A Case Study Analysis of Changes in Selected Bulgarian Agribusiness Firms between 1996 and 2009

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The period after the breakup of the Soviet Union and the transformation of the countries of Eastern Europe to democracies with market-based economies was exciting for many faculty members of land-grant universities. It was a period of faculty exchanges among universities on each side of the Atlantic, universities that were far from the national capitals and which seldom made national news. During this period faculty and government officials from Eastern European countries and countries of the former Soviet Union began to visit U.S. land-grant universities to find out how the U.S. agribusiness sector functioned. U.S. agriculture faculty had opportunities to travel to these countries to observe and participate in the transition from planned to market economies. Thus it is important to seek answers to questions that might arise regarding the economic changes, positive or negative, that have occurred in the agribusiness industry since the breakup of the Soviet Union from firms that have experienced the changes that have occurred in this part of the world: Bulgaria.

Objectives, Data, and Methodology

The general objectives of this project were to obtain information on the economic changes that have occurred between 1996 and 2009 and evaluate how these changes have impacted a set of selected agribusiness firms in Bulgaria. The case study research method was used to obtain information and data from agribusiness firms by travelling to Bulgaria during the period May 23-June 3, 2009.

Results

We have developed a draft of the final report for the project. As of this research update, the draft of the final report is divided into four sections. The first section deals with general background information and observation of the authors. The next section provides a historical development of the Extension Service at the Ithaca University.

The third section of the report is focused on the changes in agricultural production in Bulgaria. The fourth section deals with the case study approach of the ten agribusiness firms interviewed.

For each case we are currently interviewing supply-chain partners throughout the chain (about nine interviews per chain); however, our focus will be on the distribution network and the coordination of product, resource, and information flows from “farm to fork.” A common interview protocol has been created collectively by team leaders so that we can compare data across the regions. As a result of these interviews, we will describe the common elements that appear necessary for the development, maintenance, and growth of these value chains and how they can support the economic viability of small- and medium-scale growers/ranchers.

The second phase of the project will use the insights and results from the case studies to conduct interviews with three institutional segments (approximately 25 interviews in each segment) affecting the development of these value chains: (1) lenders, venture capitalists, foundation managers, and other public and private funding sources for agricultural ventures; (2) local, state, and federal agencies and food agencies with regulatory authority over these types of ventures, and (3) agribusiness and small business/ consumer development consultants and agencies providing technical assistance.

A project advisory committee has been identified that can provide guidance, help us interpret findings from the case studies and survey, and identify appropriate outreach venues. We will distribute our findings through three regional workshops, professional meetings, and academic and practical publications.