

# Private Co-operatives and Local Property Relations in Rural Bulgaria\*

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The transformation of the political-economic order from socialist to capitalist has involved a fundamental reassessment of the status of property. Unsurprising perhaps, when it is considered that "...both the Marxist and the liberal-conservative traditions attach central importance to property relations" (Hann 1993b: 100). From this perspective land, as a particular form of property, holds importance in a number of ways: it is a productive resource; it has moral and symbolic value; and as a consequence it also has political/ideological significance. These meanings of land are particularly evident when considering ownership patterns in eastern Europe over the past 50 years. Just as the collective working of the land and state ownership was the flagship for socialism, so the restitution of private property signifies the end of socialism. In fact it's because land ownership holds such ideological importance that Verdery suggests that other alternatives to private, individual farms (such as the reorganisation of production or emphasising use rights rather than ownership) have not been seriously explored as an option during the initiation of the reforms (Verdery 1995: 230–231).

This paper focuses on one facet of the restoration of capitalist property relations in post-socialist rural Bulgaria – land privatisation. My focus on forms of property relations that have emerged following land restitution is carried out in the context of a village, located in northern-central Bulgaria, which I call Talpa.<sup>1</sup> In Talpa there was considerable opposition expressed to the liquidation of the socialist co-operative and the returning of the land to private ownership (a response not isolated to this area of Bulgaria). I describe the two new private organisations, which have replaced the previous socialist co-operative, and explore the differences between them as representative of two different ways of relating to the land, two understandings of what 'ownership' entails – in Verdery's terms, two different 'ideologies of ownership' (Verdery 1994: 1105). For the majority of Talpians, land ownership involves much more than economic considerations. Such issues are considered within a broader context, since property relations are inevitably shaped by wider concerns, including the political-economic framework (Hann 1998).

It must be emphasised from the onset that the paper presents one village's reactions to the changes. Within Bulgaria there has been a wide range of responses. Throughout northern Bulgaria the situation displays similarities (see Creed 1995 for northern–eastern region). But in southern Bulgaria where topographic and demographic conditions differ – the terrain is mountainous, the main crop (tobacco) is labour intensive, there are more young

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\* I would like to thank Katalin Kovács for the insightful comments she made to an earlier version of this paper.

<sup>1</sup> Protracted fieldwork has been carried out in Talpa since 1986. It should be noted that this is not the real name of the village. In every other respect the ethnography presented here remains true to the facts.

people in the villages – individuals appear to be relatively supportive of the returning of their lands. Therefore there are a great variety of responses between regions and indeed, as will be seen, within the same village.

## Background

The region under discussion is one of the most productive and wealthy agricultural areas in the country, being part of the fertile plains near the Danube river. A wide variety of cereal crops are grown, as well as a diverse range of fruits, including grapes for wine. Animal husbandry is also practised.

For comparative purposes it is useful to consider briefly the organisation of land during the socialist period. During socialism, individuals had the right to small parcels of land which were intended to provide for household needs. Such private holdings played an important role in the domestic economy of rural households as well as in the national economy. In Talpa, where houses are built on approximately 0.5 hectares of land, the private plots were comprised of the land surrounding the home. However it is with the main lands, situated outside the village that were subject to collectivisation, with which I am concerned in this paper.<sup>2</sup> In pre-1944 times the average household lands were between 4–5 hectares, divided into up to 10–12 different sites located in a number of directions surrounding the village. In fact in 1944 there were 1.1 million private farms in Bulgaria fragmented into 12 million plots (Office for... 1991: 41–42). With the advent of the socialist state in 1944 the main lands formed the basis of the co-operatives which were established in every village, a process completed in Talpa by 1952 and by 1957 for all Bulgaria. People were entitled to keep enough land to cover their own needs (in the case of Talpa this was 0.5 hectares but it varied between regions); the rest was channelled, along with animals and machinery, to form the co-operatives.

The land was never nationalised; it was legally if not practically privately owned and until the late 1950's-early 1960's villagers were paid rental (money or produce) by the co-operative. In this respect the Bulgarian case had similarities with other east European countries – for example, Hungary and the former Czechoslovakia (Hann 1993a: 304; Swain 1993: 15) – which had, during their early socialist years, some nominal form of rental system. The situation was thus quite different from that of Poland where small private farms were never collectivised, and also from the Russian case where land was nationalised. There were relatively few state-run collectives in Bulgaria – approximately 8% of arable land was legally owned by the state.

The Bulgarian co-operatives, including the Talpian one, were not 'total social institutions' as in the case of the Soviet Union (Clarke, cited in Humphrey 1995: 7). However, they did play a pivotal role in rural life, providing economic security to the salaried, permanent employees, as well as fulfilling a variety of village social/political/economic functions: from financially sponsoring some village social events to providing winter firewood at cost price.

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<sup>2</sup> Villagers used the private land in order to grow fruit, vegetables and to raise chickens, pigs and sheep for their own domestic needs. Any surplus produce was sold either to the co-operative or at the neighbouring township's markets. Pensions and salaries were supplemented by the growing of a variety of decorative plants – mainly roses – which were exported to France, Belgium and the former USSR. Such private holdings were in a symbiotic relationship with state agriculture.

During the early socialist period the village co-operatives were relatively autonomous bodies and quite successful in economic terms. Villagers speak favourably of these co-operatives, which were soon subjected to a series of mergers, creating some of the largest farms in all of Europe. The 3290 co-operatives existing in the country in the late 1950's were reformed into 160 agro-industrial complexes in the 1970's. These highly mechanised agro-industrial complexes were economically unsuccessful and unpopular, and reversals of the mergers were begun in the late 1970's and then again in the mid 1980's. A more serious attempt to convert the complexes into autonomous co-operatives was made in early 1989, but the upheavals in the same year left the plans unrealised.

The transformations in size of the co-operatives also reflected a change in type of output: from producing a wide variety of crops and animal produce in order to maintain a high degree of self-sufficiency to a specialisation in a select number of agricultural activities (decided by administrators from the district capital). Thus the Talpian co-operative, which initially raised a variety of animals and tended a large number of different fruit trees, was instructed to concentrate on raising dairy cattle and sheep, and on its walnut and peach orchards, and vineyards.

The fact that the co-operatives had become specialised enterprises meant that there was a high degree of dependency between the levels of administration. Agricultural production became subject to the same processes of centralisation as other sectors of socialist society. (One important consequence of the reform process, decentralisation, has reversed this process, leading to greater local self-determination for the new private co-operatives.)

Collectivisation of the land, combined with a state priority to invest in the industrial sector, brought about several effects:

1. a dramatic migration of villagers (mainly youth) to the cities. The rural population decreased from 70% of the country's total in the 1940's to 30% in the 1980's, which resulted in a long term problem of the deficit of rural labour. Further, the migration of youth to the cities led to a general village decline. In Talpa the population fell from 2000 in the early 1940's to 592 in 1996 with just over one-half of these being pensioners.<sup>3</sup> Collectivisation also meant that in the mid 1980's there was only a small proportion of the village population, approximately one-sixth, who worked in the co-operative. Others found employment in the non-agricultural sector – at the school, cultural house and local factory – or commuted to work in the neighbouring town.

2. an increased standard of living. Despite overall high investment in industry and neglect of agriculture, the Communist Party channelled a lot of money into improving the standard of life in the rural areas – this was partly carried out in order to secure popular support and partly for ideological reasons. Since the state controlled all resources it was also committed to taking care of everyone's needs, what Verdery describes as 'socialist paternalism' (Verdery 1996: 24). Cheap food, full employment, free medical care and education, affordable housing and so on all came under the state's responsibility. Today, as during the socialist period, many rural Bulgarians associate socialism with an increased standard of living.

3. a degree of egalitarianism in rural life, not only between the rural population (everyone owned the same amount of land), but also in respect to their urban counterparts. Co-operatives provided workers with a pension, holidays and other privileges held by urban factory workers.

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3 Official figures provided by mayor's office, village Talpa, 1996.

## Post-Socialist Reforms

The single most important change affecting villagers in the post-socialist period has been land privatisation. Bulgaria, along with Slovakia, the Czech Republic and Romania, opted for land privatisation based on direct restitution, rather than the indirect restitution of Hungary or distribution based on who was living or working on the land (as in the case of the USSR and Albania). The Bulgarian law, requiring all lands to be returned to their pre-1944 owners, was passed in 1991 and revised in 1992 (Wyzan and Sjoberg 1992). This in turn demanded the liquidation of the agricultural co-operatives. The restitution of land has proven to be a complicated procedure, fraught with problems (for a comparative discussion of the problems of decollectivisation in a number of countries – including Bulgaria – see Pryor 1991). According to figures provided by the Bulgarian Ministry of Agriculture, by the end of 1997, 64% of arable land had been restored to its pre-communist owners (*New Europe* 1998: 31)

It has already been noted above that land restitution was not enthusiastically received in village Talpa. There were a variety of complex reasons for such a negative reception but the two most straightforward factors were:

1) demographic – the ageing village population meant that people were too old to work the land while the young who lived in the cities were not willing to return to village life.

2) spatial – the land plots, once small, are now even smaller due to accumulated inheritance over a 50 year period where both men and women have inheritance rights. A further reduction of plot size has been due to the irreversible use of some of the land turned into roadways, dams and so on.

These features make the Bulgarian situation similar to that of most other east European countries which have also undergone industrialisation in the last 50 years (for example, see Verdery 1998: 162, for the Romanian case). Given the above situation it is unsurprising that Talpians were frequently heard voicing their reluctance at having their land returned to them. As my pensioner landlady said on a number of occasions “I do not want my land; what will I do with it? I can’t work it. All I want is 1–3 decacres [i.e. 0.1–0.3 hectares], that’s all I need, that is all I can manage to work, more than this I don’t need or want.” This was echoed by a male neighbour who said: “they took the land without asking, well now I don’t want it back, let them keep it.”

These quotes also underline the fact that people’s relationship to the land has changed with time – the tie between the vast majority of the population and the collectivised agricultural land has been severed. Land restitution appears to play down such vital developments that have occurred over the last 50 years of collective agricultural production.

Before moving on to a more detailed account of the new property relations evident in Talpa, two general points need to be made. Firstly, the particular way in which privatisation has been carried out – through the restitution of land to pre-1944 landowners which emphasises the importance of kinship rather than the importance of work as defining rights over land ownership – has led to the development of a range of tensions. Social divisions have emerged in a variety of forms: polarisation between rural and urban areas as well as within the rural area (the contestation of boundaries between villages), between kin and between households, and amongst officials at the higher and lower echelons of the state structure each in pursuit of their own interests. (See Verdery 1995 for a discussion on some of the problems resulting from land restitution.) Discord of an ethnic nature has also emerged (see Kaneff 1998). Such polarisations indicate what Verdery calls a ‘process of individuation’ where the pursuit of land claims and individual property rights has eroded the

solidarities which existed during socialism (Verdery 1994: 1108). Conflict over land has divided people along lines not present during the socialist period.<sup>4</sup>

A second point to note is the dramatic decline in living standards that has occurred across rural Bulgaria since 1989. Economic hardship accompanying the reforms has meant that villagers are restricting their usage of electricity, telephones and other services gained over the socialist period. Communications in general have been reduced – there are fewer bus-services, a reduction in railway connections – and cultural activities have been eliminated or cut back. Health centres and schools are being shut down, although Talpa is fortunate that to date its health centre and school are still in operation. (For more on the general rural decline in Bulgaria see Kozuharova 1997: 11–12.) The fall in living standards sets the context in which the popularity of co-operatives has continued.

## The Two Private Co-operatives

While the socialist co-operative was being liquidated, two new private co-operatives were formed in the village. The first called ‘Progress’ was established in October 1992, the second, called ‘Talpa 1993’ in February 1993.<sup>5</sup> According to national figures for 1996, over 40% of all land marked for restitution or already returned, is worked co-operatively (Stoikov 1996: 10–11). The percentage in the Talpa region is slightly higher than the national average.<sup>6</sup> Such statistics, however, do not accurately reflect the importance of co-operatively worked land, since the vast majority of privately owned farms (close to 90% for the nation considered as a whole, see Stoikov 1996: 11) are a hectare or less: plots that are primarily used to provide for the needs of the household rather than for market.

Table One summarises some of the differences between the two Talpian organisations:

**Table One<sup>7</sup>**

<i>Co-operative :</i>	<i>‘Progress’</i>	<i>‘Talpa 1993’</i>
<i>membership:</i>	474	50
<i>land:</i>	1640 hectares	295 hectares
<i>workers:</i>	40 salaried staff	2 rentees
<i>function:</i>	production co-operative (crops and animals) consumer co-operative	production co-operative (crops only) –

In the five/six years since their foundation, the fundamental differences between the co-operatives – evident from the table above – have been maintained. In terms of membership and land worked, ‘Progress’ is larger than ‘Talpa 1993.’ The latter accepts only members who are land owners, ‘Progress’ also accepts the landless who hold shares (given

4 This is not to say that such social divisions did not exist during socialism, but that land privatisation has provided a new avenue for their expression.

5 From a legal viewpoint the co-operatives were temporary organisations until September 1994, when land restitution in the village was completed.

6 Talpa is located in the Lovech administrative region, where 46.7% of all agricultural land is cultivated by co-operatives (Natzionalen Statisticheski Institute 1997: 47).

7 Data collected by author between 1994–1997.

on the basis of their previous labour contribution to the socialist co-operative<sup>8</sup>). In terms of its working population, 'Progress' is also the bigger co-operative: it has approximately 40 salaried positions ranging from a governing council of 7, 9 tractor drivers to 3 accountants and a cleaner. In the case of 'Talpa 1993,' two men rent and work the land which is owned by 50 villagers. The two men do not live in Talpa, but in the nearby township. In the first couple of years they carried out all the tasks from ploughing to looking after the accounts. After some pressure from their membership, they employed an accountant. Occasionally they hire casual labour especially at the time of harvest.

Because 'Progress' produces crops and raises animals it has more extensive functions than 'Talpa 1993' which is only involved in crop production. Further, 'Progress' is a consumer co-operative, owning and/or running two village shops and the village bakery.

These differences reflect underlying and more fundamental contrasts which essentially represent two different ways of viewing property, two variant forms of property relations. While from a legal viewpoint all villagers are now individual land owners, their decision to join one co-operative above the other reflects a split in the community in terms of how private ownership is represented and understood. Below I explore this divergence.

'Progress' members express a communal view of land ownership. At one co-operative meeting in 1994, for example, a member said "the land is not owned by one, it's owned by the co-operatives – big and small." Thus despite restitution, this member rejected *the principle* of private ownership. In his view land should remain as the concern of the community, part of a co-operative enterprise. Associated with such support for a collective determination over the land, was the prominence given to co-operative above individual interests. At another meeting the president stated that "the aim of the co-operative is to cover the interests of its members, not to make a profit. This is our basic principle." The co-operative paid its members rental (profits were equally distributed between share holders depending upon an individual member's number of shares in the organisation), and contributed financially to maintaining social services. Members of 'Progress' therefore understood the working of their land to be tied up with social obligations and communal interests.<sup>9</sup>

Alternatively in 'Talpa 1993' the two rentees and members upheld a more individualistic and profit oriented view of land ownership. One of the two rentees clearly stated the importance of profit to co-operative members when he said

...everything must be for the people – for them to receive greater rent and for us (meaning the rentees) more profit. In the end you must look at what you will receive, not some dead money sitting there in the co-operative.

Several members, in speaking about the co-operative, made it quite clear that the attainment of wealth from their lands was an important motivational factor for joining the

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<sup>8</sup> With the liquidation of the state-run co-operative, shares were distributed to those who owned land and/or worked in the socialist co-operative. Consulting previous records, shares in the past co-operative were calculated in terms of the total land, machines and animals with which villagers (or their ancestors) had entered the co-operative. Length of service (number of labour years) of the worker and her/his deceased kin was also considered. In mid 1993, villagers were permitted, on the basis of their share papers, to either claim assets directly from the dismantled state co-operative or transfer all (or a proportion) of the shares to the newly formed private co-operatives. The vast majority chose the latter option. (For more, see Kaneff 1995: 26–27.)

<sup>9</sup> Despite the communal aims of the co-operative, as economic deprivation increased in the mid-to-late 1990's, individual cases of 'stealing' from the co-operative increased. On a number of occasions, villagers stole out at night and loaded their donkey or horse drawn carts with co-operative produce. The co-operative responded by employing round-the-clock security guards whose role it was to protect the crops from such raids.

organisation. Given this concern for profit and the manner in which the organisation was structured, 'Talpa 1993' was not intending to provide community services. Indeed in such an organisation there was the basic problem of who would be willing to contribute to a communal fund – certainly not the rentees out of their own profit nor for that matter those who received rent.

In fact in a private conversation in 1994, the two rentees of Talpa 1993 disclaimed their organisation as truly a co-operative. One said that "I don't believe in production co-operatives but there is no other way at present." On another occasion he told me "the people are scared when they hear the word 'firm,' so we call it a co-operative."<sup>10</sup>

Given the differences between the two co-operatives, it is perhaps unsurprising that there were not only internal disagreements within each organisation, but also between the two co-operatives. One such instance was in terms of an on-going debate between members of the two organisations to do with their different systems of rental. One of the two rentees from 'Talpa 1993' described his position to me in 1997 in this way:

say, for example, there are 3 blocks of land each of the same area and quality, which is worked by 3 different co-operatives. And say one co-operative harvested 200kg/dec., the second 500kg/dec. and the third 700kg/dec. Should all the co-operatives give the same amount of rent to their membership? I say yes, to encourage those who actually work the land to get better results by receiving a greater proportion of the profits. This is what taking on a risk is all about, and you need that, as well as competition, in order to succeed. But many say no, that the rent received should be distributed proportionally, depending on the success of the co-operative.

In this description the rentee was describing what was a major bone of contention between the two co-operatives. People from co-operative 'Progress' believed that the 2 rentees "were stealing" from the 'Talpa 1993' membership, by pocketing all the profits rather than sharing them more equally, as occurred in co-operative 'Progress.' Members from the smaller co-operative, on the other hand, expressed satisfaction with the rental they received and thought it appropriate that the two men who took the risk should also take most of the profit.

There is no doubt that the workings of the larger co-operative in a "collective way" (to quote one of the two rentees from 'Talpa 1993') was more than just rhetoric. In fact in 1997, the membership were asked to consider not accepting their rental for the land that year, but allowing the co-operative to invest it directly back into the necessary farming equipment for the following year – seed, fertiliser and so on. In this way the co-operative could avoid taking out a bank loan with the inevitably high interest rates that this would entail.<sup>11</sup> It also meant that members would have to be prepared to forsake the income that they would have received from the rental. My landlady, for one, found this option acceptable, for as she pointed out, much of her rental would in any case be returned to the co-operative to cover working costs of the land that she had asked to be set aside for her private use (4 decacres of wheat and the same area in animal fodder).<sup>12</sup> Such a sacrifice in rent, however, would have been totally unacceptable to members of 'Talpa 1993,' the problem of payment for next year's equipment was viewed as the responsibility of the two rentees.

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10 'Firm' implies a private business.

11 This may indicate co-operative liquidity problems, that is, an inability for the organisation to pay the promised rental to its members. Unfortunately I did not have access to reliable information concerning co-operative finances and this therefore remains a speculative point.

12 One of the advantages of co-operative membership was that landowner members were able to request that the produce from a proportion of their land be set aside for their own needs, subject to payment of working costs. This enabled, for example, my landlady to receive animal fodder for her houseyard animals.

As wealth discrepancies between the two co-operatives become more visible – between the spectacular wealth rumoured to be amassed by the two rentees and the mediocre performance of the large co-operative where no individuals made spectacular gains – comments about how the two men ‘stole’ from their membership continued. There was no doubt that the system employed by the rentees brought them considerable economic success. In fact in the summer of 1997, when I was last in Talpa, both rentees from ‘Talpa 1993’ had become millionaires. One of the two men spoke openly about the million leva house he had built himself in the previous year and the fact he had spent almost as much on western medicines when he had had his appendix removed some months earlier. He had also recently bought a car. He claimed that he has nothing to hide, that he paid all his taxes and it has all been earned through hard work. A proportion of the co-operative’s financial benefits were also passed on to the land owners – the co-operative membership – who received a slightly higher rental (leva/dec.) than members of the larger co-operative. Further, because of its strong financial position, ‘Talpa 1993’ had no problems in attracting casual labour when necessary, as it could afford to pay much higher wages than those offered by ‘Progress’ (in some cases five times higher).

Elsewhere I have suggested that such differences in views toward land and production were rooted in divergent political and ideological positions between villagers; between the pro-socialist co-operative ‘Progress’ and the anti-communist supporters in ‘Talpa 1993’ (Kaneff 1995, 1996). Contrasting political views were fundamental in the formation of the two co-operatives and in turn many of the expressions of tension between them were rooted in conflicting political interests.<sup>13</sup> Thus current forms of agricultural production were founded on political divisions which have been present in the village from the socialist period, if not before. These political alliances/divisions continue to play an important role in daily co-operative operations – for example, through the overlap between leading figures in the village Socialist Party who are also prominent in the leadership of ‘Progress’ (alluded to in the discussion below on coupons). On the other hand, the two rentees who run ‘Talpa 1993,’ played a prominent role in the formation of anti-communist political parties in the district, although now they both dissociate themselves from any political activity and concentrate solely on running the co-operative. Such a separation of local politics from agriculture is itself an ideologically significant position.

Although political divisions continue to inform agricultural production, as the economic hardships have increased, open political differences have been sidelined and survival has become the primary concern. In this context, the co-operatives have played an important role in providing villagers with some protection from the steep inflation which is making their pensions/salaries increasingly worthless.

An example of the way in which the co-operatives offered ‘protection’ was through the withholding from the market of wheat grain which was set aside to provide members with cheap bread. In 1996 both co-operatives stored wheat for the rest of the year which was milled in a neighbouring mill and baked in the village bakery. Members from ‘Progress’ paid a set 27 leva/loaf which covered the co-operative’s costs (12 leva) and milling costs (15 leva). Given the ever increasing market price – which was 60 leva in August and 80 by the time I left in September – villagers were receiving much benefit from this system. The

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13 The strong political and ideological split in the village which was particularly prominent in the early 1990’s, provides a reason why the support for co-operative Progress cannot be attributed merely to a ‘passiveness’ by the elderly Talpian population, satisfied to live off small co-operative benefits in addition to their pensions.

limited amount of grain set aside meant that everyone was entitled to 25 coupons, that is 25 loaves of bread (1 loaf = 1 kilogram weight) a month. My landlady, Maria, did not find this enough to cover her needs, especially at times when she had extra mouths to feed – myself, and her daughter, son-in-law and grandson who came on weekends from Veliko Turnovo to help with the garden work. Tinka, her neighbour, and a single mother with 2 children received 75 coupons (25 for each person) which was more than her family needed. She was therefore able to give Maria a few of her own coupons. But such exchanges took on a more profit-oriented form when a black market developed, with some villagers reportedly selling their excess coupons to village Gypsy families for 50–60 leva per coupon. Perhaps because of this, the system was modified in the following year; everyone was asked to pre-determine their own needs and instruct their co-operative to set aside a determined amount of decacres from their own land in the co-operative. Maria requested that 4 decacres be set aside. She paid for the working of the land by the co-operative (sowing, ploughing, harvesting), the co-operative stored the wheat and organised for its milling and baking. Then as in the previous year, she bought coupons, but this time the number she received was related to the amount of grain harvested from the land she had requested to be reserved for fulfilment of her wheat needs.

Led by the pro-socialist mayor, there was talk in 1996 of extending this system to include the sunflower seed crop (oil) and milk (cheese). The majority of the villagers seemed enthusiastic to have the system extended as it would mean that cheese and oil would be available to them at below market prices. But, to quote Tinka, co-operative leaders were ‘antagonistic’ to the idea. This view was backed-up by the mayor. When in 1997 I asked him what had happened to the idea of providing cheese and oil from the co-operative by coupon system, he gave a wry smile and responded “What happened? Nothing. Everyone pursues his own interests.” Later on he complained that the leaders of co-operative ‘Progress’ are interested in profit not the welfare of the people. “We could do so much together for the village but they are interested in getting more for themselves.” He was referring both to their reticence to extend the coupon system and to the recent vote they took to increase their own salaries. Even with the enthusiastic support of the mayor, village pressure could not bring about a change in policy that would extend the coupon system to other goods. (This issue concerned the large co-operative only, in part because ‘Talpa 1993’ did not look after animals and therefore could not provide as wide a range of subsidised goods, and partly also because their leadership were less influenced by village opinion, be it in the form of political pressure or any other way).

This raises several points of interest:

1) while the rhetoric of the leadership of co-operative ‘Progress’ was one of social equity, at least in more recent years, their activities suggest an increasing concern for individual profit. In this sense the leaders’ outlook is coming closer to that of ‘Talpa 1993.’

2) competition between the two co-operatives appears to provide some of the driving force behind the coupon programme. The fact that co-operative ‘Talpa 1993’ could not easily extend its programme for subsidised goods, gave little incentive to the large co-operative to expand its own programme. The fact that ‘Talpa 1993’ was prepared to introduce any coupon system at all was due to pressure from its members who could always threaten to withdraw their membership (and therefore land) on which the rentees depended.

3) the storage of wheat by the co-operatives represents the withdrawal of one product from the market. In this respect co-operative economic activity ran against state reform plans for market development.

The situation throughout the region appears similar to that I have described for Talpa. In the nearby villages and townships that I visited or enquired about agricultural production was also organised in terms of two co-operatives, reflecting similar political/ideologically

based splits associated with land ownership.<sup>14</sup> Further the coupon scheme for bread was not isolated to Talpa, most of the villages in the region were setting up such programmes during 1996 and 1997. In one neighbouring village, the programme was successfully extended to include sunflower oil.

## Conclusion

Land restitution and private ownership have not brought about a commitment to individual farming. Instead, a clear preference for a co-operative working of the land has been shown, at least by villagers in the northern-central region of Bulgaria. Indeed in many respects people are more dependent now on the co-operatives than ever before as harsh economic conditions act to exclude those who cannot afford to participate in the market economy. Financial benefits – access to produce at stable prices (important in high inflation economies) – have played an important, but not necessarily determining, role in the continued support for collective agricultural production. For local understandings of property relations and agricultural production extend beyond economic concerns – they are bound to local politics and communal morality.

The Talpian co-operatives operate on an individual form of ownership combined with quasi-collective production. In both organisations ownership of land is thus separate from its use rights, as indeed it was during the socialist period. But within this common structure, there is significant variation between the co-operatives – contrasting forms of organisation, operation and production (e.g. what is grown). At issue is the local negotiation of different ways of relating to the land and different understandings of what such a relationship entails – different ‘ideologies of ownership’ (Verdery 1994: 1105). The split was not only one of divergent ways of carrying out agricultural production, but founded, ultimately, on contrasting moral and political viewpoints.

For members of ‘Talpa 1993,’ property ownership was associated primarily with a means to make economic profit. The co-operative was a small, risk taking business. The successful enterprise followed goals that conformed to the Bulgarian government’s development programme in pursuit of economic efficiency. The ‘co-operative’ was managed by two entrepreneurs who were interested in profit and were supported by a membership which valued individual financial gain above communal interests. Significantly, however, only a minority in the village upheld this narrow view of property ownership.

The majority of Talpians who preferred to belong to ‘Progress’ supported another view – a form of property relations which implicated land ownership within a much wider range of rights and entitlements. For them, two factors were seen as fundamentally bound; economic efficiency (motivations of individual profits and so on) was viewed as inseparable from a wider set of responsibilities, political and social. In this co-operative social equity, that is the belief that a few should not profit at the expense of a majority, was of paramount importance. Thus for most Talpians, land ownership was attributed a broad significance, implicating a much wider set of responsibilities than the narrow way in which it was advocated by western models of economic development adopted by the new Bulgarian state and reflected by co-operative ‘Talpa 1993.’ The majority of Talpians believed that property ownership was as much about fulfilling social and political responsibilities as about economic gain.

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<sup>14</sup> In a small number of the villages there were reports of individual farmer(s) working their own land, with perhaps an additional amount of rented land. The instances of this were few.

To conclude, I point to recent developments which indicate that apart from the main cleavage between the co-operatives another is also emerging – that between ordinary co-operative members and their leadership. The continued separation of owner rights from user rights in the working of co-operative land, in conjunction with the retreat of the state from the local level (in loosening control over agricultural production, the state's power is undermined at the local level although, as Verdery (1995) points out, other processes at the same time have reconstituted its power), appears to be creating a situation in which co-operative leaders are accumulating greater influence and power. The co-operative leaders – the two men running 'Talpa 1993' and increasingly the 'Progress' leadership – now have considerable determination over production and local resources (much more so than during the socialist period when centralisation made local co-operative leaders ultimately responsible to those further up the hierarchy). Changing property relations, a feature of the post-socialist reforms, are therefore leading to shifts not only in the nature of villagers' relationship to the state, but also within the rural community.

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