
UNIVERSITY OF ARTS IN BELGRADE
Interdisciplinary postgraduate studies

Cultural management and cultural policy

Master thesis:

Nongovernmental cultural sector in Bulgaria: fund raising, management capacity and involvement in the cultural policy development

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Belgrade, May 2007

I would like to thank my supervisor for the inspiration and valuable directions, all my professors at the University of Arts in Belgrade for their dedication, and last but not least Bojana Bursac for her precious help.

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RÉSUMÉ

L'histoire du secteur non gouvernemental en Bulgarie est relativement courte, conditionné par divers événements historiques et politiques. Bien qu'il existe avant, son développement important débute après les changements politiques de 1989 (la chute du régime communiste).

L'aperçu du secteur après l'année 1989 démontre l'existence des problèmes de longue date tels que la dépendance des donateurs, les possibilités limitées de financement, la faible capacité organisationnelle et l'instabilité financière, le besoin d'amélioration de l'image des organisations non gouvernementales dans l'espace publique, etc.

L'objet de la présente recherche sont les organisations culturelles non-gouvernementales actives en faveur publique en Bulgarie, représentant à peine 4% du secteur non gouvernemental.

L'objectif principal de la présente recherche vise à définir les caractéristiques principales des organisations non gouvernementales actives, se développant dans le domaine de l'art et de la culture en Bulgarie concernant les indicateurs cardinaux – management, recherche des moyens financiers, élaboration de capacité d'administration, financement et processus de prise de décision au niveau administratif.

Nous croyons qu'il n'est pas possible de voir le secteur culturel non gouvernemental isolé des processus, mis en place dans toutes les organisations du tiers secteur, sans égard de leur domaine d'activité. Voilà pourquoi nous le considérons comme une partie inséparable de l'intégralité du secteur non gouvernemental en Bulgarie.

La question principale de la recherche est liée à la stabilité, au management, à la prise de décisions au niveau administratif et la disponibilité des organisations non-gouvernementales actives dans le domaine de l'art et de la culture de participer à l'espace culturel général de l'Europe après le retirement des donateurs internationaux comme Soros Centre d'Art Contemporain, le Programme culturel de la Suisse en Bulgarie, Open Society Institute (Institut Société Ouverte) et autres de Bulgarie.

L'hypothèse de la recherche est basée à la conception générale postulant que l'étude du secteur culturel non gouvernemental pourrait contribuer à reconnaître son rôle de médiateur entre les représentants de la société civile et les autorités locales. Le manque de compréhension du bon positionnement du secteur culturel non gouvernemental et les effets de son fonctionnement ont une importance non seulement théorique. L'affermissement des relations entre l'Etat et le secteur culturel non gouvernemental est, en outre, lié au développement et l'application d'une politique d'Etat souple par rapport aux allègements fiscaux, de différentes formes de motivation de la participation civile et autres, qui ne pourraient pas être réalisés dans les conditions de la marginalisation sectorielle.

La présente étude est provoquée par le manque de recherches sérieuses du secteur culturel non gouvernemental en Bulgarie, ce qui est la raison de sa méconnaissance et marginalisation. Nous nous efforçons de définir le développement et les caractéristiques principales du secteur pour la période d'après la chute du régime communiste /1989/ jusqu'à nos jours.

Conclusions :

Un grand nombre d'organisations opèrent avec un budget peu considérable et dans la plupart des cas insuffisant, qui permettrait difficilement le développement de toute activité sérieuse.

On peut dire, que le secteur non gouvernemental en Bulgarie existe et réalise ses activités grâce au Fonds Internationaux et aux donateurs, et ce fait de sa part pose de sérieuses questions concernant la capacité des organisations non gouvernementales de poursuivre leur propre politique culturelle au niveau local et/ou national, de réaliser des projets culturels, qui ne seraient pas conformes aux exigences des donateurs. La plupart des organisations n'ont pas / au moins officiellement / de personnel, ce qui est dû aux ressources financières insuffisantes

et aux conditions de travail inacceptables, etc. Concernant la capacité d'administration, on observe le manque de spécialistes en management d'art et culturel.

Les conclusions se rapportant à la stabilité du secteur disent, malheureusement, que le secteur non gouvernemental en Bulgarie manque de stabilité. Cela est du, d'une part, au manque de plans financiers à long terme et d'une stratégie de développement formulée, ce qui résulte de la dépendance financière des projets culturels des donateurs internationaux.

CHAPTER I

The following items are differentiated in the introduction: the actuality of the topic and the necessity of its development; the researched question and the hypothesis; the object and objectives of the research and its main goal.

The first chapter is also devoted to the clarifying of the nature, the characteristics and the nongovernmental cultural organizations positioning as an integral part of the third sector.

The generalization of specific functional characteristics of the nongovernmental organizations and an attempt for theoretical description of cultural sector's place in the complex system of the national third sector and public- private decision making mechanisms.

I.1. CHARACTERISTICS OF THE MASTER THESIS

In the present paper we regard the nongovernmental cultural sector as an integral part of the nongovernmental sector in Bulgaria.

The cultural industry, the production of cultural goods and the cultural policy development are part of the so-called “non material production” and it is an inseparable segment of the economic of the country. That's why the nongovernmental cultural sector is considered as a part of the third sector in Bulgaria.

The first specification of Bulgarian nongovernmental sector should be made regarding its role – to foster the civil society development, to assist its initiatives and to mediate between the civil society and the state.

The large overview of the nongovernmental sector in Bulgaria comes to show its main characteristics regarding *management, fund raising, capacity building and decision- making processes* and to outline the general context in which the nongovernmental cultural sector exists and functions. The surveys show that there is no significant difference between the above-mentioned characteristics in the nongovernmental organizations from the different spheres of activity.

The differentiation comes from the type of the organization itself – association, foundation etc. That's why we would like to outline the different types of nongovernmental organizations.

Topic's choice is related to several circumstances:

First, in the last 15 years the nongovernmental sector in Bulgaria has gradually differentiated as an independent system of the non- economical sphere. The number of its registered subjects exceeds 25 000. The information available on the NGO cultural sector of Bulgaria does not give a generalized picture about its contemporary status and does not allow to analyze and manage processes such as: scope of activities, number and structure of the people engaged, wealth distribution and redistribution capacity, beneficiaries' pattern, main financial resources etc.

Second, the lack of information of that kind prevents the determination of the sectors' real position and the side effects of its functioning, the rationalization of its potential and the bettering of the constitute organizations work.

Third, the lack of data about this sector evokes discussions on the role of the nongovernmental cultural sector in the fields such as: participation in the national cultural policies development, public- private partnership establishment, mediation between the civil society and the governmental institutions etc. The ignorance of the nongovernmental cultural sector's management, fund raising, capacity building and decision-making process leads to mistrust and arouses suspicions towards its legitimacy.

I.2. INTRODUCTION

I.2.1. HISTORICAL REVISION OF THE CULTURAL POLICY IN BULGARIA

- **19th - early 20th century**

“In the late **19th and early 20th** century, the climate for culture was constructed of values and goals towards self-affirmation, harmonisation with European culture, openness to foreign cultural influences, enlightenment and, to some extent, emulation. Cultural institutions were regarded as a means to boost the self-confidence of the nation and assert the values of European culture.

- **1945 – 1989 – during the communist regime**

During the years of communist rule (**1945 - 1989**), cultural policy was characterized by:

- Total centralization of cultural processes within the state administration;
- Ideological monopoly over the promotion of cultural values; and the extensive development of totalitarian cultural institutions.

The arts were regarded as a means of education and enlightenment rather than as entertainment and therefore responsibility for the arts and culture was declared as the exclusive domain of the state. Totalitarian cultural institutions were created covering all spheres of cultural life. The social system consistently advocated and practiced political and cultural protectionism from the perspective of communist ideology.

The regime change marked the end of any form or participation of private enterprise in the dissemination of cultural values and works of art...” (<http://www.culturalpolicies.net>, country profiles: Bulgaria)

“...The creative unions (*tvorcheski suyuzi*) became a transmitter of the state monopoly on culture and controlled the entire process of creation and dissemination of works of art, virtually eliminating individual expression. Artists, who were closely connected with the state

even before the establishment of totalitarian rule, now became wholly dependent on the Communist Party-State and *de facto* turned into civil servants.

By the early 1950s, the system of state cultural institutions was fully established and running smoothly. Each element of this system was hierarchically subordinated and subject to dual - State and Communist Party - control. The cultural policies pursued at the time were ideologically orthodox, and any form of dissent from the official line was penalized...”(<http://www.culturalpolicies.net>, country profiles: Bulgaria)

- **Bulgaria's new cultural policy model after 1989**

“Culture was one of the spheres worst affected by the economic and spiritual crisis during the course of transition. At the same time, the ongoing reforms in society have had a particularly positive impact on culture.

During the transition period, cultural development in Bulgaria was searching for the best way forward. Concepts frequently changed. Few activities of the different levels of government were followed up. There was little coordination between different levels of the administration. Main responsibilities for financing culture were decentralized and then recentralized. The private business sector had little interest in supporting cultural activities.

Over the last few years, things are starting to clear up. New regulations are being implemented which clearly define the responsibilities of the different administrative levels of government. Considerable steps forward are being taken by civil society. The third sector is consolidating and the business sector is starting to show signs that they are willing to adopt a new attitude of partnership.

Bulgaria's new cultural policy model is still developing, but its most important elements are already in place:

- The ideological dependence of artists and cultural institutions and censorship has been abolished;
- Cultural institutions have become a mediator between artists and the public;
- Municipalities are increasingly independent to pursue their own cultural policies;
- New actors have emerged on the cultural scene: foundations, private cultural institutions, new professional associations, etc.; and
- Minority groups can now participate in the general cultural process without having their identity threatened.” (<http://www.culturalpolicies.net>, country profiles: Bulgaria)

I.2.2. HISTORICAL OVERVIEW OF THE NONGOVERNMENTAL CULTURAL SECTOR IN BULGARIA

The history of the third sector in Bulgaria is relatively short. Its genesis dates back prior to 1989 but its serious development starts after the political changes in 1989.

- **Until 1945**

“The first known institutionalized form of charity in Bulgaria was established by a group of patriotic Bulgarians in 1862 and was called “Bulgarian virtuous band”. Its aim was to grant scholarships to young people abroad and to support old people and widows. For the first Bulgarian foundation was considered “For the war orphans” Foundation, established in 1917.

In the same year the first Union of Bulgarian Foundations was established by 7 charity foundations.” (*Varbanova L.*, Sponsorship and donations in the arts, Sofia, 1997).

First nongovernmental formation at the Balkans, the so-called “Chitalishte” (Cultural Community Center), goes back to the period of Bulgarian Renaissance and its activities are related to the national cultural identity preservation, library, theatre, amateur arts development and popularization. During Bulgarian Renaissance, Chitalishta played an essential role in the cultural and educational development – the first public libraries were founded within its institution. It is interesting to outline that the first Chitalishte was founded in 1856 and it was private initiative, funded by donors.

Chitalishta exist at present days as culture centers for amateur arts. According to the present going **Law on National Chitalishta** Ar. 2 (1) “The national chitalishta are self-governing Bulgarian cultural – enlightened unions based in the settlements, that also perform state cultural – enlightened policies.

(2) Chitalishta are juridical bodies with non economical aim.”

“Until World War II several nonprofit organizations were registered, which activities were small social enterprises. In that period the foreign foundations charity was developed such as Rockefeller Foundation.” (*Varbanova L.*, Sponsorship and donations in the arts, Sofia, 1997).

- **1945- 1989**

NGO-s are officially abolished. Exclusively the government conducts the cultural policy. Certain signs of voluntarism and charity giving existed.

In **1948** all public organizations, foundations, charity unions in Bulgaria were nationalized and practically closed.

1951 - The charity organizations' existing was stopped by a decree of the Ministry for public health and social services.

1981 – the establishment of the “*1300 years Bulgaria*” *Fund* restores the foundations activities. Later on with a decree of the Council of Ministers was founded a state – public organization “*13 century Bulgaria Fund*”. Its aim is to support social - useful activities in the sphere of culture, enlightenment, health care, sport and other social spheres.

In the **early 80-ies** was founded the second significant culture foundation “*Liudmila Zhivkova*”. Later on it was renamed the “*Cyril and Method*” *Foundation*. Its activities are mainly related to scholarships for children and youth, scholarships for talented students, concerts and festivals with international participation organization, cultural exchange, and publishing.

1990 – the famous and financier and philanthropist George Soros established a branch of its “Open society” *Foundation*. (*Varbanova L.*, Sponsorship and donations in the arts, Sofia, 1997).

- **1989- 1990- renovating of NGO-s “culture”**

According to the *Regional Environmental Center for Central and Eastern Europe* “most NGO-s (53% percent) were established between **1989** and **1990**.”

The overview of the sector in the period after **1989** shows the existence of long – standing problems like the dependence on international donors, limited possibilities for fund raising form donations, unstable organizational capacity and financial sustainability, need for improving the public image of NGO-s etc. (*Bulgarian Center for Not-for-Profit Law (BCNL)*, Survey of non- profit governance practices in Bulgaria under the Project “An Optimistic Look at NGOs and Domestic Resources, Sofia, 2004).

- **1990 - 2000**

The above-mentioned survey (*Bulgarian Center for Not-for-Profit Law (BCNL)*, Survey of non-profit governance practices in Bulgaria under the Project “*An Optimistic Look at NGOs and Domestic Resources*, Sofia, 2004) shows that after the period **1989 – 1990**, interest declined and there are now only eight NGO-s established each year.

The idea for a center of the non- economical organizations in Bulgaria aroused between 1990 and 1992. The European Foundation Center (EFC) and the European Cultural Foundation (ECF) supported the initiative.

- **1992** – The **Union of the Bulgarian Foundations** was established 42 nongovernmental organizations took part in it (*Varbanova L.*, Sponsorship and donations in the arts, Sofia, 1997).

- **2000- 2007- problems with sustainability, funding, management etc.**

In 2000 some significant changes that encouraged the development of the NGO sector took place. The new **Non-Profit Legal Entities Act** (2000, Sofia) provides benefits to these organizations by important amendments to the tax legislation.

The creation of a more favorable legal framework for NGO-s gave them the opportunity to become more serious stakeholders in the decision - making processes at the national and local level, to increase their advocacy skills and to build networks and coalitions that better protect their rights in society.

This process is still very fragile and nascent.

The present day situation of the nongovernmental cultural sector is very much related to questions such as:

- *Nongovernmental cultural sector's recognition – the image of the nongovernmental cultural institutions in Bulgaria is very doubtful;*
- *Dependence on international donors – to what extent the nongovernmental cultural organizations could pursue an independent cultural policy;*
- *Sector's sustainability, management capacity, and involvement in the cultural policy development;*

I.3. CHARACTERISTICS OF THE NONGOVERNMENTAL SECTOR IN BULGARIA

The statistical data of the nongovernmental sector (*Bulgarian Center for Non- Profit Law (BGNL) & Boardsource, Survey of Nonprofit Governance Practices in Bulgaria, Sofia, 2005*) shows the following:

- The organizations operating in the area of art and culture constitute 4% of the nongovernmental sector in Bulgaria, education and research organizations – 13%.
- The majority of nongovernmental organizations operate within a definite territorial range.
- On the *international level* operate 11% of the nongovernmental organizations, on *local level* – 19%, on regional – 46%, on *national* – 24%.

“...the vast majority of NGO-s uses volunteers – 84%. The largest proportion of organizations (27%) works with over 20 volunteers. 17% of the organizations use the services of 11 to 20 volunteers, 21% - use 6 to 10 volunteers – and 19% of the NGO-s work with 1- 5 volunteers.

The NGO-s designated to pursue activities in public benefit are more frequently working with volunteers (88% of those registered in the CR and 85% of those that are not registered), than those in private benefit – 76%...” (*Bulgarian Center for Non- Profit Law (BGNL) & Boardsource, Survey of Nonprofit Governance Practices in Bulgaria, Sofia, 2005*).

With the realization of its economical, political and social functions, the nongovernmental sector should not replace the state or the private sector in their main tasks. It should be an equal supplementing and correcting partner. The establishment and

regulation of adequate partnership between the three sectors depends on the quality and the sufficiency of the communication realized and recognition the role of the NGO sector.

I.3.1. COLLECTIVE CATEGORIES OF THE NONGOVERNMENTAL ORGANIZATIONS AND INSTITUTIONS

The different collective categories, which show the nongovernmental formations, organizations and institutions as follows:

- **Regarding organizations** – non-economical, nongovernmental, non-commercial, voluntary, civil, civil society organizations, charity organizations, etc.
- **Regarding the combinations of such organizations** – non-economical sector, nongovernmental sector, independent sector, voluntary sector, tax relieved sector, civil sector, third sector, charity sector, social economic etc.

Non-economical organization

Historically, this is one of the first categories. It considers the organizations in a contrast with the business and stresses on the interdiction the financial profit gained by the activities to be shared out between owners, managers and personnel of the non-economical organization which is not a clear “profit” but a “financial surplus” at the end of the financial year. Instead of this the financial surplus is reinvested for organizational mission achievement.

Nongovernmental organization

The second usual line of non-economical organizations definition is their positioning in a contrast with the formations of the state – national and local governing bodies, state agencies. This approach outlines the non-commitment of the organizations with the official state policy and their self-management and decision making ability.

Very often the “nongovernmental” category is related to organizations which sphere of activity is in the area of empowerment, civil laws defense, lobbying, ecology. “.... the nongovernmental organizations are expression of the self- governance and decentralization in the country” (*Sivkov*) as parallel of the municipalities, which are a territorial self governance. This characteristic does not exclude the state as a creator of nongovernmental organizations. That way is being formed the differentiated subgroup of the so-called “quasi-nongovernmental organizations” or “ governmental organized or controlled organizations”. For example – **British council**, Chitalishta (Culture Community Centers), different museums, research institutions, special programmes etc. Usually these are organizations formed and/or financed and/or controlled by the state.

The main misunderstanding comes out of the equalizing the category “nongovernmental” and “nonpolitical”. Each organization reflects different social groups' opinion in different public problems resolving and it strives to be publicly acknowledged and to enlarge its power. That way the character of the NGO-s consists certain policy. On the other hand, there is a lack of striving for state governance structure.

Some authors defend the opinion that the category “nongovernmental organizations” does not reflect the variety of forms and manifestation of organized activities of the civil society. A research devoted to the global civil society shows the meaning of the organizations such as cultural associations, entirely voluntary virtual networks etc. and it shows that the definition “nongovernmental organization” is already burdened with negative notion – bureaucracy, non democracy, ignorance on the cultural diversity, non transparency towards the members and/or beneficiaries etc. As more neutral and political correct the category “civil society organization” is recommended.

The categories **non-economical/ nongovernmental** organizations are the most used in the literature. Against them always stands the valid lash in negativism – they are defined

by the negation – instead of clarify the essence of the organizations they define them with negativism – by the sense of something they are not.

The group of “**positive categories**” is also very diverse: non-profit organizations, third sector organizations, civil or social organizations etc.

Regarding sector categorization, the definitions are as follows:

- *Voluntary sector* – the organizations working for public benefit and using large tax concessions; using the help of volunteers (non- paid workers)

- *Non economical sector* – includes organizations, working in public benefit, but using more limited tax concessions;

- *Third sector* – includes the organizations, working in mutual benefit; the term distinguishes the sector from the other two – the “business” and the “public” one.

- *Civil sector* – also includes and non-formal/ non-registered organizations; stresses on the need for democratic development, active citizens’ involvement in policymaking etc.

Further in the present thesis an object of research are the organizations which are private organized, having a legal status of juridical persons, which are private initiatives, voluntary and self- governing, working in public benefit, i.e. forming the narrow non economical sector and working in the area of art and culture. The appellation used in the thesis for these organizations will be nongovernmental cultural organizations.

Despite the homogeneous character of the non-economical/ nongovernmental organizations, the nongovernmental organizations have common institutional and functional characteristics and consisting elements, which distinguish them from the organizations consisting the other sectors.

The interdiction for financial benefit's distribution leads to the functional features of the nongovernmental organizations regarding their **management, capacity building and human resource**.

One of the functional characteristics of the nongovernmental cultural organizations is the *way they are financed*.

The external financing is almost inevitable. The income is related to managers' skills for means attraction. Regarding financing, the nongovernmental organizations distinguish from the business and state institutions. May be the most character feature considering the fund raising is the high number of voluntary contribution of *time, labor and money*. Due to the fact that high percentage of the individual contribution is in the form of non-paid time and labor, the fluctuation also reaches big numbers; the production does not have financial dimension as well.

The income of the nongovernmental cultural organizations comes from the following resources:

- ***International donors*** such as Soros Center for Contemporary Art, Swiss Cultural Programme, Open Society Institute etc.

- ***National Culture Fund*** of the Ministry of Culture Republic of Bulgaria;

- ***Cultural institutions of other countries*** such as different cultural centers – Goethe Institute, French Cultural Center, British Council etc.;

- ***Cultural programmes*** – PHARE Programme of the European Commission, Culture 2000 of the European Commission, MATRA Programme of the Embassy of the Kingdom of the Netherlands in Sofia, Democracy Commission for Small Grants, Embassy of the United States of America in Sofia, Trust for Civil Society, United Nations Development Programme Bulgaria etc.

- ***Sponsorships, donations etc.***;

- ***Individual donations etc.***

The way that the nongovernmental cultural organizations get their funding evokes several serious discussions on:

- *To what extent does the dependence on the international donors determine the activities and the policies of the nongovernmental organizations?*
- *To what extent the state should participate in the nongovernmental cultural organizations' funding regarding their role of a mediator of civil society's interests and a controller and opposition to the official policy?*
- *To what extent could the nongovernmental cultural organizations perform their activities after the withdrawal of the donors from Bulgaria?*
- *Is it possible to pursue independent national and local policy and to realize independent projects and to observe the donors' requirements at the same time?*

The ***social function*** of the nongovernmental sector as a whole relates from the researches with the preservation and development of educational, scientific and spiritual potential of the society. That's way the nongovernmental organizations take the creation and development of the social capital functions of each society with its national, cultural and historical specifications. (*Shuman, C. and associates, The Nonprofit Sector and Government: Clarifying the Relationship, 2002.*).

I.3.2. REVIEW OF SOME OF THE MAIN FUNCTIONS OF THE NONGOVERNMENTAL SECTOR

The review of some of the main functions of the nongovernmental sector gives reason to distinguish its characteristics as follows:

- The nongovernmental sector could not entirely take away the functions of the state regarding the social processes regulation, the public goods production and the political process functioning. For this reason we claim that nongovernmental cultural organizations could not develop independently or to replace the state and the private sector from their main tasks. They function as a complementary partner, which also acts as a mediator and regulator. This assertion should not give occasion for its perceiving as something exotic and resting. From a historical point of view the voluntary civil relations precede the contemporary state appearance, thus the nongovernmental sector is a completely equal participant in all present social processes.
- Institutionally considered the nongovernmental organizations are characterized with non-formal management methods and decision-making process. The voluntary distribution presence underlines the first- rate role of the social wealth motive and collective goods, reached by personal efforts.
- The nongovernmental organizations usually spring up in the communities with well-developed economic structure because of some need of the market or because of the growing need of the community in different ideas, projects, and interests realization.

With regard to the above traced functions of the nongovernmental sector, we would like to make a review of some of the main institutional relations.

*The direction in which the functional role of the nongovernmental sector exists traces the main formations, which interact with it: **the state body, business- organizations, and individuals.***

The nongovernmental organizations do not act isolated from the other organizational structures within the social system. For more detailed positioning of the real place of the

nongovernmental cultural sector, we will describe some of the main aspects of its relations with the above-mentioned formations.

Nongovernmental cultural sector - state

The relations between the nongovernmental cultural sector and the state are realized in various directions. They could reveal as partnership (mutual problem solution, cultural calendar considering, national and regional cultural policies development etc.), complement (mutual support in areas where the relevant organizations have weaknesses) contradistinction (regarding civil problems, disagreement with the implementation of certain policies or law frame, lobbying and representative of different civil interests, ideas, projects etc.)

The state with its governing bodies – central and local, and with its legislature as well, gives the common legal frame, in which the nongovernmental cultural sector realizes its activities. Here, we can mention not only the concrete legal initiatives, but also the laws such as law for tax concessions, sponsorship, patronage in cultural sphere, etc.

The state appears to be one of the main *financial sources* for the nongovernmental cultural sector worldwide. Parallel to the direct financing the state provides means for the nongovernmental sector also with the law packages for tax concessions and preferences for the nongovernmental organizations and their donors.

From its side, the nongovernmental sector also has its place in the supporting of the state in the realization of its functions.

Social discussions provocation distributes to the legitimate and publicly accepted policy. Through the nongovernmental sector in such discussions could participate much more than the legally chosen and represented in the governing bodies representatives of civil groups, ideas etc.

The interaction with the nongovernmental sector could be realized in the form of civil control over the governing bodies and raising their effectiveness and openness to the citizens. This aspect is more visible on the local level, where the relations *local governance – local and/or regional nongovernmental cultural organizations* are realized through joint actions, participation of the representatives of the NGO-s in the decision making process on

municipal level, presentation of programmes, ideas, and conceptions from the NGO-s and/or realization of joint projects, especially through volunteers attraction.

A prove for the significance and importance of the mutual relations state – nongovernmental sector, some counties accept special documents regulating the principals for such relationships development. Examples for such documents could be the accepted in 2000 “*Conceptions for civil society development in Estonia*”, and the Irish “*White book for the framework of support and enlargement the state – nongovernmental partnerships*”.

Nongovernmental cultural sector - business sector

Relations between the nongovernmental cultural sector and the business are also revealed in two directions. *First* – the nongovernmental sector gets a significant support from the business. It is realized through three main methods – corporative donations, sponsorship, and volunteer labour.

The **corporative donation** is one side and without compensation. It can be in nature (office materials, office equipment, technical materials etc.), financial means (money donations – with or without conditions), through realization of joint activities (joint advertising campaigns, organization of events, festivals, etc.). The private donation forms about 21% from the nongovernmental sectors' income in the counties from Central and Eastern Europe.

The **sponsorship** is mutual and with compensation. It characterizes with clear contracted benefit from the two participating sides. For the nongovernmental cultural organizations this benefit it a possibility for some idea, campaign, project etc. realization. For the business- organizations the sponsorship is (preferred for cultural and sport events) is a contemporary mean for gaining recognition, publicity, advertising.

The **volunteer labor** is especially effective when it is a question of voluntary distribution from professionals to the organizations – managers, participating in the governing bodies of the nongovernmental cultural organizations accountants, and financiers, which support the efforts for fund raising.

Nongovernmental organizations – individuals

NOTE: the following review is made for the nongovernmental organizations with no respect of their sphere of activities. This is due to the fact that there are no researches in this aspect.

In many respects the relation nongovernmental sector – individuals duplicates the aspects of state and business relations, but on the individual level. Nongovernmental sector depends on the personal contribution (financial, labor, expert) of the people, for the realization of its activities. When a direct contact with the people in need is realized, the readiness for donation and/or in kind is high. A research made in 2003 in Bulgaria shows that people's participation in donation practices is relatively high – about 50% from Bulgarians were engaged in such practices. 28% from the respondents declare their readiness for volunteer labor.

On the other hand the relation *individuals – nongovernmental sector* outlines mainly the benefits that the individuals could obtain from the existence of the nongovernmental sector. Other aspect of the relation discussed is the help that the nongovernmental organizations render help to chosen beneficiaries through means allocation, support, education and other forms.

Independently from the appellations chosen to name the different sectors within the social system, their functioning is impossible without their **communication**. Especially significant for the nongovernmental sector is the communication giving information about its functioning. This communication could flow between the governing bodies and nongovernmental organizations, between business formations and nongovernmental organizations and individuals and nongovernmental organizations, and to be realized within the sector's framework – between the nongovernmental organizations them self.

For the realization of more extensive research of different types of communication and information exchange between the different sectors, the participants could be additionally distinct in several main groups. Within this differentiation the belonging of the concrete

organizations to the state, private, business or individual sector is not of the first importance. The leading principal in their classification is their attitude to the existing and direct functioning of the nongovernmental organizations.

On this basis we could accept the existence of three main groups:

The first one is consisted of the so-called *partners* – formations, through which the nongovernmental organizations *realize their direct activities*. In this group we could place potential or real volunteers, donators and sponsors. These are organizations, which support the nongovernmental organizations, ensuring the resources necessary.

The second significant group includes the so called *contact groups* – organizations and groups which have strong impact over the work of the nongovernmental organizations, but they do not have the right to implicate the decision making process or to have direct benefit from the organizations' activities. Such contact groups are the beneficiaries, media, legislative bodies, other relevant organizations and programmes from the Bulgaria and abroad etc.

The third independent group forms the *nongovernmental sector of the concrete state* (in our case – Bulgaria). This is due to the strong network of relations between the consisted organizations, which communicate when the communication is on the level of looking for financial resources, joint campaigns, lobbying, experience exchange etc.

The potential **or/and real partners** of the nongovernmental organizations directly ensure the necessary resources for the realization of their chosen mission. Partners like this are:

- **The volunteers** – they contribute with the free labor; and free time;
- **The donors** – they give material and financial resources without compensation. They could be individuals, and organizations as well;
- **The funding organizations** – they enter in mutual relations with the nongovernmental organizations without compensation;

The communication with the nongovernmental organizations and their potential and real partners is bilateral.

In Bulgaria the recognition of nongovernmental cultural sector exhausts with the small number of nongovernmental organizations gained positive or negative reputation.

CHAPTER II

MAIN CHARACTERISTICS OF THE NATIONAL AND REGIONAL CULTURAL POLICY IN BULGARIA

This chapter is devoted to the discussion on the main characteristics of the National Cultural Policy in Bulgaria.

This is of a great importance for the positioning of the nongovernmental cultural sector and its involvement in the cultural policy development.

II.1. HISTORICAL OVERVIEW OF THE NATIONAL CULTURAL POLICY

- **During the years of communist regime (1945- 1989)**

The cultural policy of Bulgaria was a complete centralization of the cultural processes within the state administration. The art and culture were used for propaganda and ideological goals. The so-called “Tvorcheski sauzi” (creative unions) controlled the entire process of creation and dissemination of works of art, virtually eliminating individual expression. Artists, who were closely connected with the state even before the establishment of totalitarian rule, now became wholly dependent on the Communist Party-State and de facto turned into civil servants. The Union of Bulgarian Artists was the most powerful cultural organization, which together with the Ministry of culture traced the National cultural policy of the country.

- **After the fall of the communist regime (1989 – 1999)**

Culture was one of the spheres worst affected by the economic and spiritual crisis during the course of transition. At the same time, the ongoing reforms in society have had a particularly positive impact on culture.

During the transition period, cultural development in Bulgaria was searching for the best way forward. Concepts frequently changed. Few activities of the different levels of government were followed up. There was little coordination between different levels of the administration. Main responsibilities for financing culture were decentralized and then centralized again. The private business sector had little interest in supporting cultural activities.

- Present day situation:

In 1999 is adopted a new law- Law on culture protection and development, which main subject matter is to trace the main principals and priorities of the National Cultural Policy, cultural organizations and institutions for protection and development of culture, to keep its national identity and to regulate the supporting and financing mechanisms for cultural activities and artists.

As main principals of cultural policy are mentioned the following: democratism of the cultural policy, freedom of the art creation and non- admission of censorship; decentralization of cultural activities' management and financing; equal distribution of cultural goods, equal rights for art creators and cultural organizations etc.

The modern state imparts bigger and bigger significance of cultural sector's development – art, culture and heritage. For a small country as Bulgaria this is extremely important instrument for its cultural identity recognition as a EU member.

For such a development are necessary significant financial means, which are beyond the powers of the state budget. The analyze of the expenses for culture in the consolidated state budget for the last 8 years proves the strong narrow- mindedness of the state fund raising of the cultural sector.

This discrepancy between the necessities and possibilities of the state fund raising sharply poses the question for using policies for mobilization of alternative to the budgetary financing of the cultural sector resources.

The foundation of Municipal „Culture“ Funds would accelerate the financial decentralization of the cultural sector and would ensure alternative funding sources.

The Municipal “Culture” Funds (if or when they would be established) should follow the principles of Sofia Culture Programme i.e. to support individual projects in art and culture.

At the same time some of the cultural sectors' segments such as heritage could play significant role in cultural tourism development as one of the priority branches of Bulgarian economy and regional development.

The fascinating discoveries of the Thracian¹ over the last few years could transform the country to one of the desirable destinations for cultural tourism. Preliminary investments are needed for the findings to be converted to a tourist product.

The means for finding, exposing and preservation the heritages are extremely insufficient and are using big part of the cultural sectors' budget, which leads to a minimal financing of the contemporary art.

It is possible to separate the heritage together with the expenses on infrastructure's financing in individual fund, to be financed through unpopular instruments for gathering the resources needed. That way an additional financing resource of the budget will be released and transferred to the other segments of the cultural sector.

1.Thracians is a group of Indo- European tribes, inhabited the Eastern, Central and Southeastern part of the Balkan Peninsula

II.2. EXPENDITURES FOR CULTURE FROM THE STATE BUDGET

The numbers of the state budget in the section „*Expenditures division by functions*“, the part „*Culture*“ gives a vision on the dimensions of the state financial engagement towards culture and institutions realizing the state policy for culture, arts and heritage development.

The researched period is the one after the initiation of the International Monetary Fund (1997) and the financial stabilization occurred.

Table 1. National state budget – „Culture“ function ; 1.95583 BGN = 1EUR

Years	General subsidies			Salaries, social insurances and support		Subsidies for non financed enterprises and non profit organizations		Capital expenses	
	million BGN	% towards GNP	Index and previous year =100	Million BGN	% From the whole subsidy	Million BGN	% From the whole subsidy	Million BGN	% From the whole subsidy
1998	152.3	0.68	-	118.2	77.6	20.5	13.5	11.7	7.7
1999	155.1	0.65	101.84	126.9	81.8	14.5	9.3	12.7	8.2
2000	187.9	0.70	121.14	157.5	83.8	16.3	8.6	13.3	7.1
2001	196.3	0.66	104.47	160.7	81.8	18.8	9.6	13.4	6.8
2002	198.9	0.61	101.27	167.3	84.1	19.6	9.8	11.0	5.5
2003	248.6	0.72	125.05	197.1	79.3	28.8	11.6	21.6	8.7
2004*	226.7	0.60	91.19	-	-	-	-	-	-
2005*	259.2	0.62	114.33	-	-	-	-	16.4	6.3
2006*	291.5	0.64	112.46	-	-	-	-	38.3	13.14

**According to the Law on budget. For all other years the data is under review. For the last tree years there is a lack of information for the desegregated representing of the budgetary subsidy.*

READING TABLE 1 WE COULD POINT SOME MAIN CONCLUSIONS:

1. The public expenses for culture, as apart of the GNP are relatively 0.60% - 0.70%.

2. About 78- 85% of the means for culture in the state budget are used for salaries, social insurances and support of administrative structures and cultural institutions (art schools, theaters, museums, galleries, national centers etc.). From these expenses insignificant part consist the money for creative cultural projects fund raising. The whole budget is 257.9 million BGN (128.5 million EUR) from which the Ministry of Culture receives 73.6 million BGN (36.2 million EUR) for maintenance and development of all cultural institutions and it self. This is quite insufficient fund raising for the above-mentioned institutions. Within the budget structure a significant part is devoted to the two main state media – National Bulgarian Television and National Bulgarian Radio. The subsidy for the National Television is 52.2 million BGN (26.2 million EUR), and for the National radio – 32.3 million BGN (16.15 million EUR). The own income of the National Radio is very little – 1.8 million BGN (0.9 million EUR), for National Television – 14.8 million BGN (7.4 million EUR). With such a budget it is hard to reach a contemporary technical level and rich programme level. Despite this for the two media goes between 33% and 39% from the entire budget for culture each year.

3. Extremely insufficient are also the subsidies for the realization of different cultural projects through nongovernmental cultural organizations – the average during the researched period is about 15 – 20 million BGN (7.5 – 10 million EUR).

4. Considering the huge necessities of investments, including such for revealing, preserving and exposing the heritage in a way that will contribute for its transforming into one of the massive factors for the tourism's development, the funds for capital expenses are extremely insufficient. It is 12-15 million BGN (6– 7.5 million EUR) average annual, the most part of which are scheduled for back up repairs.

For such a development are necessary significant financial means, which are beyond the powers of the state budget. The fund raising of the cultural sector in Bulgaria through the national state budget is quite insufficient for the realization of modern cultural activities.

This discrepancy between necessities and possibilities of the state fund raising sharply poses the problem for applying policies aiming at mobilization of additional, alternative to the budgetary financing resources for the cultural sector.

It would be interesting to point out, for further development of the general idea, that the GNP for 2006 is expected to be 18.4% compared to 1998 /current prices/, and the foreseen funds in 2006 budget grow up compared to the same year up to 169%. The difference in the dynamics is mainly due to the lowered share of these funds compared to GNP during the last two years. Under the circumstances of financial welfare and billions of budget surpluses /cumulatively more than 7.3 billions for 7 years/ such policy is inexcusable. During the last years it became obvious that due to the lack of funds there is a real risk that the country might be deprived from its unique wealth from its heritage.

It is natural that the question “why is so poor the financing of the Bulgarian culture?” appears. Why despite the achieved financial stabilization, permanent increasing of GNP and the steady share (around 40 – 41%/) of its redistribution through the budget, despite the annual realized budget surpluses, the culture remains with its 0.60 – 0.65% from GNP budget’s financing?

Despite its stable development, Bulgaria is a country with extremely low economic level (measured through GNP per capita) and budget recourse, although it is increasing with 8 – 10% annually, it is insufficient to cover satisfyingly all public necessities.

The presence of priorities, which receive more, compared to the general rate of rising of the budget’s expenses, contributes to the decreasing of the opportunities for increased financing for the rest of the necessities. Undoubtedly, this is the general, *first factor* affecting the level of culture’s financing.

The *second factor* is the attitude of the Bulgarian governments towards the culture – not just words, but through building and conducting of a practical policy. With arguments, such as “there are more important necessities” the culture has been left in the group of the “poor distant relatives”.

The fact that the subsidies were increased with 70% for the last 7 years must not mislead. That is a normal increasing. Considering the inflation for this period (39.5%), the real growth of this resource is 21%. The average annual growth of the subsidies for the culture was 2.8% in real expression with an average rate of GDP for the same period 4.5%. The culture is really placed in the group of the “poor distant relatives” when it comes to government financing.

II.3. BULGARIAN CULTURAL CONTEXT. OBSERVATIONS AND REFLECTIONS

To better understand the contradictory Bulgarian cultural context we would like to outline some of the main processes occurred in Bulgarian cultural scene during the recent years.

1. CULTURAL TRANSITION

After the fall of the communist regime (1989) appeared great number of private galleries, foundations, associations and other nongovernmental organizations dealing with art and culture. The main financial resources of these organizations were donors such as Soros Center for Contemporary Art, Swiss Cultural Programme, Open Society Institute etc. During the last 15 years the cultural scene in Bulgaria has endured numerous changes and passed through a period of total chaos to a period of setting- up a certain hierarchy and “arrangement” of the cultural space. From the 1st of January 2007 Bulgaria became an official member of EU, which poses Bulgarian cultural scene in a new context – the one of the common European cultural scene

With the regard of the international donors’ withdraw the future fund raising of the cultural projects should become a priority of the local Municipalities and of the Ministry of Culture. In order to be an active participant in the common cultural space of Europe, Bulgarian culture needs strong support from the state, represented by the central and local authority, politicians and last but not least – the civil society.

In the context of a country in transition we should consider Bulgarian culture as “culture in transition”. “The notion of transition is strongly linked to the notion of transformation, which defines the type and nature the transition itself. Transformation represents an interactive social change that may (but need not) involve systematic change. It is confined to the elements of the system and to different specialized activities, that may, by being transformed reach the point at which they are transferred from one (established and known system to other system (unknown, not clearly structured and being just made up). In the contemporary world, transformation provides frameworks for cultural transitions from national to global cultural contexts. It stands for cultural change that is typical for the end of

the twentieth century, and that has already contributed to the establishment of a new global cultural context, which puts cultures, be they viewed as ethnic, national, traditional or modern, in a new position. This new position is defined by: functional market integration of cultural and all other types of production; by global economic interdependence; by technological and direct scientific influences in the cultural field; by intensified global communication and trade; by deterritorialization of cultures and, their hybridization and establishment of new cultural and creative spaces.” (Nada Švob- Đokić, Cultural Contexts in Transition Process. In: Cultural Transitions in Southeastern Europe, Zagreb, 2004)

2. NONGOVERNMENTAL CULTURAL SECTORS’ CONSOLIDATION

In Sofia there is certain success in laying down the foundations of *public- private partnership*

As a result of the sector consolidation process was established a Family of NGO-s in the field of art and culture. The members of the Family are cultural organizations from different cities in the country; their number is increasing permanently. It is a non- formal structure, with common interests in cultural policy development, decentralization of art and cultural goods, advocating and lobbying for bettering the public- private cooperation at national and regional level. The Family has its regular meetings, on which are discussed the questions of the day, the current projects and initiatives, as well as are taken decisions about possible solutions of the problems, advocacy and lobby. Number of independent experts is also working with the Family.

Activities of Family NGO-s in art and culture:

- **Advocacy campaign provoked by the structural changes in the Ministry of Culture**

and the closing of the National Center for Music and Dance, National Center for Theater, Show and Circus arts, National Center for Books and Libraries, National Center for Museums, Galleries and Visual Arts and their transformation into Directions within the structures of the Ministry of Culture. Thus the National Centers lost their independence and became subordinated to the Ministry and, respectively to the minister, “appendixes”.

- **“Campaign for mobilization of municipal resources for cultural projects”**

Nowadays the municipalities' budget for art and culture is mainly dedicated to the so-called “cultural calendar” and to the needs of municipal cultural organizations such as libraries, theaters, galleries and concert halls. Those way municipalities don't have resources, neither mechanisms for supporting other cultural projects.

This comes to show the formation of a strong network of NGO-s in the area of art and culture that could advocate for the bettering of the public- private partnership.

With its public reactions and actions, the Family succeeded to gain the strong support of the Minister of European affairs, the deputy mayor of Sofia Municipality, the deputy minister of culture. With an ordinance of the mayor of Sofia Municipality was created a working group, which includes representatives of the Sofia Municipality, Council of Sofia Municipality, representatives of the Family and independent experts.

Unfortunately this phenomenon appears only in the capital city- Sofia and it is still very fragile.

In the local municipalities the self- government machinery is still very clumsy and still working in the old fashion way. The budget of the local municipalities for culture is limited and it usually supports only the so-called “cultural calendar”.

3. MUNICIPAL “CULTURE” FUNDS DEVELOPMENT

The development of the municipal “Culture” funds lies down in the Law on culture protection and development (1999, Bulgaria) but their realization for the moment is not possible because of collision of laws. There is only one existing municipal fund “Culture” (this one in the district of Shoumen) but there is a public debate about its legitimacy.

The Family of NGOs in art and culture succeeded to gain the strong support of he minister of European affairs, the deputy mayor of Sofia Municipality, the deputy minister of culture. With an ordinance of the mayor of Sofia Municipality was created a working group, which includes representatives of the Sofia Municipality, Council of Sofia Municipality, representatives of the Family and independent experts.

Parallel with the above-mentioned campaigns there is a campaign for solving the problem with Sofia Culture Fund. Sofia Culture Fund has been established with a decision of Municipal Council- Sofia, according to the decrees of Law on culture protection and development; but with a decree of the ex- mayor of Sofia it has been declared for illegal and sent to the court. The reason is the same – collision between laws.

In August 2007 under the pressure of the Family the Council of Sofia Municipality voted the regulations for Sofia Culture Programme functioning. The program's main goal is declared to be: to support the creation and the access to various cultural practices on the territory of Sofia.

Within Sofia Culture Programme priorities are also to support together with the civic organizations and the professionals in art and culture the development and the implementation of the cultural strategy of Sofia. Main governing bodies of Sofia Culture Programme are: Artistic Union (3 representatives of Council of Sofia Municipality, 2 representatives of Sofia Municipality Administration, 4 representatives of various organizations in art and culture (state, municipal, private – NGO, civil unions etc.).

Council of Sofia Municipality and donations and charity subsidize the Sofia Culture Programme.

4. CHAOTIC CENTRALIZATION AND DECENTRALIZATION

The *decentralization of culture* - one of the main principles of the modern cultural policy, in Bulgaria is a bit chaotic and irrational. We could claim that the process of decentralization is still very vague, furthermore – we observe a process of centralization running in several directions:

a) Centralization of the Ministry of Culture - in July 2006 the Ministry of Culture carried changes in its structures, which led to a complete centralization of the Ministry as well as to concentration of decision-making power on the hands of the Ministry. The existing National Center for Music and Dance, National Center for Theater, Show and Circus arts, National Center for Books and Libraries, National Center for Museums, Galleries and Visual Arts has been closed and transformed into Directions within the structures of the Ministry of

Culture. The current changes in fact expel the nongovernmental sector from the decision making process.

b) “Uneven distribution” of cultural goods and services with the significant concentration in the capital city at the expense of insufficiency in the other parts of the country due to the lack of regional cultural policy and public- private partnership

Each region has its own cultural identity and needs, which the National cultural policy could not sweep. Establishing a dialog between the local self- government and the NGO-s in the area of art and culture will ensure local cultural policy development, which will correspond to the local cultural context.

The idea that the culture is one of the main factors for structural development gains ever more and more popularity within the cultural activists across Europe. The first Berlin Conference “*A Soul for Europe*”, 2004, with 600 participants – political, cultural and administrative leaders of Europe, initiated a process for placing sustainable cultural growth.

“A Soul for Europe” is a pure civil society initiative which goal is to see Europe use its culture as a strategic factor in Europe's development – at local, regional and national levels as well as at the level of central European institutions. This comes to show that (in the words of the President of the European Commission, José Manuel Barroso at the first Berlin Conference "A Soul for Europe" in 2004)"The EU has reached a stage of its history where its cultural dimension can no longer be ignored."

The public-private partnership at the regional level is one of the main instruments for obtaining adequate overview of the local cultural needs.

The question that follows as a natural consequence and is from a great importance is the degree of preparation of the government cultural institutions/administration, to participate in the process of decentralization of decision-making power of municipalities

THE PRINCIPLES OF THE “WORKING” EFFECTIVE CULTURAL POLICY REQUIRE THE ACTIVE PARTICIPATION OF THE NGO SECTOR:

“...in a democratic country, policy making – for the cultural sector or for any other sector - is bound to comply with and to uphold the principles of good governance:

- *The principle of subsidiarity (i.e. no responsibility should be located at a higher level that necessary and, therefore, action at higher level is justified only when the objectives of the proposed action cannot be sufficiently achieved at a lower level and they can be better achieved at a higher level of decision)*
- *The principle of proportionality (i.e. measures should be necessary to achieve stated objectives, should be appropriate to risks posed, should not have undue adverse impact on other rights or interests, should represent the least onerous course of action)*
- *The principle of accountability (i.e. policy- makers should be able to justify decisions and the decision- making processes should be open to public scrutiny)*
- *The principle of transparency and openness (i.e. policy objectives should be clearly defined and effectively communicated to the public, and mechanisms should be put in place, enabling constituencies to have access to public information and to exercise thus their democratic rights)*
- *The principle of consultation with, and participation of, stakeholders (as beneficiaries of policies, stakeholders are entitled to be consulted and to participate in the actual design of public policies; this process, although sometimes considered in our countries as cumbersome and time consuming, is instrument in acquiring a better understanding of possible options and constraints and will eventually ensure a higher level of compliance with and of applicability /enforceability of enacted policy and/or regulation). This is the reason why better consultation procedures are one of the major tasks and challenges governments are facing...”(Delia Mucica, Assessments of Needs and Impacts – Essential Tools in Cultural Policy – Making. In: Cultural Transitions in Southeastern Europe, Zagreb, 2004)*

None of the above mentioned principles of “working” effective cultural policy could not be realized without the nongovernmental cultural sector’s participation.

We would try to draw the position of the nongovernmental cultural sector through the statements of the participants in the public discussion on “Culture, communities, and

development” held on 25.05.04, Sofia. The organizers and participants are members of the leading Bulgarian cultural organizations, development programmes and business representatives. *(The complete text of the discussion can be seen the appendix 1)*

- Culture should stop being regarded as a sector. “Division into sectors, though defending a modern position, leads to not so good results – when one thinks in terms of sectors, the intersectional policy is missing.” *Raina Gavrilova (Director of the Open Society Institute – Sofia)*
- Culture is a resource. Culture and its resource create jobs. The state has got 40 000 monuments of culture. That means at least 40 000 jobs, one person for one monument. The state has got ownership, called “cultural heritage”, which belongs to the state and to the communities in its greater part and the state must take up its part, i.e., it must take care of its ownership...the state should be deprived of the thought that it truly must organize itself in its capacity of an owner of the cultural heritage and it should start taking care of it, providing its safety and stability. *(Rumen Draganov, Council of Tourism)*
- It shouldn’t be believed that business have got the money and banks have got the money and they could easily spare a certain sum, let’s say one hundred thousand levs, and throw it away. This is not a social engagement. Social engagement means having a firm position, developing a reasonable strategy and standing up for this strategy before the management and the people out there. *(Emilia Stefanova, Post Bank representative).*
- The nongovernmental sector representatives speak in different languages and this is frightening, because if they speak in different languages among themselves, how do they speak with the business? ...Business help culture and will go on doing it, but let people working in the sphere of the culture start trying to understand them. *(Alexander Djoganov, First Investment Bank representative)*

- **The problem of the lack of common language and thus the lack of mutual understanding lies in the fact that in the dialogue, conducted by arts and businesses, on one side stand professionals and on the other - enthusiasts. At the moment there are no professionals who can manage the culture in Bulgaria. (*Vera Petrova, Soros center for cultural policies*)**

We could assume that there is a good will for intersectorial cooperation but there are no enough resources for that.

THE REASONS:

- 1. The problem of the “different languages” comes out from the fact that the understanding of art and culture is very much an educational process. In Bulgaria we observe a gap in the education in art and culture, which leads to the lack of understanding the essence of the modern culture;**
- 2. The art management and the cultural policies in Bulgaria are still nascent which leads to the lack of professionals in the sphere of fundraising, project management and cultural policy development;**
- 3. Culture is not still recognized as a resource, as one of the main factors for structural and economical development of regions from the state. The state does not take the necessary care of the cultural heritage, cultural policies development neither of the art and culture education in secondary non-specialized schools.**

II.4. CONCLUSIONS:

Bulgarian culture and arts have never had the chance to follow their natural course of development.

During the Ottoman rule (15th – 19th century) it is hardly possible to speak about development of Bulgarian culture – at that time all efforts of the cultural figures had been focused on protection and preservation of traditional Bulgarian culture.

After the Liberation (1878) a strong and purposeful cultural policy was apparent. Cultural context was characterized by search and confirmation of cultural identity. Ways were sought to incorporate culture to European cultural standards. Traces of modern arts could be observed during the period of 1878 –1945, but they were sporadic and belated. World styles in arts and culture echoed hollow on the territory of Bulgaria.

During the communist regime (1945 – 1989) it is useless to speak about modern arts at all. Art served ideological purposes of the state – party. The centralization of culture and cultural commodities brought along the marginalization of Bulgarian cultural space from the common European cultural space and the European and world tendencies in all spheres, concerning modern life.

Thus the Bulgarian cultural space had its own life, which was completely different and isolated from the European one.

It wouldn't be a far-fetched statement to claim that contemporary Bulgarian culture missed the main and basic stages of development of modern European culture.

Arts and culture are a reflection of social reality; therefore the omission of those stages would rather lead to an imitative and unauthentic art reality.

After the political and economical changes (1989) the “strata” of cultural space have been rearranged, but as the process of development is a gradual and not a chaotic one, (it is a systematic process of addition and evolution of values, ideas, and tendencies), it is impossible to omit a single stage of this development without consequences. If (or when) a stage (or

stages) was neglected (jumped, or omitted) the development process is interrupted and degenerated.

The years of communist regime (1945 – 1989) led to the total lack of private initiatives in all sectors. Furthermore, some of the sectors didn't even exist. For example, the business sector, the nongovernmental sector, etc.

National and regional cultural policies and practices in Bulgaria are still nascent. This, on one hand, could be a very “fruitful soil” for establishing a public- private partnership and cooperation. The recognition of the NGO sector in art and culture and the strengthening of its position in the national and regional cultural policy development will ensure a democratic, transparent and decentralized distribution of cultural commodities.

Not only the Bulgarian governments are cheap when it comes to financing the culture but they also neglect the opportunity of creating effective law mechanisms (mainly through tax law) for stimulating the business and the citizens of granting and sponsoring the culture, the arts and the development of the heritage, for mutual investments of the companies and the government on the basis of public and private partnership for intensive development of the culture tourism.

It is pretty obvious that a solid law organization is needed regarding the issues of the patronage, sponsorship and granting in the field of culture, government preferences and stimulus for investment activities in the culture sector. The approved in 2005 **Patronage Law** is the first main step towards this matter. Several countries' practices, in which “out budget” financing of huge recourse in the culture sector is achieved, show that the main reason for achieving this is the system of serious tax, customs, credit-interest and other financial and economic stimulus and concessions for the resource granting physical and juridical persons.

There are several unused fiscal instruments for additional financing in today's economic development, which would secure extra resources for covering the expenditures for research, protecting and exhibition of the heritage and expenditures for backing up culture's infrastructure.

One of these instruments is the domestic debt, which is used effectively in almost all developed, and developing countries. Alas, during the last years an excessively cautious flexion of the debt's emissions is monitored, and the figures show that in percentage proportion it is 6.2% of the GNP. Absolutely no danger of serving it! The situation with the external debt is analogical. Our debt as percentage of the GNP is lower than the average for the EU and the Euro zone without us wanting it to be this way. Our public external debt is around 28% from the GNP, with 63.8% for EU, 71.3% for the Euro zone and 105-110% for Italy, Belgium and Greece.

Transferring debt burdens to the future generations raises the question if such approach is fair and effective. When discussing the opportunity of emitting a debt as a priority the question of to what extent it is fair for the present generation to transfer debt burdens regarding the financing of fund "heritage" to the next one appears. Some economists consider that the exaggerated deficit financing leads the society to a moral decay. It arouses the idea that through the budget financing the government can solve the numerous economical, social and other problems of the society. And in fact, all country's taxpayers should take the care for the research, protecting and exhibiting the heritage. We assume that due to the Bulgaria's joining of the EU a financial stability as a consequence of the preservation of the monetary fund is monitored. The real economic growth is around 5.6 – 5.8% on annual basis and the future generation will possess with more incomes than the present one.

Considering this the debt burden for this generation will not be tangible and the funds received from eventual emission will secure possibility for a long-term strategy and the necessary financial security for the culture sector and fond "heritage". On the other hand, releasing the culture's budget from the expenditures for infrastructure and heritage will lead to additional resource for the most effective expenditures from this budget that is project subsidies with the participation of the third sector.

It is a curious question that most of the economists are interested in – the billion budget surplus, which feed the enlarging fiscal reserve (reached 5.13 billion BGN = 2.5 billion EUR) or the development of the cultural sector or other sectors with restricted financing.

The budget's surplus restrains the economic growth, restricts the possibilities of active cultural, social, ecological, educational, scientific, innovative, structural and other politics.

The consequences for a poor country such as Bulgaria are more severe with its numerous unsolved issues in these sectors.

When talking about Bulgarian culture and cultural policies, we are obliged to point that a very important element was missed during the transition from closed market-to-market economy – the cultural industries and heritage as resource and commodity.

Partially this was due partially to the absence of real contemporary art, which could be competitive to the European market.

We believe that the problem is rooted even much more deeply. The understanding of contemporary culture and art should be implemented as an educational programme starting from elementary school. Such gaps in education leads to misunderstanding of the essence of culture and the functions of art as a whole. This superficial and perfunctory perception of art as a means for entertainment deprives it of its social functions.

The absence of traditions in art management and cultural policies training in higher educational institutions is a prerequisite for the insufficient professionalism in working out of national cultural policy and cultural strategies of the regions, particularly in small municipalities. Cultural strategies are usually worked out and sanctioned by well-known figures of our cultural life, who, however, are not managers and cultural policy activists, but are artists, presidents of art educational institutions, art historians, authors, etc. Art managers and cultural policy developers attend sessions as independent consultants.

This contradicts the logics of cultural policy development, which should be worked out by art managers, project managers and cultural policy professionals; and artists, presidents of higher art educational institutions, etc. should be drawn in as consultants. That is why it wouldn't be excessive to state that cultural strategy of the municipalities follows the inertia of the previous years and runs out with the completion of the so called "cultural calendar", where mostly celebrations of various traditional holidays, organization of annual and retrospective exhibitions and the like are included.

Modern forms of art are not enlisted in that cultural calendar; they are usually a result of private initiatives, subsidized by different funding organizations.

The public- private partnership, when is it properly manipulated and executed, would contribute to the balance in the cultural strategies between the contemporary forms of art and culture and the typically traditional ones.

At the present time, when in Europe they speak of “ joint European space”, and art assumes a much more social role, Bulgaria should leave the provincialism of the cultural calendars and acknowledge the significance of the new ideas in the cultural space of Europe. This could be achieved only with the introduction of appropriate education in art history, starting as early as the elementary school; it would develop children’s UNDERSTANDING of the essence of art and would prepare them to realize that art is not only means of entertainment, but a commodity as well as an instrument for carrying out of various social and even political ideas.

The introduction of such education could contribute to “unification of the language” of those, dealing with art and culture, as well as the representatives of the funding institutions, civil servants and politicians.

At the same time, a change of the public administration of the municipalities, dealing with culture, is indispensable. Civil servants are usually extremely unprepared and untrained to meet the new requirements of the public-private partnership.

The lack of understanding of this partnership necessity leads even to absurdities such as the civil servants feeling offended that “someone is meddling with their work” thus accusing them of “being incompetent”.

The fact that Bulgaria is the only country on the Balkans, which does not have a Museum of Modern Art, is unambiguous and indicative of the attitude of the state towards contemporary art and culture.

In addition – maleficent attitude to heritage is obvious. Heritage is a resource, which – if rightly developed and manipulated – could contribute to the economic development of the regions.

The public- private partnership is an integral part of the process of democratization of culture, policy making and cultural practices.

The foundations of the public- private partnership are laid down with the following acts:

- *At the request of the Family NGOs in art and culture, the mayor of Sofia Municipality appointed a working group for the establishment of Sofia Culture Programme in which representatives of nongovernmental organizations take part.*
- Under the pressure and lobby of NGOs in art and culture Sofia Culture Programme was started in Sofia Municipality in August 2007.
- Representatives of the nongovernmental organizations in art and culture are taking part in the new public – expert Council for culture of Sofia Municipality. The Council aims at the development of the cultural policy of the Sofia Municipality and the development of programmes of Department Culture on Sofia Municipality.
- The Council of Sofia Municipality recommends the Family’s participation in the sessions concerning the support of the cultural projects in the Municipality.

This shows that some processes of democratization and decentralization are already rising, but we could hardly conclude that this is a long- last tendency because that is observed mainly in the capital city and some other districts in which the good will and understanding on the part of the local governance exists.

Concluding in short – the processes, characterizing modern Bulgarian cultural scene exhibit several basic tendencies:

1. Chaotic and inconsistent processes of transition
2. Inadequate state policy towards culture
3. Absence of traditions in the public-private partnership
4. Cultural goods concentration in the capital city
5. Absence of purposeful regional cultural policy
6. Mistrust towards the nongovernmental cultural sector
7. Routine public administration, particularly in the municipalities

CHAPTER III

METHODOLOGY OF THE RESEARCH. MANAGEMENT AND GOVERNANCE PRACTICES, FUNDING RESOURCES, SUSTAINABILITY OF THE NONGOVERNMENTAL CULTURAL ORGANIZATIONS. INVOLVEMENT IN THE CULTURAL POLICY DEVELOPMENT

In Chapter III we analyze management and governance practices of 13 nongovernmental cultural organizations, their sustainability and capacity for national and regional cultural policy involvement and development.

III. 1. METHODOLOGY OF THE RESEARCH

III.1.1. DATA COLLECTION METHODS

Desk research – the desk research is based on listing all the active cultural agents in Bulgaria regarding: name of the organization, URL, scope of activity, e-mail, postal address, contact person, place of activity.

Quantitative survey – respondents were representatives of the organization's management. The data was collected through interview, questionnaire or combination of the two methods. During the initial contact with a representative of the organization the interviewer tried to make an appointment with someone from the management of the organization. If getting an appointment proved to be too difficult, the interviewer suggested sending a questionnaire by e-mail, which the representative of the organization would fill in by himself/herself when convenient. The interviewer browsed the completed questionnaire and asked questions that had been omitted by the respondents, if necessary.

Qualitative survey - 13 active NGO-s in the area of art and culture have been interviewed. The interviews were held: in Sofia (6), Gabrovo (3), Varna (1), Rousse (1), Plovdiv (1), Kurdjali (1).

On the basis of multiple desk researches, inquires, interviews and data collected is made a representative excerpt for some of the main regions in Bulgaria including representatives of different types of regions: small regions, regions with ethnic population, regions with economic importance etc.

The **empirical materials** are different analysis, researches and publications on the capacity of NGO sector in Bulgaria. Collecting data and analysis of samples for good public-private practices in different EU countries.

Organizations interviewed:

Note: Of the great significance in the organizations' choice were several criteria:

- 1.To be active players on the regional, national and (in the best case) international cultural scene;*
- 2.To represent different types of a non- governmental organization – Foundation, Association, Chitalishte (Culture Community Center);*
- 3.To have different scope of activities in different art genres;*
- 4.Organizations had to be active in different geographical areas /capital city, other big cities – Varna, Rouse, Plovdiv, Kurdjali, some smaller cities – Gabrovo*

A short presentation of the organizations:

-Cult.bg Foundation- www.foundation.cult.bg- Sofia

Cult.bg is an independent cultural organization, working in three main fields: research, advocacy and support. It maintains an ongoing mapping of the Bulgarian cultural sector, coordinates the work of Family of NGOs in the area of arts and culture, runs Cult.bg Server for Arts and Culture and administers the Fund for support of emerging artists in Bulgaria, supported by the National Culture Fund.

-Inter -space Association- www.i-space.org- Sofia

Inter- space is a new media art center, based in Sofia. It was founded from professional artists, computer specialists, and media experimenters in 1998 as a nongovernmental organization. The center realizes art projects, organizes art events, residencies, researches and developments in the area of new technologies with the aim to be applied in art.

-Krug Association – Sofia/ Kardzali

Krug's activities such as issuing the Krug /translated in Engl. Circle/ magazine, organizing non-traditional artistic acts – performances, actions, literature readings at innovative places are developing both in Sofia and Kardzali region. From 2002 Krug manages and governs the Municipal City Gallery at the town of Kardzali where it strives to put the stress on the contemporary art. Krug develops the international residency at Dazdovnitsa village /Kardzai region/ as well.

-Red House- www.redhouse - Sofia

The Red House Centre for Culture and Debate is a place for artistic experiments in the field of performing and visual arts, film, music, literature and new media. The Center organizes performances of independent groups, exhibitions of contemporary visual artists, lectures and discussions on contemporary art and culture. The Arts and Culture programme of The Red House Center for Culture and Debate features own productions, theater performances of independent groups, concerts and exhibitions. Red House also presents the Bulgarian and international trends in the development of documentary and experimental art cinema as well as video films of key performances - milestones in the development of the performing arts in the last ten years.

-Fabric Association – Gabrovo

Founded as a cooperation project with the Swiss Cultural Programme for South-East Europe and Ukraine in 2005. From March 2006 it functions as a regional resource center “The Fabric”. Financed from the Swiss Cultural Programme for a three year period. It collaborates with professional artist and organizations in the field of culture. As a regional center it covers north-central region of Bulgaria.

-EU spaces 21 – Rousse - www.bgeufest.net

NGO of media professionals and people, tempted by culture and art. Work for Bulgaria’s European idea through annual media festival The Bulgarian Europe. Curators of artistic events, develop partnerships for protection and promotion of cultural and intangible heritage.

-Art Today Association – Plovdiv – www.arttoday.org

Non governmental registered in public favor, established in 1997 with the aim is to present alternative and experimental forms of contemporary art; to work for their study

and documentation; to build an informational data base presenting contemporary authors; to prepare periodical and unique print materials for art; to create a multimedia laboratory and residence program. It works for Center for Contemporary Art – Plovdiv building. The association won the right to situate the Center in the Ancient Rome Bath premises, rebuild in the period of the Turkish Empire. The building belongs to the Municipality and is a unique monument of culture from the 16th century with a specific interior.

-Next page – Sofia – www.npage.org/en

Next Page Foundation supports translations and the growth of independent private publishing in transitional and developing countries. Its main beneficiary areas are Eastern and Central Europe (incl. the Baltic Republics and Southeastern Europe), Russia, the Caucasus, Central Asia and Mongolia as well as the Arab countries. Next Page supports equal access to knowledge and information. Promotes inter cultural understanding.

-Liter net – Varna -

Lite rNet is a specialized web portal for literature, liberal arts and education. It is an independent private media focused on e-publishing and news in the area of literature and culture. It features an e-publishing house, e-zines, e-bookstores, gallery, library and web and email register. All its resources are in Bulgarian.

-Dauhaus– Sofia – <http://studiodauhause.blogspot.com>

Functions as an independent art center for contemporary art. Dauhaus is a known place for formal and alternative art with the goal to provide a space for work and exhibition for independent artists with a focus on contemporary art and interdisciplinary works. Runs Sofia Underground It is situated in a big loft in the Pavlovo area located on the third floor of a closed down factory built in 1928 in constructivist style architecture.

-Chitalishte Gabrovo -Gabrovo

Chitalishte Gabrovo is founded in 2000 with the aim to promote amateur arts in Gabrovo region. Its activities are also related to amateur arts presentation outside the country.

-Chitalishte Aprilov- Palauzov – Gabrovo

Chitalishte Aprilov- Palauzov is founded in 1861 and it is one of the oldest culture community centers in Bulgaria. Its aim is to promote amateur arts and to provide space for its development.

-Svetal den Association – Sofia

Created in 2004 as a non-profit association. Its aim is to motivate and initiate the youth artistic creation.

III.2. QUALITATIVE ANALYZE OF FUND RAISING PRACTICES, MANAGEMENT CAPACITY AND INVOLVEMENT IN THE CULTURAL POLICY DEVELOPMENT OF THE NONGOVERNMENTAL CULTURAL ORGANIZATIONS

The following data is gained by open interviews of 13 cultural organizations, most of them founded after 1997 with various locality in Bulgaria and sphere of activities: *research, advocacy and support, artistic experiments in the field of performing and visual arts, film, music, literature, new media, liberal arts and education, interdisciplinary art etc. (see the questionnaire in appendix 2)*

ANALYSIS OF THE NUMBERS:

A more careful study of the data collected shows that the nongovernmental cultural sector is woven by various problems which could be characterized and differentiated as common problems for the whole nongovernmental sector.

Regarding the *impact of organizational activities* it would be valid if we say that **53,8%** have national significance, **38,4%** – regional, and **23%** – international (the percentage exceeds **100%** because of the fact that some of the organizations have both national and regional significance). These percentages are not very positive as regards to the international scope of activities. Most of the organizations have only regional and national significance, which comes to show that the international recognition of the nongovernmental cultural organizations is still very weak.

This contradicts to the fact that the most *fund raising resources* of the organizations come from international donors. Independently from the fact that **84,6%** from the organizations interviewed report that they at least once received state funding, **53%** have

been regularly funded from foreign programmes, **46,1%** from EU programmes, **61,5%** - EU, American and other foundations, these percentages doesn't show the financial dimensions of these findings (*see table 2. Funding resources of the nongovernmental cultural institutions*). As mentioned above in Chapter II (*II.2 Expenditures for culture from the state budget, p. 63*) the amount of money that the Ministry of Culture can allocate for nongovernmental organizations funding, is totally insignificant. Thus it will be valid to clame that the most financial resources for contemporary art and cultural projects come from abroad.

It can be assumed that the Bulgarian nongovernmental cultural sector exists and performs its activities due to the international funds. The state and the local budgets provide around 10% of the budget of the whole nongovernmental sector.

Substantial sources of income are also the *business activities*. A positive tendency is the participation of the local business, although the financial aspect is still very low and the funding is very often under the form of services exchange, financial support in return of publicity, barter etc. That comes to show that the most frequent motives for the business are populist and unrealized as an act of prestige.

Independently from the above mentioned, the relationships between the nongovernmental sector and the business continue to be weak and to be based entirely around exchanges of goods and services and not around pursuit of some common goals. Interests in such partnerships are motivated by anticipated mutual benefit rather than by concerns for external development on behalf of the broader community.

61,5% from the organizations interviewed have incomes from *own economical activities*. Some of the organizations have almost **50%** self- funding (Dauhaus for example) (*see table 2. Funding resources of the nongovernmental cultural institutions*). The resources for the self- funding incomes most frequently come form renting spaces, renting technique, paid services such as consultations, different seminars, trainings etc. organization, tickets selling, cultural products distribution etc.

Interesting fact is the membership dues collection, which is observed in the self-funding practices of the Chitalishta (Culture Community Centers).

Regarding the *partnerships* of the nongovernmental cultural organizations we observed that only **23%** of the organizations interviewed ever had partnerships with the State/central governance (*see table 3 positive partnerships of the nongovernmental cultural institutions interviewed*).

A positive trend (although still very unsatisfactory) is observed in the partnerships between the nongovernmental cultural organizations and local business – **38,4%** (*see table 3 positive partnerships of the nongovernmental cultural institutions interviewed*).

Almost all the organizations declare that the *ideal structure of fund raising* “...would be the so called “mixed funding” – project working and partial funding, form the municipality – partnership, financial funding of some of the activities of the organization, state funding, self- funding. It couldn't be defined in percentages, but it is from a vital necessity for the organization to be financially mobile and independent form the donors. What could kill the organizational independence is the subordination on a single donor...” (*Mariana Prodanova, The Fabrics Association, Gabrovo*).

“...if the organization develops in a proper way – the ideal structure of fund raising would be the existence of minimal, but convenient state or municipal funding, and additional funding on a project principal. The self- financing should consist at least 50% form the budget, if not the main resource of income. It could be a motivating factor and an interesting and successful practice in a socio- cultural aspect...” (*Yovo Panchev, Dauhaus, Sofia*).

“...at least 50% form the activity to be financed form the state and municipal policy, the rest of the funding to be form self- funding – through projects, own economical activities – 10%, if it's possible. In my opinion the organizations should be forced to develop own economical policy too...” (*Radost Nikolaeva, Krug Association, Kurdjali*).

„...donations, sponsorship, funding on project principal, co- funding and self- funding.
I cannot point percentages.

May be we need to change the statute regarding the condition for public benefit...“ (*Boyan Aleksadnrov, Sletal den Asociation*)

„...The state funding is not the healthiest one for the nongovernmental organizations. If there should be a state funding it should come from the municipal budget, engagements that the municipality undertakes and the state (in the person of the Ministry of Culture) such as repairs, equipment, change of different types of technics etc. The state funding could be an obstacle for the organization to develop its own initiative and to look for new financial resources. The withdraw of the state financial support should be made gradually, not suddenly. In any case, as the economics proved it, the private business has always been more vital than the state one.” (*Velizar Velchev, General Secretary of Aprilov-Palauzov Chitalishte, Gabrovo.*)

The research on the partnership with the *state governance* shows really low activity – **23%** of the organizations report of such. The reasons for this could be found in the impossibility for a dialog and common work realization, lack of political will from the representatives of the state governance, as well as non-recognition the role of the nongovernmental sector in the development of cultural policies.

Not less important factor is the insignificant knowledge of the own authorizations from the side of the state governance. An important and indicative factor for the partnership between the nongovernmental cultural sector and the Ministry of Culture is the complete disinterestedness form the side of the Ministry representatives towards the events which are not included in the so called “cultural calendar”.

Other significant reason for the lack of partner relations between the nongovernmental cultural organizations and the state is that the nongovernmental organizations are still bad experienced in the lobbying campaigns realization.

The nongovernmental cultural organizations laid the foundations of the cultural sector's consolidation and it's positioning as a significant factor in the civil space. A Family

of NGO-s in the sphere of art and culture creation in 2006 was the first act of nongovernmental cultural organizations' consolidation. Before that the cultural sector was only recognized in the person of the so-called “creative unions” (tvorcheski saiuzi), which (according to the most of the nongovernmental cultural organizations) could not represent the interests of the nongovernmental cultural sector as a whole. Because of their numerous ranks, the creative unions were the only officially recognized form the municipalities as NGO representatives. They were the only invited to the discussions on the cultural policies. Representatives of the traditional art forms usually govern the creative unions.

The main conclusion is that the state is overcoming its total negativism towards nongovernmental cultural organizations and the partnerships are built around utilizing nongovernmental non- material resources (knowledge, experience, information, networks and contacts).

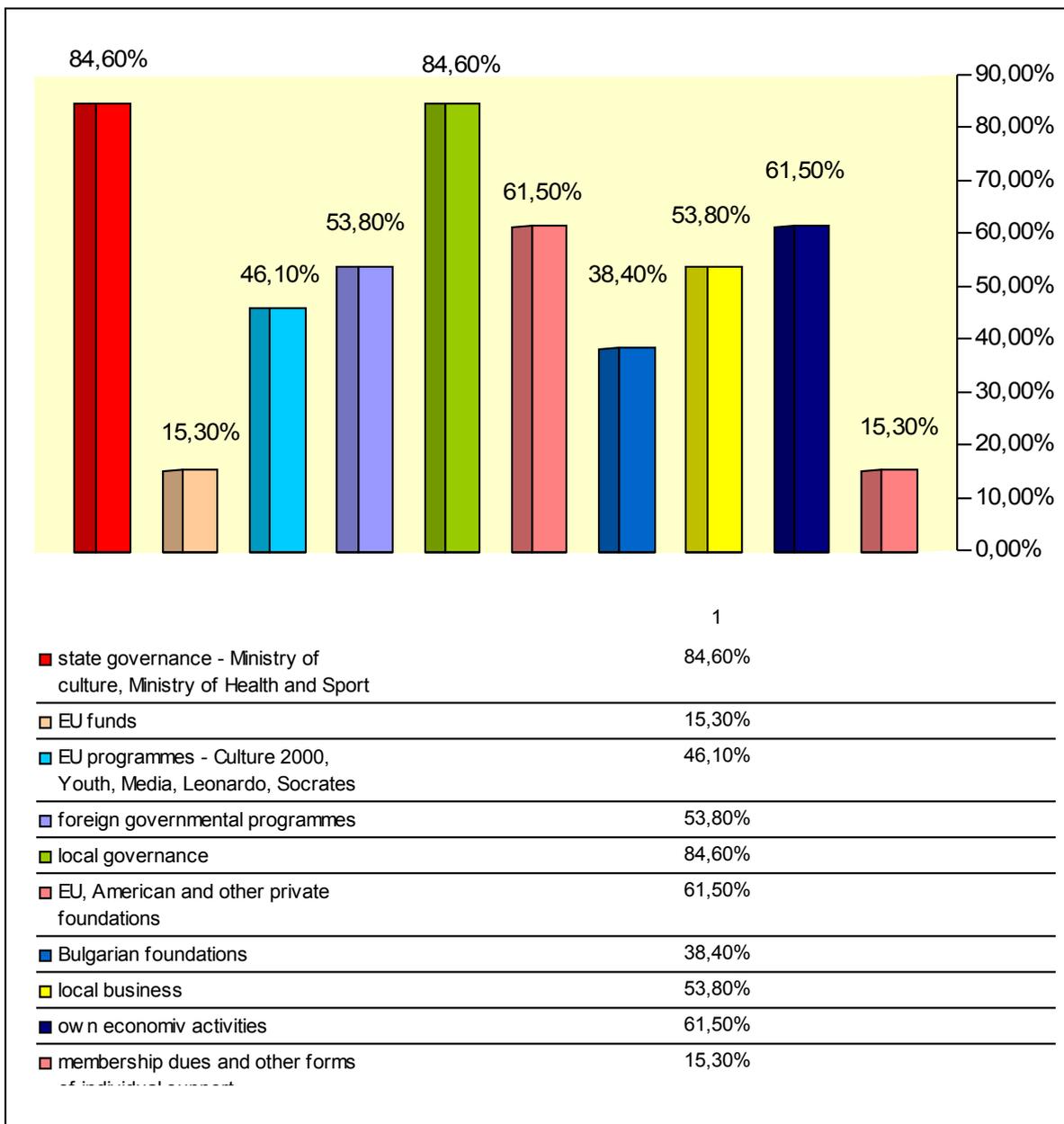


table 2. Funding resources of the nongovernmental cultural institutions interviewed

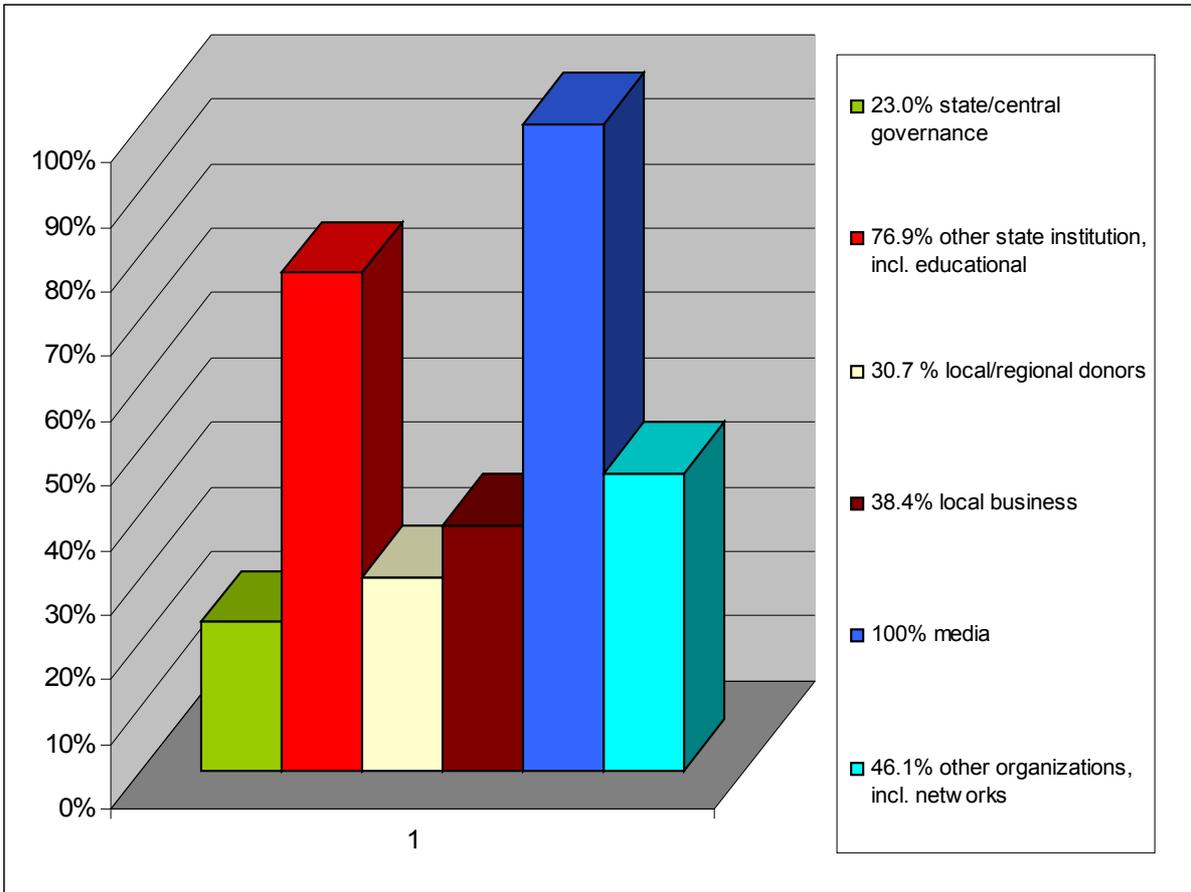
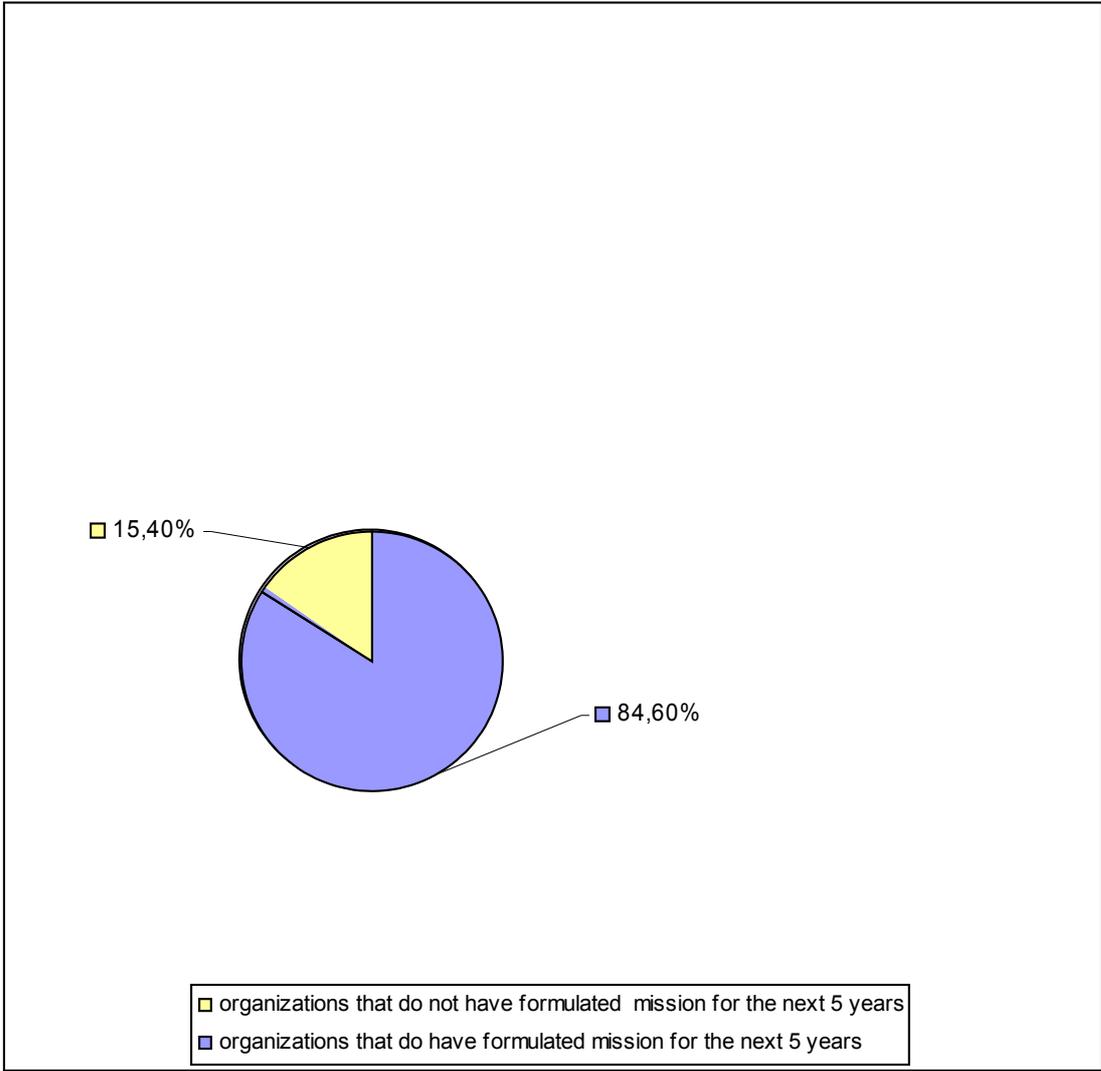


table 3. positive partnerships of the nongovernmental cultural institutions



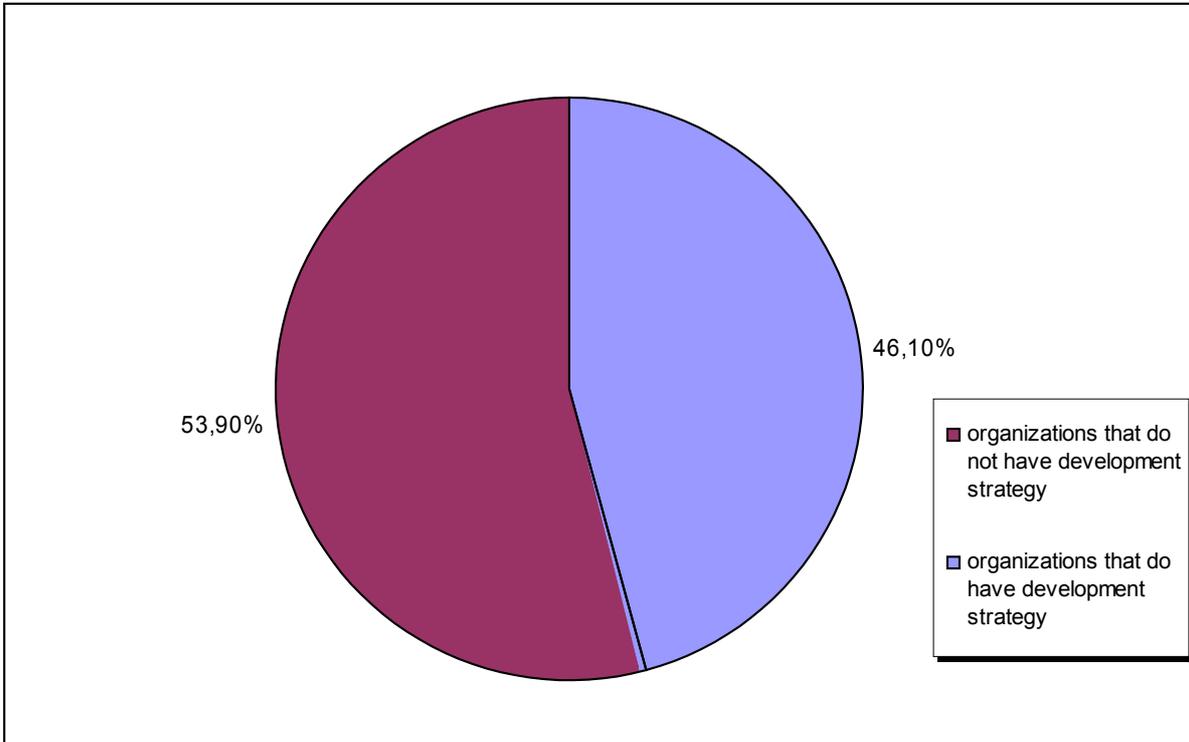


table 5. Existence of development strategy of the nongovernmental cultural organizations interviewed

As survey of the Workshop for Civic Initiatives Foundation (*Bulgarian NGO sector in the context of development Sofia, 2003*), shows that both the state and the nongovernmental sector believe that partnerships should be based on well recognized common interest – like in the case that the Family NGO in art and culture promote important democratization instruments (the creation of the Municipal Culture Fund) which advances the transformation of the society in the direction pursued by the state as well. From this perspective, it is almost exclusively the big and well-established nongovernmental cultural organizations with access to sufficient foreign resources that might be of interest of the government.

Although the government stresses that it is committed to partner with nongovernmental sector the best contribution it seeks from them is to transmit the messages of the government to their target groups through their contacts and networks. Nongovernmental organizations feel very frustrated that they have very limited influence over the process of developing these messages. They are confident that they could offer a lot of expertise with regards to new legislation, plans and strategies, joint projects on local and national levels, etc. But even when the government praises them for their expertise and practical experience, nongovernmental organizations feel that their contributions are taken into account only if and as much as they coincide with the values, ideas and expectations of the government, and if not – they are completely ignored.

The state institutions only formally accept the partnership arrangement but do not respect nongovernmental organizations as important contributor to the legislation or policy development, the nongovernmental organizations are not well heard and taken into account, they are even seen as competitors – especially because they often come with donor backing. Good partnerships are still due mostly to personal contacts.

The *partnership nongovernmental organizations – local authorities* reveal an interesting fact – the organizations which are not based in Sofia report for good partnership with the local governance. In contrast to the above mentioned, the organizations based in Sofia observe the opposite. Such partnerships are mainly based on a personal level, instead of institutional, which evokes questions about their sustainability after the elections.

The level of interaction between the nongovernmental institutions and regional governance is increasing. **84, 6%** of the interviewed report good relations with the local governance, although they still are not satisfied from the depth of these partnerships. In some municipalities, such as Shoumen, Varna and Rousse, the foundations of the Municipal Culture Fund (or some alternative forms of funds, programmes etc.) that support cultural projects, are already laid.

Nevertheless, the funding of cultural projects puts the nongovernmental organizations in a passive positions in regards the cultural policy involvement. The low level of satisfaction from the interactions is similar to the central governmental one. Some analysts link this fact with the one that nongovernmental organizations have become more knowledgeable and more demanding as to the outcomes of the partnerships with the local institutions. Although the interviewed report that the partnerships on local/ regional level are more easier and frequent than the ones on central level – mostly because of the informal relationships, visibility and trust that exists in any given settlement, these relationships are still mostly based on personal contacts and sympathy. These are not institutionalized partnerships – not only in terms of concrete organizational mechanisms but also in terms of existing attitudes and culture of building partnerships. This leads to the lack of succession in the interaction between the nongovernmental cultural organizations and local authorities – every four years the nongovernmental organizations have to start building relations with the new administration.

Regarding the state of the *partnerships with the media* it is quite interesting to note the fact that **100%** of the organizations report very good relations with the local media but some of them have objectives against the quality of these partnerships.

“...Our partnership with the media is complicated, although we have partnerships with the media, especially with the local TV and one newspaper. As a whole the local media have more traditional understandings and treat us with suspicious.”(*Emil Mirazchiev, Art Today Association, Plovdiv*).

„... we don't have problems with the local media, as well as the national ones, and the Bulgarian Association of Radio and TV Operators. Information about all the biggest projects

of the Association reach the national media, but if you ask me if they appear there, this is another question.”(*Tzveta Nenova, EU Spaces 21 Association, Rousse*).

For some of the organizations the media is one of the most important partners (Krug Association, Linternat, Interspace Association, Cult.bg Foundation). It is obvious that the organizations, which are not based in Sofia, it is difficult to attract the attention of the national media.

Nevertheless, the nongovernmental organizations representatives have strong-shared view about how important the good relations with the media are. The motives for partnering with the media are similar – higher visibility of their activities, resources attraction, etc. Media is also seen as an important tool for putting pressure on the institutions regarding certain advocacy issues. The capacities of media to facilitate educational work, awareness raising, change of mentality and attitude are also highly appreciated.

The organizations interviewed report a number of successful partnerships and the general feeling is that there is already good basis, positive attitude and stronger channels for cooperation between the nongovernmental organizations and the media. Nevertheless, there are some old obstacles have not been completely overcome.

Nongovernmental cultural sector representatives are still not satisfied with the intensity, the balance and the depth of the issued treatment.

Some of the representatives of the cultural organizations observe a lack of well-prepared journalists who can reflect the cultural life in a professional manner. Partially the problem is rooted in the lack of adequate education of the students- journalists in the area of contemporary art.

On the other hand the media representatives find very difficult the communication with the nongovernmental cultural organizations representatives because of the language they use – they find it “professional”, “elitist”, “abstract”, the messages are hard to be transmitted to the mass public.

Regarding the partnership with different *educational institutions*, **76,9%** of the organizations interviewed report for such. These are mainly partnerships with the regional Museums, Universities, High Schools of Art, Chitalishta (Culture Community Centers), etc.

A research made by the Workshop for Civil Society Initiatives Foundation (Bulgarian NGO sector in the context of development, Sofia 2003) shows that the main part of the organizations researched have mainly negative previous experience in fund raising of the nongovernmental organizations with no regard of sphere of activity. The data from the quantitative research (inquiry) were categorical: "...70.6% of the organizations received funding which was much less than expected. The relative part of the organizations which due to their activities surpassed the expectations is only 11.8%...".

The same research shows that the most frequent financial result from campaigns realization is the collection of sums up to 500 BGN (250 EUR!) - 41.2%. 17% from the respondents give information about collection of sums up to 1000 BGN (500 EUR).

*Almost a quarter of the organizations (**almost 23%**) have relatively good experience in fund raising of their mission and the sums collecting reach up to 4000 BGN (2000 EUR). These are mainly associations and foundations in the sphere of contemporary art and culture.*

The causes for the unsatisfying results are hidden in the lack of planning towards the financial resources mobilization. Their actions are sporadic, the campaigns – empty of foundations, internal consistency and subordination to the strategic goal.

The nongovernmental cultural organizations usually point out the lack of financial resources for one of their first rate problems. At the same time, very rarely the fund raising is a subject of purposeful strategies and programming.

There is a lack of strategic planning as a method of approach and organizational vision. This leads to low effectiveness of fund raising efforts.

GOVERNANCE PRACTICES OF THE NONGOVERNMENTAL ORGANIZATIONS:

GOVERNING BODIES

Type and number

According to the survey of non-profit practices (*Workshop for Civic Initiatives, Bulgarian NGO sector in the context of development, Sofia 2003*) in Bulgaria, in the majority of interviewed organizations the supreme governing body is the General Assembly. For a quarter (24 %) this body is the Management Board. In the *cultural sector* we don't observe organizations which principal body is the Board of Trustees.

The General Assembly is a typical supreme governing body among associations – 79%. Among foundations such a body is usually the Management Board – 47%, and the Board of Trustees is much more frequent (13%) than among associations. The Founders' Council – 6%, the Board of the Directors – 4%, and the Donors' Council – 3% are more typical for foundations.

The majority (54%) of organizations have more than one governing body, and in this case the main body is most often the Management Board (32%) and less frequently the General Assembly (17%).

The existence of more than one governing body is equally typical for both associations and foundations – 54% each. There are, however, some differences referring to the main governing body in this case. For both types NGO-s when there is more than one governing body, the principal one is the Management Board. Yet, among associations the principal governing body is much more often the General Assembly (18%) than among foundations. This is due to the fact that the General Assembly as a governing body is a lot less typical for foundations.

The main governing body in 74% of the organizations has up to 7 members, and 27% have 1- 3 and 4-5members each. The average number of governing body members for the organizations – 9 people. The governing bodies of foundations are smaller (six people on average) than those of associations (ten people).

The number of board members is essential for the effectiveness of the governing body. Some NGO representatives think that the less numerous bodies are more operational and better functioning. This is why the Management Boards of some organizations consist only of three people, one of whom performs the role of an Executive Director. The larger size of the body, in their opinion, might be of difficulty and often leads to non- involvement of all members in the decision-making.

Some people share the opposite opinion and think that the larger body provides an opportunity for having more experts, and therefore – more views and easier, faster and more efficient solutions.

STRUCTURE

It should be noted that there is an increasing trend in the number of woman in the management of ***nongovernmental cultural organizations***. This can be inferred from the fact that among the oldest organizations the share of men is around 73% but it is steadily decreasing and women are already gaining the upper hand (62%) among the organizations registered in the last five years.

The majority (72%) of governing body members are over 40 years old, and 14% are over 60. Around one- tenth is the youngest – fewer than 30, and nearly one- fifth (18%) come from the 30- 39-age group.

Note:** The above mentioned data refers to the nongovernmental sector is general. For the nongovernmental cultural sector the data is a bit different – **the majority of the governing body members (60%) are from 30- 40 years old.

MANAGEMENT ACTIVITIES OF THE ORGANIZATION

CONTROL AND ACCOUNTABILITY OF THE ACTIVITY

The regular financial audits are not only a very frequent phenomenon among NGO-s. Nearly one- third of them has never had such an audit. Around 37% have a financial audit one a year, and 7% - once every two years.

It is highly probable that one of the reasons for the lack of control over finances is due to the low revenues of a large part of the organizations and the occasional control is linked to specific projects. In support of such a statement is the fact that half of the organizations with the lowest income (up to 5,000 BGN = 10,000 EUR) do not conduct financial audit, while the percentage of is lower among those with higher income, and is 13% among those dealing with over 200, 000 BNG (400,000 EUR) a year.

CHAPTER V

CONCLUSIONS AND RECOMMENDATIONS

V. 1. CONCLUSIONS

The analyze of the nongovernmental cultural sector gives reasons for its defining as part of the national economy, organized as private initiated institutions with ideal goal, with voluntary financial, working and managerial contribution, realizing the results from their activities.

In ***political sense*** the nongovernmental cultural institutions play an important role in the contemporary civil society. They are a platform for free opinions expression, an instrument for exert pressure; they contribute to the social pluralism and serve as mechanisms for “early diagnostic” of social tensions. Besides being a corrective of the state government, the nongovernmental cultural organization could be defenders of civil society opinions.

The ***social functions*** of the nongovernmental cultural sector – the nongovernmental cultural organizations have very clearly defined functions through the mixture of economical, political and social functions. They are unique hybrids – private institutions, which perform prevailing public tasks.

Giving an alternative and path, they represent a stable social network, a mediator between the individual and public interests.

The nongovernmental sector as a whole could not entirely assume the state's functions regarding the regulations of the social processes, public goods producing and the political process functioning.

The nongovernmental organizations could not be developed as an end in themselves or to replace the state or the private sector form the decision of main tasks of the social and economical development – they are a complementary partner, which softens the problems arising from the work of the other sectors.

INSTITUTIONAL RELATIONS

The main formations, which interact with the nongovernmental sector, are state bodies, business formation, and individuals.

The relations between the nongovernmental sector and the state could be developed as a collaboration (common problem decisions), complementation, and contradiction. The state defines the legal frame and finances (direct or indirect – through its tax policy) these organizations. They could contribute, from their part, to the legitime public policy development and could exert civil control over the state governing.

The business sector supports the nongovernmental sector through corporative donations, sponsorships and voluntary labor.

In many respects the relationship *nongovernmental sector – individuals* repeats some of the aspects of its relationships with the state and the business, but on an individual level.

CONCLUSIONS ON THE RESOURCES OF THE NONGOVERNMENTAL SECTOR

The question about the resources of the nongovernmental sector was central for several reasons:

Firstly, the funding of the nongovernmental organizations has direct relation to their sustainability.

Secondly, the finances that come from foreign sources should be treated as investments, which could place the cultural sector on an equal level with the other sectors of the national economy.

Thirdly, recognizing the nongovernmental cultural sector as an important and significant employer, which is compatible to the other industries, could ensure more state funding.

It is important to mention, that the quality of the information about the resources appeared to be difficult to collect. The reasons are various starting with:

- Certain suspicious about the aim of the research;
- Some of the organizations have shady reputation among the other organizations regarding hidden working places, incorrect tax policies, funding and benefits, received on personal contacts basis etc.;
- Fear of competition;

It is important to note the fact that information about the funding resources and their amount does not exist in any formal way.

The vast majority of the nongovernmental cultural sector representatives believe that a substantial part of the intellectual and expert potential of the sector and sees this recourse as a crucial one for the development of the sector. However, there is a burning question about the legitimacy of the working places in those organizations.

69,2% from the organizations interviewed report that they don't have people working on labor contract.

Although the sector has a very high appreciation of its human resource, it finds it difficult to attract and retain good activists and professionals. In the organizations in the sector we observe big fluctuation. One of the reasons is the lack of resources for appropriate reward of the staff's work. Other reason is the unacceptable working conditions – without labor contract, sometimes even without civil contact, non-standardized working time, salaries

that does not respond to the responsibilities etc. According to the statistics the average in the cultural sector is about 400 BGN (200 EUR) which comparing to other sectors is very low.

The main source of funding is still the project funding which, on the one hand allows them to perform their activities and to serve beneficiaries but, on the other hand, does not allow them to undertake long- term commitment to any cause, beneficiary group or a field of activity or to work on their organizational effectiveness, efficiency and sustainability.

Using alternative sources of funding – e.g. income economic activities, paid services etc. – is still very limited and is rather an auxiliary than main funding strategy.

The state continues to be indifferent to the resource needs of the nongovernmental cultural sector and not to take responsibility for sharing the resources for development. So far, all achievements regarding the environment in which the nongovernmental organizations operate and their access to resources have been due to their and donors' persistence and creativity while the process of public- private partnership development is still in a very early stage.

Almost all interviewed see the usage of EU funding as the main source of their future development.

A disturbing fact is also the believe of the nongovernmental organizations that the *structural funds* could guarantee the performing of their activities which comes to show that the cultural organizations do not have enough knowledge on the structural funds functioning. This poses questions on the organizational sustainability.

According to the *human resource*, as mentioned before, we could observe a great fluctuation. Some qualitative characteristics of the nongovernmental cultural sector human resources show that only **30,8%** of the nongovernmental cultural sector have paid personnel. The majority of the nongovernmental organizations employ up to five people. The lack of resources explains the following trend – among the categories of full- time personnel, part-time personnel and volunteers, the latter group decreased in the last few years. Apparently, this shows the tendency for people to search stable employment with labor contract and social insurances, which the nongovernmental cultural organizations could not provide them. This is

imposed to a certain extent by the changes in the legislation where flexible forms of employment are not encouraged and this to a detriment of the sector.

With regard to volunteers the interviewed characterized them as a very important resource. Volunteers are usually young people with good education but they are rarely utilized on the basis of their qualification. They are mostly involved in administrative work, not in activities, which leads to dissatisfaction and de-motivation. Volunteering is still seen as a problematic area in Bulgaria – both for motivating people to volunteer and for managing volunteers successfully. This is partly due to the economical situation of the country – low average etc.

The cultural organizations often use the services of the collaborators – nongovernmental cultural organizations need between 10 and 40 people, mostly experts and consultants in different areas.

Nongovernmental organizational human resource is characterized by the high-level educational background – the majority of people working there with a humanitarian background – art historians, historians of culture, artists, curators, etc. Despite, we observe lack of specialists in the area of art and cultural management.

The most contradictory qualitative characteristic of the nongovernmental cultural organizations' is the fact that more and more people take leadership positions in the sector.

On one hand this is a positive tendency in regard to the new and innovative ideas and working approach, energy and positive attitude, but we cannot easily omit the lack of experience.

CONCLUSIONS ON NONGOVERNMENTAL – STATE PARTNERSHIP

In Bulgaria there are no special bodies and mechanisms that would create the infrastructure for permanent, democratic and transparent dialog and partnership between the state institutions and the government. One exception is the National Council for Ethnic and Demographic Issues where some nongovernmental organizations participate regularly but even their formality and lack of true commitment to partnerships prevail.

Both sides are unsystematic in their contacts and dialog – due to differences in attitude, lack of skills, lack of understanding of each other's limitations and possibilities, dependence on on personal relations. Nongovernmental organizations appear to be not proactive and not persistent enough in establishing partnerships. One great obstacle in this is the lack of continuity between consecutive administrations in term of policies, standards and work culture.

The area of funding and of resources generally appears to be the one that causes the bitterest feelings. Nongovernmental organizations accuse the state of non transferring any resources form the previous communist period and centralized state to the civil society as this has been done in all Central European countries through the mechanisms of tax incentives, endowments, favorable conditions for renting of purchasing of premises, etc. Quite the opposite – the state tends to use the resources that nongovernmental organizations raise form foreign sources. In addition, the real or the simulated lack of knowledge about the civic society allows the state institution to often pretend that nongovernmental organizations are voluntary organizations; they should work for free to implement the partnership tasks. The existing systematic neglect of the state's responsibility to share resources with the civil society is evident in the process of the state entrusting to nongovernmental organizations social services provision without providing adequate resources to them to be able to carry out the necessary activities.

Even more hotly contested is the area of EU funding - which is the largest the most quickly expanded recourse for nongovernmental organizations. Nongovernmental organizations are quite frustrated and alarmed by the way EU funds are managed and distributed by the state. The examples of the state incapability to manage the process, of waste of funds, of un- transparency and fraud, including creating false nongovernmental organizations are abundant. Nongovernmental organizations believe there is a role for them to play in helping the government to utilize pre- accession funds by using their experience to compensate for the lack of expertise in the government. Government is much less inclined to accept this offer – rather, it maintains that nongovernmental organizations are absent in the areas they are really needed and with the type of cooperation the government wants.

The prevailing feelings among nongovernmental organizations are one of dissatisfaction with the partnerships they have had so far with the institutions on national level. The attitude of the state institutions has been mostly hostile or patronizing as if NGO-s were there to only make there lives more difficult. Small nongovernmental organizations and informal citizen's groups are particularly disappointed – those who have little to offer in terms of highly specialized expertise are pushed aside although they very often represent important local interests and needs “form the source”. They feel that the state barricades itself behind bureaucracy, un- transparent procedures and blocked channels of information and it is unfair to accuse nongovernmental organizations that they lack knowledge of how to deal with the institutions.

Thus the general state of interactions between nongovernmental organizations and the state institutions is one of a mutual dissatisfaction – instead of being partners in development, they still compete for territories and resources. Even though all seem to agree that nongovernmental organizations should help the state to solve problems that is not articulated in clear strategic terms. Generally, partnerships are developed on lower, more pragmatic levels and still constitute isolated cases, which are not difficult to enumerate.

CONCLUSIONS ON NONGOVERNMENTAL – BUSINESS PARTNERSHIPS

The explanation about the weaknesses of nongovernmental – business partnership could be found in the fact that the legislation is not very helpful. Some research shows that more disturbing problem is that the existing legislation is poorly known and used. Thus even the existing incentives don't play role in increasing the local contribution of the business to nongovernmental sector. Support is most often offered on basis of personal relationships and trust.

Almost all nongovernmental organizations say that their work with the business is at the very beginning and admit that this is the weakest area of their activity and organizational development.

Possibilities for improving the partnerships between nongovernmental organizations and the business are seen in two main directions. Firstly, with the improvement of the overall economic situation business will leave the zone of fighting for survival and will have the space to increase their social sensitivity.

Secondly, there are still many prejudices on both sides – nongovernmental organizations consider money from the business “dirty” while business don't trust nongovernmental organizations as it is unclear where they take their money from and how they spend them. With the increase of frequency and quality of interaction, it is expected that the level of trust will increase and will allow better partnership.

CONCLUSIONS ON NONGOVERNMENTAL ORGANIZATIONS - LOCAL AUTHORITIES PARTNERSHIP

Most of the nongovernmental organizations interviewed report positive effects of collaboration with the local institutions in the past two- three years. It seems that more and more local authorities recognize the role of the nongovernmental sector and have the good will to involve them in various activities - they organize information meetings, design joint projects, some organizations report that municipal representatives seek their expertise for applying for EU funding or applying for EU structural funds. They regard nongovernmental organizations as being closer to the local people and their problems, more flexible in responding to these problems and also more knowledgeable about the possible responses.

The interviewed tell a lot of difficulties in establishing partnerships with the local municipalities – and the most frequently one is the lack of knowledge, understanding and trust between the local stakeholders. Curiously, the same reason has been given also in a positive sense – to highlight why partnerships on a local level are easier than the ones on central level. This fact just underlines the importance of trust in local relationships, which often decided the out come of each effort to establish partnership. However, trust could not entirely compensate the lack of institutionalization – nongovernmental organizations feel that it is not always clear whom and why enters these partnerships.

In many cases nongovernmental organizations have felt that local institutions fear the influence, which these NGO-s might have on the beneficiaries and the public opinion. City Councils are particularly jealous – they believe they are the ones who represent the citizens

because they are legitimately elected while nongovernmental organizations have to prove their representatives and legitimacy through some other means.

The area of funding is again a bitter one. As more and more resources will be left at the discretion of the local authorities, nongovernmental organizations fear – and some have already witnessed this – that the process will not be transparent and based on clear criteria and standards.

The local authorities stress the need to get more information from the nongovernmental organizations about their activities and to have easy contact with them.

On the other hand, as mentioned before in the present research, the partnerships are usually based on personal contacts, on the other hand there is a strange tendency in the nongovernmental cultural sector – Bulgarian cultural sector is marked by different contradictions and misunderstandings, especially between the organizations with the same scope of activities. The reasons for that could be an object of different research, and here we will just mention some of them without proposing thorough answers.

- Fear of competition for the anyway miserable state funding;
- Rivalry for public recognition;
- Discrepancy in the methods for reaching the common aims;
- Doubts concerning the colleagues competencies;

The most superficial view of the problem shows that its roots are in the fact that the cultural management is relatively new profession in Bulgaria and the cultural policy makers come from different backgrounds – usually history of art, history of culture, artists etc. The directors and managers of the nongovernmental cultural organizations do not have background of cultural managers and this is quite visible in their activities. There are enough evidences to assume that a more thorough research could find that the genesis of the above mentioned problems date back from the time of the communist regime.

There are also powerful factors that influence partnerships locally and these are the economic situation, the level of decentralization, and the weak partnership between the institutions themselves. In addition, Bulgaria as a whole is a country with low social capital and the general willingness to interact and cooperate is very low.

CONCLUSIONS ON NONGOVERNMENTAL CULTURAL SECTOR'S SUSTAINABILITY

The question on the nongovernmental cultural sector's sustainability was crucial for the present research.

The discussion on the organizational sustainability is a complex and contested concept, but there are no standard or indicators it's measuring. One of the main difficulties in measuring sustainability comes from the fact that it could be considered as process.

The factors of the sustainability could be classified into several groups. The enumeration is not related to the importance of the factors:

- Fund raising

- Management capacity

- Partnerships

- Staff

- Existing of long term developing strategy

- Existing of long term business plan

For the organizational sustainability it is of a great importance the existing of a long term developing strategy, vision and business- plan of the organization.

From the interviewed only 46,1% report the existing of formulated developing strategy for the next 5 years. Only 7,6% of the organizations have formulated business- plan for the next 3 years.

The following characteristics of the majority of the Bulgarian nongovernmental cultural organizations:

- Nongovernmental cultural organizations cannot build and maintain their integrity, cannot perform their activities because of the lack of enough resources and dependence on the external funding resources,
- They cannot respond to the changing needs of the target groups and communities, cannot have flexible planning because the dependence on foreign donors and their requirements for fund raising, also because of the fact that the main financial resource remain the projects;
- They are unable to guarantee the performing of their activities and own projects because the insufficient level of resources (money, time, self- income, staff sustainability etc.);
- The nongovernmental cultural sector is unstructured and fragmented;
- The nongovernmental cultural sector does not speak on one language with the other sectors;
- The nongovernmental organizations do not have a sufficient clear identity and positive image and public recognition;
- Although gaining more and more visibility, the nongovernmental sector as a whole still doesn't have good reputation and it is not recognized a legal one;

Almost two thirds of the interviewed have commented the withdraw of the international donors from Bulgaria – for all of them the fact is significant, but in a different

way. Some of them believe that the exit of foreign donors will have positive effect – the nongovernmental cultural sector would focus on development of own projects without depending on the requirements of the donors.

Other share the opinion that the withdraw of the donors will put the nongovernmental organizations in a very bad position regarding the lack of enough state support and this will lead to their impossibility to perform their activities.

V.2. RECOMMENDATIONS:

According to the **Workshop for Civic Initiatives Foundation** (*Bulgarian NGO sector in the context of transition, Sofia, 2003*) the Bulgarian nongovernmental organizations have some opportunities, which ought to be used. Unfortunately the larger part of the organizations does not have necessary experience and knowledge to work in these new spheres.

The first opportunity is related to the carrying out of profit- making activities would provide a window of opportunity for supplying valuable resources which would work towards not only the stabilization of the organizations (opportunity to exist between projects) but also a source of their own funding which is now a mandatory requirement of the EU and other programmes. It is important to note that NGO-s now have the opportunity to participate in public procurement tenders – another possible source of income for the NGO-s. For the time being however there are few tenders in which the NGO-s can participate because of the specificity of their operation. But there will be more and more examples of tenders for consultancy services won by NGO-s. Examples of possible public procurement work can be the environmental impact assessments, media, and strategies.

Another possible source of income is the delivery of social services. With the latest amendments to the Social Assistance Act and Rules the municipalities have to call competitions for the provision of social services in which NGO-s can participate. This is a well-developed practice in Western Europe and in some Eastern European countries like Poland.

As an important element of the sustainability building is the raising of funds from donors. Despite the lack of a legislative act like the 1% Act Bulgaria has a relatively good system of relief for donors. The opportunity for deducting 10% of the profit (respectively of the annual revenue) a high threshold in comparison with the most EU and eastern European countries. We should mention however that the traditions of making donations in Bulgaria are not very strong.

The EU funds and programmes are another significant source of funding, which will grow in importance for Bulgaria. This necessitates a significant enhancement of the capacity and knowledge of our NGO-s about the EU structures and mechanisms.

As mentioned in Chapter II (*II.2 Expenditures for culture from the state budget, p.31*) the budget funds for culture from the municipals budgets are extremely insufficient for financing the culture, arts, researches, preventing and exposing of the large heritage. Even the promised insignificant increase of 1% for the culture's expenditures does not solve the problems regarding the financing of the cultural sector. All this matters raise the question of finding additional sources of financial funds. The creation of "Municipal Culture Fund" is a possibility of securing additional funds for the cultural sector.

In search of a positive solution special attention deserve practices and policies, which have already proved their effectiveness and in the same time are not connected with difficulties while administrating them. From this point of view a special attention deserve the model (1%), which convincingly proved as successful in Poland, Hungary, Slovakia, Litwania, Romania and other central European countries.

1% of the collected taxes from the physical persons to be purposely directed to specially founded "Municipal Culture Fund". Using of the funds executes within the frames of the program, developed and conducted by the supervision council of the fund. Thus the philanthropy of the taxpayers will be encouraged. NGO's to be beneficiaries when 1% is severed. Securing of additional financial resource for Municipal Culture Fund in midterm perspective can be foreseen in the amount of 10.4 million BGN (5.2 million EUR) whit prognosis for GIT in 2006 to be 1040.0. The tendency is that the collected taxes to increase annually and within the next years to reach 12-15 million BGN (6- 7.5 million EUR). The distribution of 1% from the collected GIT will be held according to the revenues of each municipality. This means that there will be significant revenues in the capital and the big cities because of the great number of taxpayers located.

Relatively the same proportions will become known when severing 1% from the cooperative taxation. Its average annual collection with the current stake of 15% is around

1,200 million BGN (0.600 million EUR), which secures to Municipal Culture Fund around 12 million BGN (6 million EUR). If the stake decreases from 15% to 12% that will lead to decreasing of the revenues in the budget with maximum 145 million BGN (72.5 million EUR), which respectively leads to lowering the funds for Municipal Culture Fund with around 1.5 million BGN (0.75 million EUR) or revenues of around 10.5 million BGN (5.25 million EUR). There are proposals for a greater decreasing of the tax stake in order to quicken the economic growth, exactly 50 % from tax profit to be disposed when reinvesting. This will free around 600 million BGN (300 million EUR) additional funds for the companies' investments but it will also lead to loses of 600 million BGN (300 million EUR) incomes for the budget and respectively in our case, decreasing of the collected funds of 1% on tax profit for Municipal Culture Fund to 6 million BGN (3 million EUR).

Considering the tendencies in the taxation, that is the collected funds from taxes on the incomes of physical persons being increased and the incomes from profit tax being decreased, the major effectiveness for gathering funds in Municipal Culture Fund would have GIT.

The municipalities are extremely jealous when it comes to incomes, which are not sufficient to meet their needs anyway. There is a possibility of increasing inhabited house duty with 0.2% to 0.4% with the corresponding revenues flowing directly to Municipal Culture Fund.

The art lottery is a long- lived financial mechanism for additional funding of the cultural sector. According to the research, made by CIRCLE in 24 countries we could distinguish 3 types of art lotteries:

1. Centralized – the lottery with its varieties is being managed with a monopoly, by a public agency or public cooperation. The north countries go in that group - Finland, Norway, Denmark, Ireland/where the national lottery is managed by a state company/ and some of the new democracies like Slovakia and Estonia. Part of the obligations of the monopole company is to allocate part of the profit for the cultural sector/arts and heritage/.

2. Partly centralized – partial state monopoly, where the operative activities bound up with the lottery are executed by private or non-economical organizations or consortium of organizations. Companies which can execute operative activities can be merged joint-stocked companies, in which the state is a shareholder of the control-package shares.

3. Slight monopoly – Representatives of this model are countries like Austria, where under historical, economical or political reasons private companies are licensed to execute operative activities bound up with the lottery. The state of course collects incomes from the private companies through cooperative or special gambling taxation. As it is possible that conditions can be imposed that they will finance the heritage, support financially the culture etc.

In some countries, the share of the incomes from the art lottery reach 70% from the state expenditures for the culture /Finland/, Denmark 16.8%, Holland 9.4%, Belgium 2%. This rate is significantly lower for the Eastern European countries. Poland is the only exception in this group with 14.5%. Estonia generates significant returns as well – 6.9%. Slovakia -4.7% and Hungary – 1.3% follow.

The ways of allocation of the funds are different. They can be merged with the budget of the Ministry of the finances as it is in Denmark, Norway or Italy, or can be transferred in a specially created funds or agencies – UK, Germany and Holland. Usually through the fund of the lottery the heritage and the direct support for cultural creators is being supported.

According to the official information in 2001 in Bulgaria 0.08% is being severed from the state budget for culture through the lottery. In the accepted in 2005 **Law for Patronage (2006, Bulgaria)** a creation of art lottery was stipulated (*appendix 3*).

It is possible, through an amendment in the law, to ensure that a portion of the income could be directed to the Municipal Culture Funds, or – as the practice in some countries is – to organize regional lotteries, the income from which to be distributed through the Municipal Culture Funds.

The connection between **tourism** and the cultural sector contributes to a large extent for development at local level. It is a fact though that the municipalities, which are tourist destinations, do not suffer financial disturbances when administrating the expenditures for culture. The culture activities at local level must be encouraged for their ability to attract tourists. The economical influence can be measured through direct and indirect ways. The first one through generating incomes and increasing the employment. The indirect way through the cultural tourism/spent funds for hotels, transport, restaurants etc./. The partnership between Municipal Culture Fund and the tourist sector should be extended, because during the last few years the tourist sector has the biggest share of GNP and is the sector with the biggest economic growth. The resort charges, which flow to the municipal's budgets, are one of the possibilities for ensuring financial security of Municipal Culture Fund.

When raising funds for the communal centers "Culture", the made in the law provisions for the "Culture" funds rising could be applied. The funds are raised from (appendix 2)

NGO-s should work for improving their image. This will lead also to enhancing the confidence of the state towards them and to turning them into equal and attractive partners. Thus they will have a stronger impact onto state policy and will influence its responsiveness to the needs of the community.

This leads to the next problem, which should become the focus of the future NGO work – the turning of the non-for-profit organizations to the community, civil society organizations should work to promote their interests and to support their communities. They should be set up in response to concrete needs in the community. If they achieve this they would be able to rely on support from the community, which is among other things financial.

If the NGO-s proves that they are equal partners of the state they will take on a part of its responsibilities for the provision of certain public services in different spheres of public life. As practiced around the world the state will be ready to pay for the provided services. The NGO-s have one general advantage over other service providers, the state included due to the fact that their services may be much cheaper because of the involvement of volunteers and the absence of a need to form profit. Besides NGO-s are more flexible and closer to the needs of the concrete communities.

New approaches to encouraging donations should be sought. This can be achieved through alternative tax relief but the highlight should be NGO-s developing a better marketing. They should be able to present themselves in the best possible manner and to show that the effect of the donation could be multiplied if it be granted to NGO.

After the NGO-s demonstrates their own important public role they need to seek state support for their work in the public benefit. Such support may be expressed in relief for related profit- making activity or direct institutional support for the NGO.

There is also an urgent need to change the administrative staff in the Culture departments of the municipalities.

Its incompetence is due to the old fashion way of thinking and acting, the stagnation (a heritage from the communist regime when nothing depended on it), inertia and lack of understanding the essence of the contemporary cultural context.

The author of the thesis strongly believes that the problems that the cultural sector meets in all spheres of its activities is mainly due to the lack of adequate education in art and culture in nonprofessionalized secondary schools. The understanding of modern art and culture is a process that should be started from a very fragile age. That's why we also recommend a reconsidering the old fashioned and completely inadequate courses in art in the educational system.

When the culture starts to be perceived as a part of every day life, not only as lonely and isolated activities of certain groups of people, the culture and the cultural sector will take their place in people's lives.

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APPENDEXES:

Appendix 1:

Public discussion on “Culture, communities, development”, held on 25.05.2004 in Bistritza, Bulgaria.

“Raina Gavrolova, Director of the Open Society Institute – Sofia – The culture is perceived as some subject which one can move in the space – someone makes something with it, someone undertakes something towards it – at one moment someone looks at it as a resource, at other – as a heritage. The second characteristic is that the people who create or consume culture expect the state to be interesting and take care of it and respectively, when this doesn't happen they start to complain - “the state does not take care of the culture”

The culture is a resource and as a historian of arts I would say that it is a resource from the period of initial modernization of Bulgaria, when it is one of the fundamental resources of the modernization it self.

Later on, the culture was a huge resource, very skillfully used during the communist period. From the state point of view and the state policy it always has been a resource, the question is “Do we want the culture to continue its existing as a state resource?”

My personal answer is – NO, meaning that we have to take actions for “culture privatization” and to separate it from the state in the point of its dependence on the state. I think that the culture should strengthen its position as a civil resource, not a state one. That means a decentralization of culture and its development as a civil resource. The society consists from different communities – dynamic communities which configure either on professional either on educational or some other principal and regarding them the culture is already a resource, which hasn't found its real place and dynamic regarding how the culture could interact with those communities and to serve them as a resource.

How is it possible to privatize culture (I apologize for all negative connotations of the term “privatization”? There are at least three addressee of this message. First, I think we should address those who create the culture – the artists and the intellectuals. May be they should stop with the appeal that the state should take care of culture. They should expect the state to create favorable environment and the principals for state's goods usage, the way it should be in every other sphere plus some additional compensations. After, in the distribution of civil resources, to take into account the civil interest, i.e. to listen to the community.

Second, we should address the business. There is no doubt that the business is the most dynamic sphere of our society, it is the sphere where the ideas generate most quick and I think that the business was the first to understand that the culture is a resource. The cultural tourism, the cultural industries, all the niches that could be covered which didn't require dramatic changes in the political culture, administrative culture - had been covered by the business.

Third, the nongovernmental organizations. I think that the high culture, the mass culture, every day culture, community culture or municipal culture – all these do not exist and do not occurred spontaneously. They are not a product of an intuitive sensation. Agents for this change exist or should exists and I couldn't recognize them no else where except in the nongovernmental organizations, which (by definition) are the

forms in which the civil society exists. They have an essential mission, because such an entire change in the culture comprehension, which leads after it a significant institutional changes: from the fiscal decentralization to the mechanisms of decision making process on municipal and communal level etc. – takes time .

This isn't something that could be done from time to time but that means a formation of some even non- institutional structures such as associations, organizations, coalitions, which could support the changes in some of the phases. The civil society in Bulgaria is a project, it is not a part of the normal and spontaneous development of a society, in which the free individuals and bourgeois reach the idea of the individual conscious – this is not the things are happening in Bulgaria. Obviously in Bulgaria the modernization and the post modernization develop as a project and this project should be implemented and developed by someone.

Further on in her statement Mrs.Gavrilova stands up for the thesis that culture should stop being regarded as a sector. “Division into sectors, though defending a modern position, leads to not so good results – when one thinks in terms of sectors, the inter sector policy is missing. This happens in a number of societies, quite unfortunately – in the Bulgarian society as well. When regarding culture as a sector, especially in a situation where sectors are privatized, in sectors arranging by their importance – it always ranks last. I believe that the second change in the way of our thinking, which has to be carried out, is that culture is not only a part of our way of living, it IS our way of living.

Three simple illustrations why it is so. Firstly, because culture is the way of communicating – society exists communicating, exchanging information, creating things/objects through different sign systems, etc., i.e. it somehow cannot exist without languages, without words, without texts and without events; and culture is just what the language, in which we talk, renders. The way this happens, even when we are not aware of it, determines our living. Thus to set apart culture into a single separate sphere is just as if you separated the tongue of a human being from his body. To regard culture out of the society means to accept the tongue out of the human being, i.e. culture IS a way of communication.

Secondly, culture produces understanding in people and the fact that it produces understanding signifies that it gives meaning to their lives and their behavior. When people understand what is happening around them they somehow get control over their lives, even if that control spreads only over their own families – the narrow circle, in which they understand. This is what is called with the beautiful English word empowerment, or individualization – in some way understanding gives people some extent of control and power over their own lives. And this goes through things like the following: (that is beside the question of haut culture) some understand the world reading Heideger, others – watching the popular TV program “Slavi’s show” – both positions are absolutely legitimate. But world understanding goes through these signs of public behavior, which we most often identify as culture – through the movies, which we watch and discuss, through the shows, through the news, and that is culture. If we do not take culture down off this imaginary or non-imaginary pedestal of some things which happen beyond us, it will again lose its meaning as something, which deserves serious attention. I believe these are the two things we have to work on – privatization of the culture and its de- cementation/de- sectorization.

Rumen Draganov, Council of Tourism:

“Everyone who has so far taken the floor confirmed that culture is a resource. I am asking myself, if the topic were “is culture a black hole”, wouldn’t that be true, too? Since for us and for our way of thinking culture is a black hole, in which, no matter how much money is thrown, it sinks/disappears and we were taught that a resource is something which you can use and get wealth from. So, whether these 262 million levs, which we throw away for culture is enough or no, and if we throw away five times as much whether it will not sink/disappear again... who knows what is going to happen.

The second thing that strikes me is that somehow the role of the state is ignored too easily. Why culture is a resource and why culture is a resource for the state exactly is absolutely clear – culture and its resource create jobs. There are no governments or politicians, who do not strive for jobs creating. So the state should fight tooth and nail to create more jobs through culture. And creating more jobs it will decrease crimes, thefts, etc.

The state has got 40 000 monuments of culture – this means 40 000 jobs, one person per monument. The state has got ownership, called “cultural heritage”, which belongs to the state and to the communities in its greater part and the state must take up its part, i.e., it must take care of its ownership, just as everybody takes care of his flat, of his car, of the furniture in his flat, of his dog and his wife. I don’t think that by no means the state should be deprived of the thought that it truly must organize itself in its capacity of an owner of the cultural heritage and it should start taking care of it, providing its safety and stability.

At the moment the whole cultural heritage is a burden for our state and if there is a mayor of a village, who, God forbid, has a few hills around his village, he is not delighted with them, he looks at them maliciously as treasure-hunters come and plunder them, and he has to protect them, so they are a burden for him. If a mayor of a village in Europe or America has three hills around his village he is a rich mayor with a rich community, but with us it is a burden. God forbid if there is a monastery or a church – oh, this is really bad! There you have restoration, rebuilding and other expenditure. Realizing that culture creates jobs should be the goal and meaning for the state and the communities. They should know that in this way they create jobs, and the resource of the culture is the one, which supplies those jobs...

The fact that tourism managed to rank first in the economy with one billion four hundred million Euro has been emphasized many times. If receipts from all sorts of shows and advertisements were added to the culture receipts, being a part of them...Think about the receipts of the newspaper “Trud” (Labor) from advertisement, which are also receipts for culture, as well as newspaper publishing, which could go to the “culture” portion, not to the “industry” portion. We should publicly emphasize the fact that culture is a resource in terms of creating jobs in our country and bringing receipts from culture.

Bulgaria has a rich cultural heritage and thank God, regardless of the state and regardless of all the efforts of various bearers of culture, it has preserved its living heritage, and thank God it has preserved its living nature, which reproduces itself. But I am asking – where is going to be the persistence after the funds, received from other countries, cease.

One of the things, linked to the problem of persistence, is the management of these products. Good management would turn our cultural heritage into a resource and would earn a lot of money from it. Culture should be connected with tourism, which at macro-level means a common Ministry of culture and tourism (as it is in Turkey, Greece, and in a similar way – in Great Britain) and if we make the resource a resource, employment and stable development will be achieved.”

Yavor Koinakov, Euro- Bulgarian Cultural Center. The FHARE Programme, which dealt mainly with the economic development, acknowledged that culture in Bulgaria can be important. Of course the whole problem is how we accomplished that program; it went through many vicissitudes and eventually a center was founded – the Euro-Bulgarian cultural center. This was a model; we wanted to prove with that the center was a substance, which acted as a mediator between the public and the private sector. Our first task was to find private partners, working in the private businesses, but yet in the field of the industry of culture, and work together with them. This is the way in which we exist in first place, because we do not receive subsidies from the state, but try to serve the Ministry of Culture, to be fruitful for the place provided and the initial support with the starting of the center. And secondly, we try to be absolutely open to the cultural society, to the people and organizations, who work for it.

It turns out that the economy of the 21st century as well will be directed to guaranteeing the provision of maximum opportunities for the people to be creative, and to guaranteeing their social and professional integration.”

Emilia Stefanova, Post Bank:

“... In an institution we regard culture in terms of corporative culture, in terms of mission, vision, values which should be shared by all the employees of that institution, and within one year we had been trying to work out these values and this theoretical foundation, on the basis of which we could all integrate, change our image and develop united spirit. The strongest emotional impact comes from the values we have, and these are: trust, people-directed-centrism, elasticity, quality, innovations.

In the process of this corporative culture building inside the institution, however, we took a step forward, being aware of our social engagement. Banks are usually considered to be unscrupulous, “stingy”, etc., and we tried to pass beyond these limits, proving we were interested not only in our clients’ financial interests, but in their world outlook, in their leisure time, which they spend with their friends out, in their more peculiar encounters, which we call valuable projects and culture, identified with the theatrical workshop “Sfumato”, or the musician Teodosi Spasov, the Satirical theater and a few more projects, which we have included in Art-contact.

Talking about corporative culture we had shaped a strategy, a sponsorship policy, which we worked out and adopted last year, and it served as a sort of administration of the process, in which many complaints, many applications for sponsorship and applications for funding various projects arrived every day. It is very hard to make the decision - which deserves the greater care – a mother’s request for her ill child or a bigger project or concert, which would bring the bank more publicity. Thus, the principal part of an institution is to define distinct criteria in its sponsorship policy, to spare the funds and to combine its own interests with those of the society. In the long run on the basis of our experience last year - with a few initial more serious steps, like granting scholarships to young artists from the National Academy of Arts, and other more significant support we arrived at the conclusion that we had to develop a pro-active position. And this means that we

ourselves have to work out and shape a program in its integrity and completeness and then present it to the public.

We have been trying to compile and present to the public something we definitely consider valuable. Naturally, being a financial institution with economic interests we cannot afford only and simply charity; trying to present something of value we believe that thus we achieve the greatest effectiveness for us and for the society in an exceptionally intelligent way. The comments and reports, which we have been receiving from colleagues, friends, researches show that the business benefits from this indeed. And this is the best way to reach to the people out there without trying to sell something to them.

It shouldn't be believed that businesses have got the money and banks have got the money and they could easily spare a certain sum, let's say one hundred thousand levs, and throw it away. This is not a social engagement. Social engagement means having a firm position, developing a reasonable strategy and standing up for this strategy before the management and the people out there.

And I would like to quote an article by Georgi Tenev (a famous Bulgarian writer of fiction and drama) from the newspaper "Kultura"(Culture), written in the year 2000, where he deals with the notion of management and management in the sphere of culture in particular. In it he defends the thesis that the world becomes more and more real with its more and more real problems and real problems demand real solutions, a real man, not anything in general, not an institution – they demand a real man who will take the path of real solutions. So, I believe that the businesses, having economic overview on things, having economic insight, can really organize and fully accomplish a culture program.”

Alexander Djoganov, First Investment Bank:

“Most of the opinions I have so far heard in the present discussion belong to the representatives of the non-government sector; I realized you all are speaking in different languages and this frightens me, because if you are speaking in different languages among yourselves, how do you speak with us (when saying “us” I have in mind the rest of our colleagues, to some extent).

We do not share a common language and what worries me is the fact that we don't understand one another.

Businesses help culture and will go on doing it, but let people working in the sphere of the culture start trying to understand businesses, let them not expect that businesses will start understanding them. If we together (and the initiative should come from the representatives of the non-government sector) do not start talking more often openly in public and do not start understanding one another nothing good is going to happen. And then we will continue working on a piece-rate basis, now I am talking about myself, not on behalf of any institutions. Because businesses in Bulgaria – both international and Bulgarian work on a piece-rate basis, they do not have a strategy how to donate; they donate, but not knowing to whom and why. Government is not going to work out that strategy. So my expectations are connected with it – we have all to start working together, no one else is going to do this for us.”

Vera Petrova, Soros – center for culture policies

“The problem of the lack of common language and thus the lack of mutual understanding lies in the fact that in the dialogue, conducted by arts and businesses, on one side stand professionals and on the other – enthusiasts. At the moment there are no professionals who can manage the culture in Bulgaria; whether that is a problem of the transition is of no importance. The point is that it is a fact and that very little efforts are made towards the professional standards in culture management, i.e., if people are professionally well trained when they go to the businesses for talks, they will find a common language. Actors in Bulgaria have no agents and instead of entering into their parts before shooting a movie, they have to deal with their producers and negotiate their fees. I recollect an event with a film director, who – being a producer at the same time, wondered “Should I ask for a helicopter as a film director, or should I forbid it to myself as a producer because I’ll spend too much money?!” That is the way in which our culture is managed today, that is why we work on a piece-rate basis. Here the question is about the appropriate education, or about some gaps in the education of those, who manage culture; and I am going to repeat again: the question is about professional standards. We have to stop meeting actors who ask: “Please, provide a stage and we are going to play for free”. Well, it is forbidden to play for free because you are professionals. People who want to achieve good results and to strategically support the development of the culture, have to deal with it professionally. There is no room for amateurs, although amateur classes, dealing with arts are culture, of course. Now I am talking about professional standards and their development and implementation in Bulgaria. There must be someone, who understands this language and who will serve as an interpreter between artists and businesses. These mediators are still unavailable in Bulgaria. This is the main problem, in my opinion.

As far as strategy is concerned there is a precedent at the moment: a group of civil organizations dealing with culture and culture policies united, aiming to create a long-term culture strategy for Bulgaria. For the time being the Ministry of culture, as well as the National fund “Kultura” and EBKC are their partners. I am calling this a precedent, because it is a specific partnership between government institutions and NGO. In any case, non-government sector is determined to bring this project to the end, i.e., to bring this document, which is still in its initial stage of working out, to a level of a normative act.”

Dobrinka Valkova

“Maria Kasimova, as a representative of the media stands up for the idea that at the moment, quite unfortunately, the position of the theatre observer is missing, he could create the role of the mediator – without being a critic or appraiser – but to work in between the professional artist and the audience, i.e., in both “fields”.

As far as the language is concerned, I would add that generally NGO-sector, including organizations, working in the sphere of culture, have this problem when they meet with businesses (the latter could help them to be more stable); they use jargon, brought in from the English language, which we find difficult to translate in the working Bulgarian context.

This is a specific professional language and I am not sure if using it we could understand each other. I don't know what interpreter is needed... But I believe that we could easily understand each other with a business like the Post bank – we use the same language, the same conceptions, but if a business works on ad-hoc – basis and has no strategy, I am not sure how we can understand each other. There is a non-balance, but whether both parts lack professionalism, or just one of them – remains an open question.

And regarding professionalism in general, I, as a representative of the Workshop for Civil Initiatives Foundation, which is an agency for development, regard culture as a resource for development and it is of extreme importance for me to be able to get in touch with professionals in the field of arts, who, however, do not work only for themselves and for their own presentation. I would rather wish to get in touch with people who have very good professional skills and are willing to widely share these skills and are ready to work with the so called amateur arts for social development.”

Yavor Koinakov

“The problem with the language is very important but it cannot be solved with conjurations. The way out is to assemble around a project. If we are talking about the language of businesses in particular – the project is absolutely clear and it is at the threshold. It is no accident that I started my speech with the PHARE program, through which the Euro-Bulgarian center was founded in 1997.

We are talking about development, because we are talking about programs for development –pre-accession programmes and European structural funds. It is obvious that these are the most serious resources, going into our society and in our culture including. But indeed –these programmes require another type of relations among the three parts of the equation – state, public sector and economic sector– then we shall have to learn the same language, it will be obligatory for us. I mentioned PHARE, started with the development of the culture in 1997; the SAPARD programme provided almost one third of the measures for the so called rural tourism, for the preservation of the community cultural identity, for Chitalishta-programme; the Eco-tourism programme will start as well – it has also a very strong cultural element- the cultural tourism, where the same problems existed – the problems of the language, where there were misunderstandings as far as the economic development and private sector were concerned.

This will be a field in which it will be good for all of us to work together and well and I believe that there we'll all learn the language best. We shouldn't knock at the doors of businesses and ask for funds for advertisement, sponsorship, etc. and shouldn't compete with the social institutions. To whom will you give – to the sick child, or to the theater Sfumato?! If I am to decide, despite my theatrical background, of course I will choose the sick child. Thus, the question is not about the sponsorship, the question is to find the mutual, common fields, where we could work together.”

Appendix 2:

Questions for the open interview of 13 nongovernmental cultural organizations:

History of the organization

- *Organization's creation (who and why created it)*
- *Transformations in the last 15 years*

Main problems at the present moment regarding:

- *Fund raising*
- *Team and human resources*
- *Beneficiaries*
- *Possibilities for development*
- *Other*

Strong sides of the organization

- *Constructive success*
- *Public recognition*
- *International recognition*
- *Positioning of the organization in the region/Bulgaria*
- *Other*

Development perspectives

- *Changes – reasons (internal/ and/or eternal)*
- *Keeping the status quo*
- *Long- term vision existence (5 – 10 years etc.)*

Expectations for changing the filed after the entrance the EU regarding:

- *Positive*
- *Negative*
- *Fund raising*

Changes in the structure/fund raising methods of the organizations

- *Present fund raising structure: - sources; percentage; extends; long- term investments; dynamics throughout the years; development expectations (positive and negative) for each of the sources; potential new sources;*
- *Efforts for strengthening and/or enlargement the support of the present sources;*
- *Purposive efforts for new fund raising sources development;*
- *Difficulties expected;*
- *Ideal funding structure;*

Partnerships:

What is the state of the local partners? Regarding:

- State/central governance;*
- Other state institutions, including educational institutions;*
- Local/regional donors (foundations, etc);*
- Local business;*
- Media;*
- Partner organizations (including networks participation);*
- What is the contribution of this partners;*

What is the international partners condition?

- Donors (including offices in Bulgaria);*
- Partner organizations (including networks);*
- Cultural centers in Bulgaria;*
- Public;*

What are the efforts regarding the strengthening of these partners?

What are the efforts regarding the enlargement of these partners;

Problem partnerships / bad practices examples

- Local partnerships ↔ international partnerships (which are more important?)*

Organizational development

- Organizational structure*
- Organigram*
- Changes in the organizational structure – past, future, necessary,*

Mission and strategy

- Formulated mission of the organization;*
- Existence of development strategy (how and why was created);*

Staff

- Clearly defined roles/specialists ↔ everybody is in charge of everything*
- Existing of staff development system – trainings, qualification, other*
- What are the missing specialists?*
- *Staff sustainability*
- Investments in the organizational development?*

Technical characteristics of the organization

- Annual budget*

- Number of the staff (labor contract, civil contract, volunteers);*
- Scope of activities – local, regional, national, international;*
- Annual number of events;*
- Material basis – building, car, computer equipment;*
- Informational connection, Internet usage;*

The questions for the inquiry:

Technical information for the organization:

- Name of the organization*
- Web address*
- Postal address*
- Telephony/fax*
- Contact person*
- E-mail*

Organizational profile:

- Year of foundation (legal and other registration)*

Mission of the organization

Scope of activities

- Visual and plastic arts*
- Performing arts*
- Audio visual and media*
- Architecture and design*
- Literature and edition*
- Heritage*
- Interdisciplinary*
- Other*

Sphere of activities

- Art practices*
- Education and training*
- Cultural practices and administration*
- Art management*
- Cultural theory and research*
- Networking*
- Other*

Beneficiaries (please mention the main social groups through which the organizational activities are directed:

What is the number of the staff?

- People working with a labor contract*
- People working with a civil contract*
- External experts and collaborators*
- Volunteers*
- Other*

Annual budget

Please mark the funding sources of your organization for 2006:

- Through the state governance (Ministry of Culture, Ministry of Health and Sport, other)*
- European Funds – PHARE Programme*
- European Programmes – Culture 2000, Youth, Media, Leonardo, Socrates*
- Foreign governmental programmes*
- Local governance*
- European, American, and other private foundations*
- Bulgarian Foundations*
- Local business*
- Own economic activities*
- Membership dues and other forms of individual support*
- Cultural products (including tickets, art works, etc.)*
- Other*

Which are the most valuable partnerships for your organization at the present moment?

Which will be in your opinion the most valuable partnership for your organization in the next three years?

Appendix 3:

Article 31(1).:

II. (State Newspaper N 99/2005) fifty per cent from the penalties under article 98v, paragraph 2 from the Law of Authorship Rights and the Allied to It Rights;

III. Ten percent from the income from rent, received by commercial partnerships with state participation in the sphere of culture, however, transferring is completed before the division of the rent between the lessor (landlord) and the state budget;

IV. The sums under article 33, first sentence from the Law of Authorship Rights and the Allied to It Rights;

V. The sums under article 26, paragraph 3, second sentence from the Law of Authorship Rights and the Allied to It Rights;

VI. Fees under article 24, paragraph 2 from the Law of the Monuments of Culture and Museums;

5a (new, add. State Newspaper, N74/2005); fifty per cent from the penalties and property sanctions under articles 54, 55, 56, 59, 60 and article 61, paragraph 2, and article 62 paragraphs 1 and 3 from the Law of Administrative Regulation of the Production and Trade with optical discs, matrix and other carriers, containing subjects of the authorship rights and the allied to it rights;

VII. (Amended, State Newspaper, N55/2004; N28/2005; amended, SN, N 21/2006) penalties and property sanctions under articles 34, 34a, 35, 35a, 36b, 36v from the Law of the Monuments of Culture and Museums, imposed by penal decrees, issued by the Minister of Culture;

VIII. The sanctions under article 37;

IX. Ten per cent of the stipulated price for the exhibits rent – movable monuments of culture, owned by the state, included in exhibitions abroad;

X. The sums under article 33, paragraph 4;

XI. Fifty per cent of the receipts from fees, under article 4, paragraph 2, p.4;

XII. Donations, testaments and sponsorship from Bulgarian and foreign physical and juridical persons;

XIII. Interests on accounts of the fund.

Curriculum Vitae

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1992- 1998-	142 Foreign Languages School "Vesselin Hanchev", Sofia, Bulgaria profile- Languages – French and Russian

Professional experience:

	06.06 - 01.07.2007	Cult.bg Foundation , Benkovski Str. №17, Sofia, Bulgaria Project manager
	07.07- 01.11. 2005	National Gallery for Foreign Arts , Sofia, Bulgaria Guide
Institution/adress :	01.05- 12.12. 2004	ABC Project /Art Bulgaria Commerce/ www.projectabc.cult.bg Trainer

- Bulgarian-Dutch Project for Art Management, Sofia, Amsterdam, Funded by The Matra programme of the Netherlands Ministry of Foreign Affairs
- Bulgarian Ministry of Culture
- The Dutch Foundation for Eastern European Projects (STOEP)
- The Eastern-Europe Fund of the Prins Bernhard Culture Fund
- The Dutch Union of Artists and Media Professionals
- Manager of the project: Fred Zuijdhoeck

Languages :

French: excellent
English: excellent
Russian: very good

Expositions:

- 2005** "Symbol" – installation. Participation in a common exhibition, "Academy" Gallery, Sofia
Participation in common exhibition, Sofia City Gallery
- 2004** "Christmas Art Fair"- Sofia City Gallery
"Transparency"- participation in a common exhibition, National Gallery for Foreign Art, Sofia
"Eat me"- happening within the common exhibition "Identifications", 100+ Gallery, Sofia
- 2003** "Balkans without borders"- International Exposition, Skopje, Macedonia
Participation in a painting Biennale, Ohrid, Macédoine
Participation ceramics Biennale -Montana, organiser: Dimitar Grozdanov
"Cocoons"- Installation in a common exhibition
"Reflections", Ancient Bath Gallery, Plovdiv, curator: Emil Mirazchiev
- 2002** Installation within a common exhibition, Shipka 6 Gallery, Sofia
Participation in a common exhibition of Textile Art within the Days of the Japanese Culture in Bulgaria, Ancient Bath Gallery, Plovdiv
Participation in the Balkan Youth Festival, Pieria, Grèce