he was just an unemployed person looking for a job, naturally in agriculture. He already had various plans, as he stated, but none of them carefully thought through yet. We learned that after the new land law came into effect the situation in the entire Bulgarian Dobrudzha was so unclear that he could only live from one day to the next and any kind of long-term planning was impossible. When we pressed on to learn more about the immediate consequences of de-collectivization of Dobrudzha, N. broke down, shook his head and explained in between sobs:

“What a catastrophe... all is lost... They (the politicians in Sofia and the members of the liquidation committees) have destroyed everything we accomplished in years and years of hard work.”

At the end of the conversation, visibly defeated and not truly convinced, he formulated the following sentence:

“Probably the only prospect is to begin a market economy in years and years of work.”

Several years later, in May 1996, we were surprised by N. as he arranged our regular meeting in his old, and by now closed-down collective building. He greeted us in his old office and it was immediately obvious that he was in much better spirits than the last time we met. He was very lively and seemed more confident than ever. Immediately after we entered his office he started to tell us proudly of his success.

N. gave the impression that he had finally re-conquered *his* old co-op. He told us he had started renting land parcels from the new owners who lived in the cities and barely had any interest in agriculture and that this way he had managed to gather enough land to have a profitable agricultural enterprise. He explained:

“In Dobrudzha agriculture can only work on the basis of big plots of

land, but those in Sofia don't understand that. So, we have to do things our way."

As in the past, he complained about the "new politicians in the capital". What could one expect from people who *"have never seen the countryside"*? According to him this inappropriate behaviour of the national political elite also explained why obtaining financial resources was so difficult, i.e., affordable bank loans to buy seed and machinery and to pay wages. Despite those difficulties he had managed to buy equipment that used to belong to the co-op as the newly founded co-op did not have the resources to buy that machinery from the old collective. He had also managed to select the best workers from the wide range of qualified and unqualified ones that used to work in the collective while he was still running it.

At the end of the interview he insisted on inviting us to lunch at the privately operated inn that had been recently opened in the village O. There the owner and regular customers greeted him with respect and deference. From this observation we concluded that N. brought us to this little restaurant to show us that he had won back the prestige he had enjoyed at our first meeting. Here he could display the centrality of his role and his strategic position in the framework of his relationship network.

In 1998 we met N. again. He was several hours late for our meeting so we had enough time to look around his establishment. From the huge increase in the number of employees we concluded that his enterprise was developing successfully. When he finally arrived he announced he was currently farming 3,500 hectares. The business was running quite well, but he had to be on the lookout for corn speculators (the notorious *akuli*, i.e. sharks) from the big cities, mainly Sofia, who tried to keep the prices low. We asked whether he wanted to buy the rented land sometime in the future. With a cunning smile he replied:

"The situation is still too uncertain; but this is a future goal."

Then he suggested we take a look at what he had newly created in order to relieve the pressure by the *akuli*. He proudly took us over to the granary of the closed-down collective, which he had renovated and equipped with brand new metal silos. We congratulated him, so he responded:

"...one needs good storage capacity in order to not feel the pressure from the speculators, just as many of the arendatori and especially the new co-ops are."

In the end he asked if we could invite him to Switzerland (of course he would pay for himself as he emphasized) because, from what he knew, there he could learn how to improve efficiency in the agricultural sector from a capitalistic standpoint. At this point it was clear to us that from being a member of the old local *nomenklatura* N. had turned into a post-socialist capitalist.

Further long conversations with N. took place in September 2006 and 2007 and April 2008. He always welcomed us in a brand new three-story building in downtown Dobric. He told us he had left the old collective's run-down office to move to this much more pleasant premises of his enterprise. The interview took place in his personal office where on a small, but clearly visible shelf next to an icon of Jesus stood a carefully arranged display of trophies (cups and diplomas) that N. had received in recognition of his outstanding, and for the time being nationally renowned, career as an *agro businessman*, i.e. an independent agricultural entrepreneur. With some pride he announced that he was already cultivating 7,500 hectares, which according to him was the ideal size of a profitable enterprise in the Bulgarian Dobrudzha. He added that the land market was becoming a bit more flexible as the old/new owners were ready to sell because of the land's higher prices. He also noted that buying such extremely small land parcels was not always easy since among the many heirs who had got the land back following the land reform there were often conflicting opinions and expectations, which often caused troublesome conflicts and disputes. Despite these difficulties and the resulting very long negotiations, he had managed to buy 3,500 hectares to date. Given the current situation in the Dobrudzha region, N. views his property as sufficient. The future would tell if additional land was needed.

After the conversation in September 2006, he suggested taking us to his country house on his estate. Along the way he showed us a great number of new silos under construction and again explained the key role of storage. After a short ride along the rather flat landscape, we saw his country house; a pseudo-traditional, neo-rustic building which according to N.'s concept had a true rural feel. An over two-meter high fence surrounded the house. From above the walls one could make out a large, well-tended garden as well as a chapel, which N. insisted we visit. He was especially proud of the small fresco on the altar, which, in the tradition of Orthodox iconography, depicted the twelve apostles rather realistically. In the garden he had installed a huge granite water basin, which he had bought and brought to

Bulgaria from Romania and which had belonged to the Rotary Club in Dobrudzha before World War II. Finally, we visited the house and spent most of our time in a large hall that N. had set up as a meeting place for his co-workers. The hall also contained a very conspicuous portrait of Che Guevara. We also saw a small but significant display of official photographs from the communist era depicting the striking activities of the old agricultural collective, by now dissolved over sixteen years ago. One could recognize the *festive* opening ceremony, the subsequent *festive* process of collectivization as well as the *glorious* phase of mechanization. This unexpected exhibition of socialist memorabilia also included a reproduction of the 1943 founding act of the co-op signed by N.'s father. This proved what we had already surmised, i.e., that N.'s father shortly after the communist regime's advent was among the most important and influential leaders of the *red* collective movement in the Dobrudzha region.

From this visit at his agricultural empire's core we were able to conclude that his present position is a sort of dialectic *bricolage* consisting of socialist nostalgia, neo-orthodox reinvention of the past and capitalistic orientation for the future. N. is clearly the embodiment of a specific version of the current capitalistic entrepreneur who is definitely not entirely in line with the western model, which makes Samuel Eisenstadt's (2002) statements about multiple modernities seem very plausible and legitimate.

Networking Know-How: the Pivotal Role of the *Arendatori* and the Social Production of Personalized Trust

N. should not be viewed solely as a representative example of the new, rich, and wealth-producing agricultural entrepreneur in the Dobrudzha region. At the same time he is also an admired, envied (and probably sometimes even hated) protagonist of the post-socialist era. Therefore, not only local *arendatori* but also those in other markedly agricultural regions in Bulgaria view him as a paradigm and try to emulate him. Almost without exception they perceive him as the touchstone of their own economic achievements. N.'s achievements are a recurring topic in conversations with the *arendatori* in the Dobrudzha region. These people are always wondering whether they will be able to reach N.'s success and social position.

From a sociological and anthropological point of view, how should we inter-

pret the brilliant career of this agricultural entrepreneur?

Shortly after the fall of socialism, in general, but especially among the new political elite in Bulgaria's capital, the *arendatori* were actually viewed as negative social figures. They were regarded as staunch accomplices of the old system and as a hostile, dangerous remnant of the local communist *nomenklatura* that ought to be fought with all legal means, in order to curb if not annihilate it socially and politically.

Nowadays this negative attitude towards the *arendatori* has somewhat changed. Although some political circles still find them objectionable, in general the *arendatori* are accepted because they have proven to be useful and even necessary actors in the agricultural sector, able to create workplaces and to produce and accumulate social wealth. This is proven by the changes in legal regulations by which the land's *arendator* has a right of first refusal if the landowner wishes to sell his property. Thus, the land can be sold to another person provided that the *arendator* has refused it in writing.

Bearing in mind the above-mentioned difficulties at the beginning of the establishment of the new system, in line with the theory of rational choice or based on the reductionist view of the *homo economicus* acting solely according to the logic of what Max Weber described as rationality versus scope (*Zweckrationalität*), one could assume that the success of some *arendatori* is simply the outcome of purely individual qualities and acquired capabilities held to be universal, such as willpower and persistence, rational planning, ability to make economic calculations, a good education, etc.

Notwithstanding the great importance of these crucial qualities, we also want to stress the exceptional significance of the *network of personal relationships* created in part during socialist times. Only the *arendatori* who had carefully maintained such relationships and had also had the chance to be at the centre of these networks could survive in their workplace during the first post-socialist years and later reach economic and social success.

To illustrate this point we will once again refer to the paradigmatic example of N. His entire enterprise is based on a close-knit network of highly personalized relationships with him and his closest family at its core. N. as the person in charge, together with his wife and daughters who manage administrative and financial matters, as well as his sons-in-law who as an agronomist and an engineer direct the

agricultural and construction employees, represent the network's core. Without this structure of relatives, mobilized daily, running the business would have been impossible. For work in the fields N. relies on a trusted team of workers and tractor drivers who used to work at the old socialist agricultural collective and even then had a high-trust relationship with N. who was their director under the past regime. Of course some of the old employees have retired in the meantime. However, N. gave their jobs to their children or other close relatives.

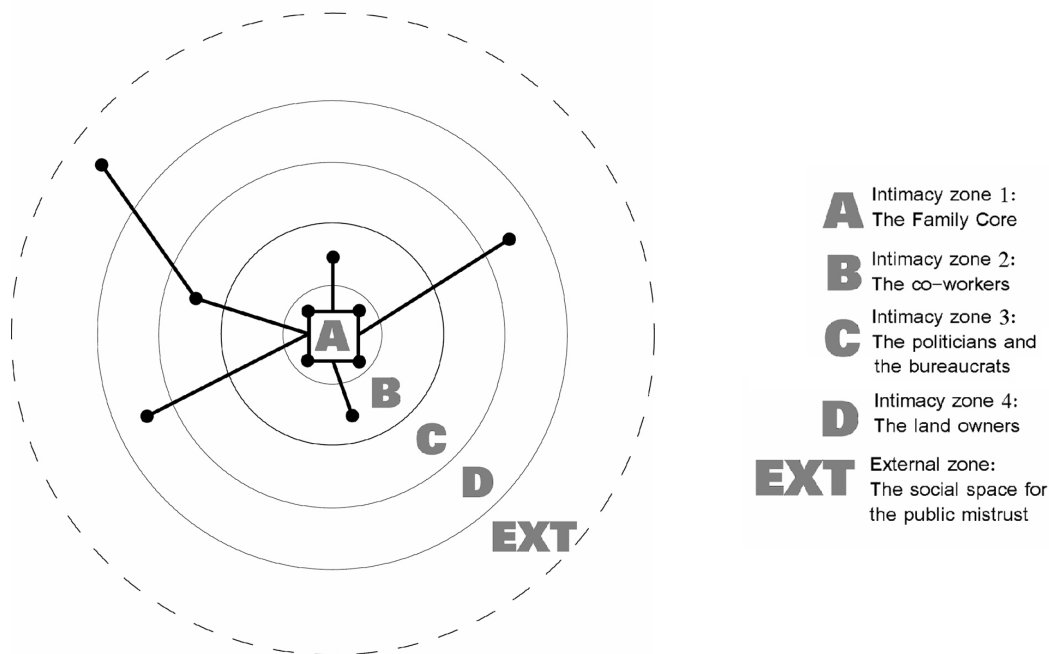
Moreover, a successful *arendator* has *necessary relationships* of a personal nature with politicians and high-level administrators in the capital. These are absolutely indispensable when it comes to getting subsidies from the state or the EU (e.g. money from the SAPARD-Fund, Regional funds, Agricultural funds, etc.). In return for these important benefits, the *arendatori*, as N. and several of his colleagues confirmed, had to leave 10% to 20% of the received sum to the brokers. According to other sources, *arendatori* who do not have access to such privileged links of patronage must leave up to 80% of the acquired funds to politicians or administrators. With the politicians the *arendator* also acts as a client who secures them votes from the people in his network. The reciprocal exchange of corrupt monetary transactions and classic patronage services are typical of these personal relationships. In addition, the network of relations is reinforced in clubs such as Rotary that provide the essential trustworthy and organizational environment for meetings aimed at winning over key contacts.

An *arendator's* extended network also includes personal relationships with the individual owners of the land parcels he rents. Maintaining such relationships, as N. stresses, should guarantee the cultivated lands' unity through the continuation of the lease. Only this way could one make significant long-term plans for profitable agricultural activities.

Finally, the personal relationship network, which according to our observations is crucial to the success of the *arendatori* and the prosperity of the members of their networks, may also be represented as concentric areas with different levels of intimacy (Boissevain 1974: 47). The diagram illustrates the decreasing level of intimacy with the increasing distance from the network's core.

Up to the end of World War II, Bulgaria had been a markedly agricultural country weighed down by three major socioeconomic problems, i.e., the excessive fragmentation of land property, the non-absorption of peasant overpopulation by

Scheme 1: Personalized Network Structure



an industrial sector still at a planning stage and the consequent high rates of underemployment and unemployment in the countryside. As mentioned before, in the years after World War II socialism tried to remedy this thorny situation by launching a forced industrialization process that included agriculture.

In this economic sector industrialization mainly affected the country's more fertile and flat areas by encouraging a massive urbanization that significantly decreased rural population especially in regions like Dobrudzha. This situation was the legacy of the socialist economic system following its sudden, unexpected and ruinous collapse in 1989.

Clearly, therefore, those who embarked on capitalist activities in the so-called transition agricultural economy, such as the *arendatori*, have had to reckon with these socio-structural specificities resulting from the previous system. In fact, these skilful entrepreneurs of the post-socialist rural economy have taken on a major role and have become crucial in linking city and countryside. In Dobrudzha, as N.'s exemplary case illustrates, practically all transactions concerning agricultural market economy and involving city and countryside will nearly inevitably go through section A of the ideal-typical network represented in the above diagram. For any

dealings between people in section B and those in sections C, D, or EXT, applying to the *arendator* himself or someone within his closer family proves useful if not indeed necessary. In fact, the diagram shows that there are practically no links between section B, which mainly consists of the *arendator*'s rural associates, and sections C, D, and EXT, whose actors are prevalently urban. Accordingly, capitalist economic relations between city and countryside would be virtually impracticable without the presence of the *arendator* assisted by some of his family's members. Yet, we need to add that the *arendator* cannot avoid acting as broker between city and countryside if he wants his economic activities to thrive. Therefore, taking on this role, which also contributes to his prestige and power, is definitely in his best interest. We can reasonably assume that an *arendator* who lacks the ability to act as a liaison between city and countryside will soon become a bankrupt entrepreneur.

N.'s case indicates that the *arendatori* are "urbanites" whose economic interests are totally or to some extent focused on the agricultural sector, thus on the countryside. However, to ensure their work's continuity and possibly an expansion of activities, as well as the jobs and pays of their employees, most of whom are countrymen, the *arendatori* must prove to be accomplished and patient negotiators with city dwellers.

One of the most important strategies calls for the ability to convince landowners to agree to long-term leases on their mostly microscopic land parcels, which are often located rather far apart from each other. The *arendatori* will be able to obtain an undivided stretch of farmland only through these often enervating negotiations, which become particularly difficult when there is more than one heir to a single land parcel. In this case, each person entitled to a part of the property needs to be won over. If an owner, out of spite or other, should decide not to rent his plot to the *arendator*, the latter would have to cope with outsiders' right in the middle of his farmland with all the previously mentioned negative consequences on the efficiency of agricultural activities. Since these difficulties are notoriously quite common, *vox populi* has it that most likely than not the *arendatori* will resort to rather brusque methods, Mafia-style so to speak, to reach a solution in their own favor. Finally, the other "urbanites" with which the *arendatori* must show to be good negotiators are those in control of the allocation of agricultural subsidies, especially in the capital. We can also add that without a skilled *arendator* or also a cooperative's

president acting exactly like an *arendator*, these funds administrated in the city would never reach the countryside. The *arendatori*'s success, beyond their activity as middlemen between *urban* and *rural* and as negotiators between these two segments of society, lies also in being able to play highly mobile and hybrid roles, perfectly at ease in their constant movement between *city* and *countryside*.

Conclusions: Explanatory Shortcomings of Universal Monisms

This article shows how, after the collapse of the socialist system, the reactions of actors involved in the process of land reform and re-privatization of agriculture in Dobrudzha prevented if not annulled the actions promoted by legislators and central authority. Through sophisticated reactions and adjustments of the region's population, unexpected roles, practices, rules, and strategies emerged that were definitely not in complete opposition to the ones present during socialism.

Along with the unavoidable discontinuities related to switching to a new socioeconomic system, one can still trace a number of continuities. In socialist times already, part of Bulgarian society, especially several of its individual agents operating in the economic and agricultural sectors, had not accepted the system passively and had kept it at bay, if not indeed weakened it, through active adaptation strategies such as personalized networks, which, thanks to their flexibility, turned out to be useful in post-socialist times as well.

At present, the social category of the *arendatori* has undeniably shown to be future-oriented and highly innovative in the agricultural sector. However, based on their experiences during a political and economic past that in theory has been shelved, they managed to effectively fine-tune and reuse their personalized networks in the so-called transition. Paradoxically, the success and the resulting wealth of these unique capitalist entrepreneurs and their wide entourage would have been impossible in a post-socialist society and economy without the persistence of types of social knowledge, practical *savoir faire* and social capital grounded in socialist times. After the fall of socialism, *older* forms of personalized trust have remained stable and reliable, while social relations based on systemic trust are still an exception.

Getting back to Fukuyama, this proves once again that in the matter of socio-cultural dynamics those theories based on the western model's universality, thus on its exportability *tout court* the world over, have an extremely limited explanatory

potential. Yet, it can hardly be denied that the most *classic* interpretations of post-socialism turned precisely to these theoretical assumptions by which only one road leads to economic development, i.e., the one dictated by the strict universalism handed down by the Enlightenment's conception of mankind and society. In Eastern Europe, however, the modalities of socioeconomic and political change proved to be far more complex and contradicting. Therefore, they can be more suitably analyzed only via a less monistic and more dialectic (Tocqueville 1856; Simmel 1983; Balandier 1971), or rather, relational view (Bourdieu/Wacquant 1992), such as the one we employed in this article.

This perspective had given us the opportunity to consider the permanent interaction of social facts that reductionist and essentialist approaches usually conceptualize as phenomena governed by unchangeable laws linked to the *unity of mankind*. Accordingly, we were able to interpret the interplay of persistence and change, as well as the nature of the rationale underlying the associated strategies. Thus, we were able to move beyond explanatory models based on the concept of transition and on its apparently mandatory relevance, i.e., its alleged universality: models that are governed by an epistemological oversimplification inherent in the current neo-liberal conception of man and society.

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