



SOCIO-ECONOMIC AND MIGRATION ANALYSIS OF TYPICAL RURAL AREAS IN BULGARIA

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ABSTRACT

Rural areas hold a large part of the territory of Bulgaria, and migration processes have even greater importance after the COVID-19 pandemic. The purpose of this research is to review the trends in the socio-economic aspects and whether they are related to the urban-rural migration flow and vice versa. To achieve the goal are used methods such as analysis, synthesis, and systematization of information. The statistical information is based on the official statistics from the National Statistical Institute in Bulgaria and covers a period of 5 years (before and after the COVID-19 pandemic). The results and conclusions provide information on whether global processes and changes in socio-economic status could contribute to changes in migration processes in typical rural areas in Bulgaria.

Key words: mechanical growth, urban-rural migration, average wage

INTRODUCTION

According to the European Commission, over 80% of the territory of the EU is taken by rural areas and for this reason, as Georgieva-Stankova et al. (1) pointed out the villages and rural areas fall into the agenda of various analyses, assessments and policies. In the same time, we have to admit that the urbanization of cities is becoming more important topic lately due to predictions that more than 65% of the population will live in urban territories in next 20 years. Urbanization is becoming an increasingly strategic issue at both national and sub-national levels because it affects our immediate living environment: our cities. (2) This means we need to examine carefully the rural-urban migration and make sure to help in that balance. Very often there are different reasons causing the migration from smaller villages to big city: such as low supply on labor market, restricted access to certain services, larger business opportunities etc. Such population movement is creating risks and challenges in several areas. Infrastructure, water

supply, electric power distribution, health services are just few examples for sectors where we can expect increasing in consumption and possible problems. Lots of researches considered the problem of rural areas in different countries such as for youth unemployment in Czech Republic (3), for family's income in rural areas (4) and for complex rural development (5).

The study aims to review the socio-economic status in the typical rural areas in Bulgaria according NUTS 3. On a first place, lets define what we will understand as typical rural area in this research. The typology "urban-rural territories" is presented by Eurostat in the Guide to typologies of regions (6). The main criteria for defining urban-rural regions is the population and we can describe the territories in Bulgaria according NUTS 3 to next types:

- Predominantly rural
- Intermediate areas
- Predominantly urban

Above mentioned types are depending on the percentage of population living in urban/rural territories and for predominantly rural we will consider regions with more than 50% of population situated in rural areas. Intermediate areas are regions with population located in

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rural areas between 20% and 50%. So if we have less than 20% of the population living in cities and urban territories for this study, we consider this region for predominantly urban. The focus here is on the typical rural areas which are defined as “predominantly rural”.

On **Figure 1** is presented NUTS classification of Bulgaria and for the purpose of this study there is need of the NUTS 3 classification which is dividing the country of 28 regions.

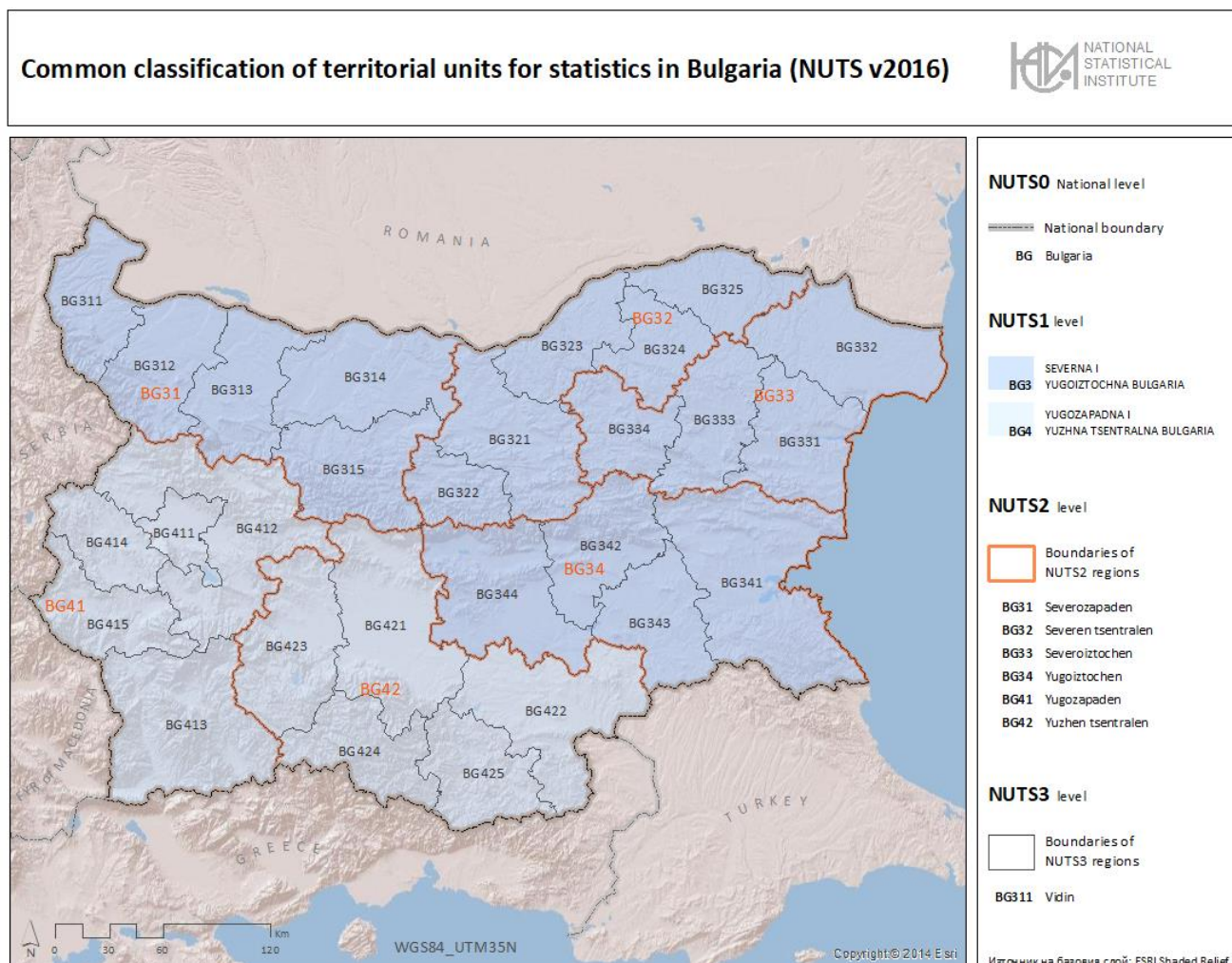


Figure 1. Classification of territorial units for statistics Bulgaria

Source: National statistical Institute, Bulgaria (7)

METHODS

Firstly, it is necessary to define the target group for this research and according the NUTS 3 classification and population review there are 7 regions covering the typical rural areas population requirements. They are: Vidin, Razgrad, Silistra, Targovishte, Smolyan, Kardjali and Sofia Region

Secondly, the data collected for these regions is publicly available to National Statistical Institute, Bulgaria and also Eurostat.

For processing and analyzing data was used statistical software such as SPSS, followed by conclusions based on the results.

Research period is covering 5 years (2017-2021) and it is important to mention that second half of the period is affected by the COVID-19 pandemic.

Research methodology is based on different coefficients, like mechanical growth in typical rural areas and also the average salary in these regions.

Coefficient of mechanical growth calculations are based on mathematical approach and it is processed by using the next formula:

$$MG = [(P-E)/TP] * 1000,$$

Where:

MG - Coefficient of mechanical growth (in order to present the results in more understandable way, the coefficient is recalculated in percent %);

P – Populated the territory in the period of study
E – Emigrated to another territory in the period of study

TP – Total Population in the territory of study for previous year (in thousands)

Calculations are based on the data published to the National Statistical Institute, Bulgaria and Regional profiles published by the Institute for market economics (IME).

RESULTS

The results regarding the mechanical growth are presented in percentages, for a better perception of the migration processes. After processing the statistical data, it could be confirmed that with the Vidin region we observe the greatest progress based on the beginning of the period compared to its end. The year 2019 has the lowest negative values, reaching almost 8% negative mechanical growth, while in 2020 and 2021, we observe positive values.

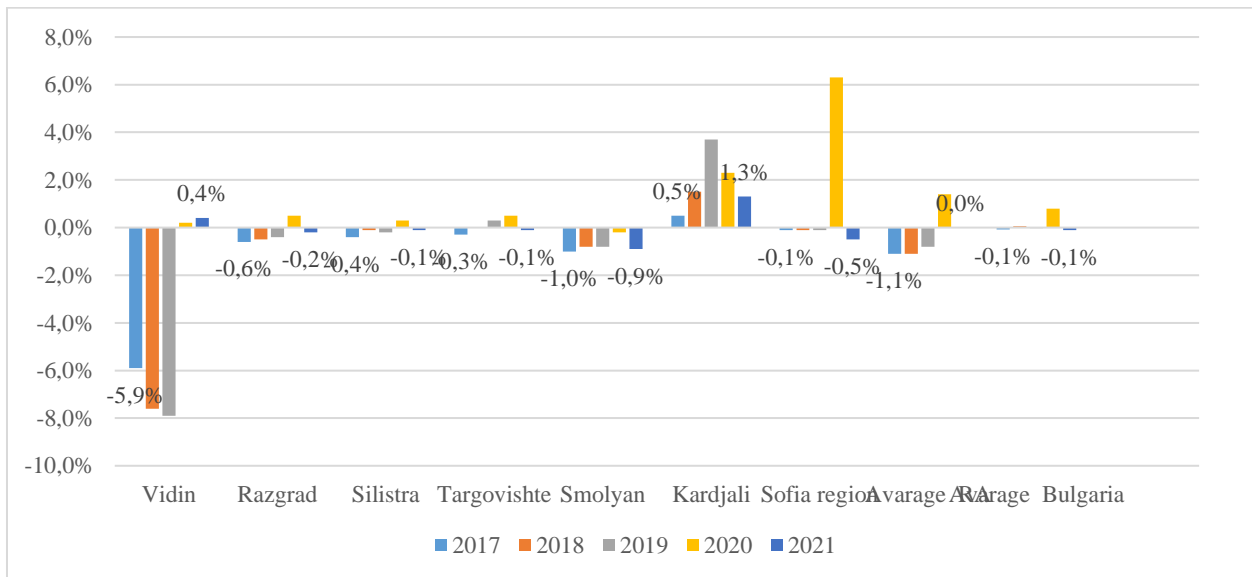


Figure 2. Classification of territorial units for statistics Bulgaria

Sofia region is in the next place with a significant growth of migration. From almost unchanged data and close to zero, we observe in 2020 growth of over 6% in migration to this area, immediately followed in 2021 by another retreat to major urban areas.

Similar values and the same trend are observed in Razgrad, Silistra and Targovishte regions, namely - during the first 3 years of the considered period there is a steady trend towards low negative values of mechanical growth, while in all three regions we have positive values for 2020. Only in the Smolyan region there are no positive values for this indicator, but there is still significant progress at the end of the considered period.

Kardjali region is the only region with positive values of mechanical growth throughout the considered period, with the peak there coming

in 2019 and maintaining its positive trends until 2021.

Although at the national level we observe an increase in migration from urban to rural areas, it can be seen that it is higher towards typically rural areas, compared to the average values for the country, which is logical and explainable with the Covid 19 pandemic, which made a large part of the population seeking distance from large urbanized areas and the data from **Figure 2** confirms it once again.

In order to track the economic status of the typically rural areas in this study, it is necessary to track whether the wages of people working on a labor contract have changed and whether there is a significant difference between the national trends and those in the typically rural areas.

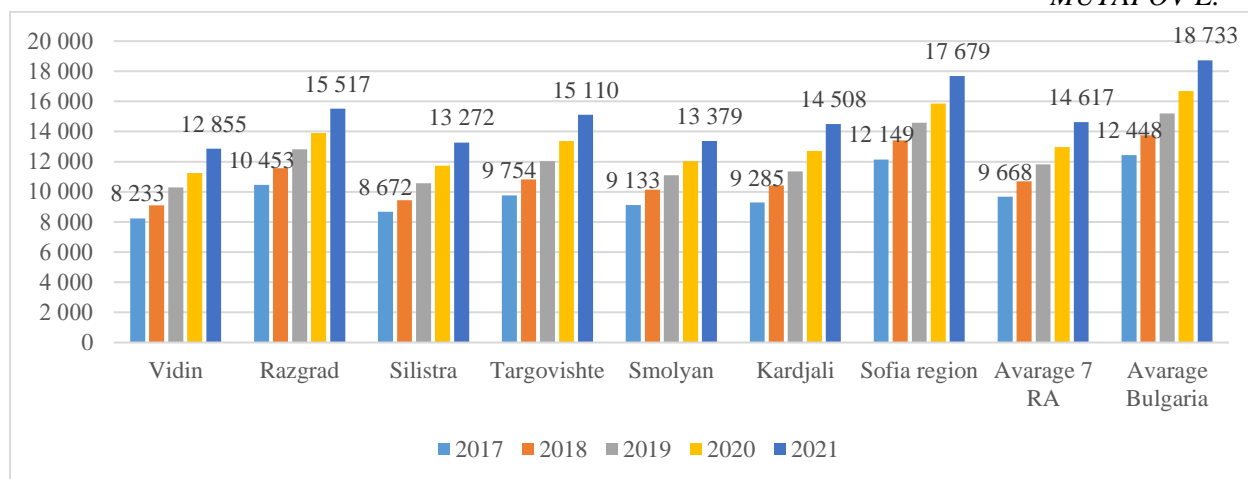


Figure 3. Average annual wages and salaries of the employees under labour contract (BGN)

Source: National statistical Institute, Bulgaria (9)

As a nominal value of the average annual remuneration, values of about BGN 13,000 are observed in the districts of Vidin, Silistra and Smolyan. Accordingly, the growth of remuneration with the highest share was observed in Vidin with a 57% increase, in Silistra with 53% and Smolyan – 47%. Compared to the national trends for the increase of the average annual income (51% increase in the levels at the end of the considered period compared to its beginning), the three regions move around the average values.

Sofia region shows the lowest progress in this statistic, but is nevertheless closest to the

nominal average values at the national level with a value of BGN 17,679 (annual remuneration, lagging only BGN 1,054 from the national average for the considered period). This trend can be linked to high migration at the end of the considered period and a corresponding increase in wages from the nearby capital.

The districts of Razgrad, Targovishte and Kardjali move around the average increase for the country, even slightly above it, but they are nominally behind the average annual salary at the national level.

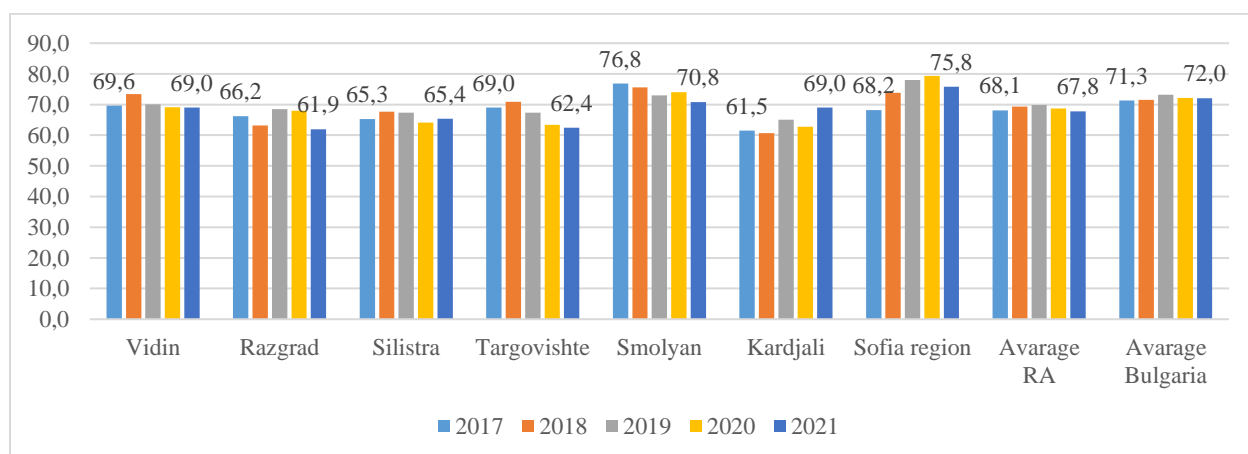


Figure 4. Economic activity rate - 15 - 64 completed years (%)

Source: National statistical Institute, Bulgaria (9)

The economic activity rate aims to provide information about the relative share of the economically active population compared to the total population in the relevant group (15-64 years). From the data in **Figure 4**, it can be seen that the highest activity at the beginning of the

considered period was observed in Smolyan - 76.8%, and the lowest in Kardzhali - 61.5%.

The average values for this indicator at the national level vary from 71.3% to 72% from the beginning to the end of the period (2017-2021). The average values for the seven typically rural

regions are stable and lower than the national average - about 68%.

A connection with the more active economic population and the high levels of mechanical growth are observed in the Sofia region, and at the end of the considered period, the highest values for this indicator were reached there - 75.8%. With the exception of Smolyan, in all other typically rural areas, values below 70% are observed and, accordingly, lower than the average for the country.

CONCLUSION

From the analysis made so far and the dynamic indicators in a period of global pandemic and crisis, some conclusions and recommendations can be summarized, such as:

- The COVID-19 pandemic directly affects migration processes towards typically rural areas and a large increase in urban-rural movement is observed at the end of the considered period 2020-2021;
- The economically active population lags behind in comparison to the trends at the national level, with the exception of Sofia region, which is the only region with higher values of economic activity at the end of the considered period;
- The average annual salary lags significantly, no matter of the lower life standard in typically rural areas, a difference of more than 1/3 compared to the average values for the country is a big difference.

In conclusion, we can say that typical rural areas in Bulgaria lag behind the average national levels in various indicators: employment rate, average salary, etc. In the last two years of the research period, the effect of the pandemic at the global level was also affecting the statistical results, which changed migration processes and the distribution of resources in rural areas.

The solution for making the typical rural areas more attractive is to provide more services with higher quality and wider access level in sectors that are currently lagging compared to same type regions in EU.

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