Creative and knowledge workers in Region Sofia

A preparatory analysis for surveying the creative and knowledge economy

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Creative and knowledge workers in Region Sofia[1]

A preparatory analysis for surveying the creative and knowledge economy

ACRE report [*4.10*]

Evgenii Dainov
Irina Mitova

[1] Under the Bulgarian administrative division, Sofia Region refers to the area to the south-west of Sofia city / munbicipality. "Region Sofia" is exactly coincidental with Sofia city and municipality.

Accommodating Creative Knowledge – Competitiveness of European Metropolitan Regions within the Enlarged Union

Amsterdam 2007
AMIDSt, University of Amsterdam

ACRE

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1. TARGET GROUPS

1.1. Introduction

Among the cities in the ACRE project, Sofia remains unique. This uniqueness is not exhausted by the fact that it is the only target city bereft of a river or coast and has, since 1945, developed in spite of, as opposed to because of its successive and highly unrealistic development plans. It is also a city that continues to escape official statistics.

The official statistical picture is fundametnally flawed regarding even the most basic figures. The situation gets increasingly hopeless, as one attempts to find more detailed and fine-tuned information.

According to the development plan currently in force, Sofia suffers from a demographic crisis and is to reach 1.3 million in the mid-term. This has no basis in observable reality. We know from polls, as well as from reports of providers (electricity, water) that during the working week there are some 2.8 million individuals in Sofia municpality, with the figure falling to 1.8 during the week-end, which is obviously the size of the permanently resident population. Official statistics would further have us believe that the capital is still an industrial city, whereas we know – both from independent research and from experience – that almost ¾ of its GDP and employment is in services. Of NACE Codes the statisticians appear to be blissfully unaware.

The aim of this report is to arrive at a realistic picture relating to creative and knowledge-intensive industries by using available means. The result is an informed estimate, which, nevertheless, provides a basis for further work that is much more solid than anything one can get out of the Municipality or the National Statistical Institute (NSI).

The “snapshot” picture of the current moment is arrived at by exhaustive cross-checking of all available sources, official and independent. Information web-sites (as opposed to, for example, registries of companies) are particularly heavily used for the simple reason that companies advertising their existence are likely to be both active (most registered companies fail to carry out any business) and legal (at least 1/3 of business in Bulgaria continues to be in the “grey” sector). The dynamics, i.e. developments over time, are virtually impossible to reconstruct. Official statistics are misleading or non-existent, independent sources do not go back more than a year or two. Sofia is very much “work in progress”.

1.2. General trends

In the post-war period of state socialism, Sofia was re-invented from the top as a city of officials, administrators and heavy industry workers. Whereas local government was virtually invisible, and certainly demonstrated no initiative worth noting, central government funded Sofia and its doings to an extent that made it into something of a pampered city.

When the regime, together with its industry and institutions of power disintegrated in the late 1980s, Sofia was left to fend for itself, headed by a series of helpless and increasingly impecunious Municipal Councils and Mayors. Helped, however, by the timely return of nationalised property and the start of market reforms, the city re-invented itself again through the 1990s.

In theory still subject to the obsolete 1961 development plan, by the dawn of the 21-st century Sofia had evolved in directions that were unforeseen, let alone planned and regulated for. With unemployment persistently negligible, the city's unexhaustible energy and initiative attracted waves of migrants from the hinterland, looking for jobs and prospects. The city compensated the disappearance of heavy industry with a sustained boom in services and, later, construction, which branches form the bulk of its GDP.

Using the inherited framework of highly educated workforce, as well as existing education and research institutions, the creative and knowledge intensive industries concentrated in the capital, in some cases forming a full 100 % of the national pool of a particular industry. International migrants also flowed into the city, forming a multi-cultural mix, the proportions of which are similar to more established multi-cultural capitals, such as London and Paris.

The unregulated nature of this development, while creating a number of problems (over-saturation of housing in prestige areas, a six-fold increase in automobiles over a decade and a half, an overloaded and antiquated drainage system which ensures that heavy rain always causes flooding), has resulted in the unmistakable "buzz" of a city on the move.

The absence of planning has helped the newly emerging creative class to begin structuring the public spaces, working environment and entertainment infrastructure that its way of life demands.

2. Creative and Knowledge Workers in Region Sofia

2.1. Determining creative and knowledge workers

Although providing inreliable absolute numbers, official statistics attempt to paint trends. According to the NSI, since 2003 Sofia's population has been growing at a rate of some 8% per year; fragmentary government statistics suggest a rate of increase twice that (15% annually) for the previous three years.
We know that this increase is not due to a baby boom (the birth / death rate is no different than from the rest of the country, with deaths outnumbering births) and is, therefore, accounted for by migration. Migrants are people in working age, so therefore we assume that Sofia's labour pool is increasing at a rate roughly equal to the rate of the city's economic growth.
No estimate can be arrived at solely on the basis of official statistics, as regards creative and knowledge intensive industries in Sofia. Some re-calculation of NSI data according to NACE codes has been moderately useful. For database we have used primarily the biggest and most detailed national web-sites of companies, having re-grouped them under the NACE codes. A similar operation was conducted to arrive at an idea of the employment proportions involved.
In accordance with the aims of the ACRE project, we have concentrated on the six major fields which will be providing interviewees.

Creative industries

1. **Computer Games, Software, Electronic Publishing, Software Consultancy and Supply**
2. **Motion Pictures, Video Activities, TV and Radio Activities**
3. **Advertising**

Knowledge Industries

4. **Financial intermediation**
5. **Law and other business services**
6. **R&D and higher education**

For reasons of fine-tuning, in line with the ACRE aims and intentions, we have left outside our scope very major Sofia-based industries, such as architercture, design, publishing and the arts. At this stage, we simply note their significance for the overall picture.

Proportion Creative/ Knowledge industries to Total number of companies in Sofia

	Companies Sofia - desk research	Total companies Sofia	Share
Creative industries	2437	47 842*	5.10%
Knowledge industries	2218	47 842*	4.60%

* Data Source: Capital Market, on base 247 000 companies in the whole country

Proportion Creative industries to Knowledge industries

	Companies Sofia - Desk research	Share
Creative industries	2437	52%
Knowledge industries	2218	48%

2.2. Creative Workers

We have used attainable figures for employment and companies registered to arrive at an understanding of the relative weight of creative industries and creative workers. The concentration on Sofia is striking both in terms of percentage of workers and percentage of companies to be found in the capital city as a proportion of the national figure.

1. **Computer Games, Software, Electronic Publishing, Software Consultancy and Supply**

   Out of a total eployment of 10,000 for the country, 8,000 (80%) are in Sofia, as are 1,000 out of 1,600 companies (63%).

2. **Motion Pictures, Video Activities, TV and Radio Activities**

   Strikingly, 1,200 out of 1,300 Bulgarians employed in movie production (92%) are in Sofia, as are 90% of movie companies. All 2,800 employed in national-coverage wireless TV stations are in Sofia. In the case of the national TV stations using satellite or cable, employment data has proven impossible to collect, but in terms of companies, 38 out of 72 (53%) are situated in Sofia. With radio the picture is more evenly distributed. Out of a national total of 7,000 radio workers, 2,800 are in Sofia (40%), as are 29 out of 91 companies (32%).

3. **Advertising**

   Exactly half of the 10,000 advertising workers and the 2,223 companies are situated in Sofia.

Code	Industry	Employed			COMPANIES		
		Country	Sofia	Share Sofia	Country	Sofia	Share Sofia
722	**COMPUTER GAMES, SOFTWARE, ELECTRONIC PUBLISHING, SOFTWARE CONSULTANY AND SUPPLY**						
	TOTAL[2]	10 000	8 000	80%	1 600	1 000	63%
921&922	**MOTION PICTURES, VIDEO ACTIVITIES, RADIO AND TV ACTIVITIES**						
	MOTION PICTURES,VIDEO ACTIVITIES						
	Movie Distributors	800[1]	650[1]	81%[1]	48[3]	39[1]	81%[1]
	Movie Producers	1 300[1]	1 200[1]	92%[1]	228[2]	205[1]	90%[1]
	Movie Teams for Cinema Fiction Movies Made in 2006	300[1]	300[1]	100%[1]	7[2]	7[2]	100%[2]
	Movie Theatres	700[1]	260[1]	37%[1]	148[4]	14[5]	1%

[2] Expert estimation GfK Bulgaria

[3] Data Source: National Movie Centre www.nfc.bg

	TOTAL	1 800[1]	1 210[1]	67%[1]	413	265	64%
	TV ACTIVITIES						
	National Television Networks with Air Coverage	2 800[1]	---	---	4[6]	4[5]	100%[5]
	National Television Channels with Cable and Satellite Coverage	9 400[1]	---	---	72[5]	38[5]	53%[5]
	Regional Television Channels with Air Coverage	12 800[1]	100[1]	1%[1]	1[5]	128[5]	1%[5]
	TOTAL	25 000[1]	7 000[1]	28%[1]	204	43	21%
	RADIO ACTIVITIES						
	National Radio Network	2 000[1]	2 000[1]	100%[1]	3[5]	3[5]	100%[5]
	Radio Networks with National Coverage	---	---	---	16[5]	14[5]	88%[5]
	Regional Radio Stations	---	---	---	70[5]	10[5]	14%[5]
	Profiled Radio Stations (Radio station of the National Assembly, Radio station for the Bulgarians abroad)	---	---	---	2[5]	2[5]	100%[5]
	TOTAL	7 000[1]	2 800[1]	40%[1]	91[5]	29[5]	32%[5]
744	**ADVERTISING**						
	Full cycle advertising agencies	1 771[7]	1 429[6]	80%[6]	182[6]	157[6]	86%[6]
	TOTAL	10 000	5 000	50%	2 223[8]	1 100	49%

Typically, creative companies have an average size of four-five employees per company. Radio, television and movie-production companies tend to be much larger, with some employing into the hundreds. When these companies are included, average employment works out at slightly under 10 employees per company; but given the wide discrepancies in the size of companies, this would be a misleading and uninformative statistic.

There is little mystery as to why the creatives have been concentrating in Sofia. Over the past decade and a half there has been, quite simply, nowhere else for them to

4 Data Source: National Statistical Institute, Republic of Bulgaria. STATISTICAL YEARBOOK. Pg. 564, CINEMAS IN 2003

5 Data Source: Sofia Movie Theatres listed in www.programata.bg

6 Data Source: www.predavatel.com

7 Estimations based on number of advertising companies registered on the Internet site www.yvox.net

8 Data Source: www.catalog.bg

go. Sofia is the centre of cultural, political, economic, administrative and educational life and meaningful employment in these areas can be found primarily in the capital city.

Sofia is also the place most likely to provide a better living standard, its GDP per head being double the national average, with incomes differing accordingly. Cross-tabulation of polling data reveals a virtual absence of Sofianites in the lower income brackets (i.e. under 100 Euro / month / head), where 44% of the nation are to be found; and a percentage three times the national average concentrating in the highest-income category polled for (over 300 Euro / month / head). One-third of Sofianites receive such income, compared to only 1/10th the national average.

In terms of business premises and private residence, Sofia's situation (surrounded by a ring of green hills and mountains) provides the aspiring creatives with the right mixture of "nature" and "urbanity" to ensure that the creatives can, once reaching a certain level of affluence, move their businesses and homes into the business-parks at the edge of the city[9], and their homes – to the new community-type housing enclaves in the foothills of Mount Vitosha. International links are also easiest from Sofia, it being Bulgaria's only fully licensed international airport.

Last but not least, Sofia is Bulgaria's only city that reaches a European critical minimum in terms of population, and therefore – in terms of providing the variety that creative people feel most comfortable in. The two other major cities, Plovdiv and Varna, have also started booming since 2005, following Sofia's lead, but with populations up to three-four times smaller than the capital, they are still struggling in terms of variety and "buzz".

[9] It must be emphasised that this process has only been under way since 2005-6. Most companies are still likely to be situated in the city proper.

SUMMARY CREATIVE INDUSTRY

Creative Industry

	Employed Sofia	Companies country	Companies Sofia	Share
722 Computer Games, Software, Electronic Publishing, Software Consultancy and Supply	8 000*	1 600*	1 000*	63%
921 & 922 Motion Pictures, Video Activities, TV and Radio Activities				
921 & 922 Motion Pictures and Video Activities	1 210*	413*	265*	64%
921 & 922 TV Actvities	7 000*	204*	43*	21%
921& 922 Radio Activities	2 800*	91**	29**	32%
744 Advertising	5 000	**2 223*** **	**1 100**	49%

* Expert Estimation GfK Bulgaria
** Data Source: www.predavatel.com
*** Data Source: www.catalog.bg

2 437 Companies in the Creative Industry - Sofia City

2.3. Knowledge Workers

It has proven more difficult to compile data on knowledge workers and industries, but the picture that does emerge suggests a lower intensity of concentration in Sofia – a more even spread, although the capital still emerges as paramount.

1. **Finance**. Out of 39,456 individuals employed nationally, 17,300 (some 44%) are in Sofia; but 368 out of 450 companies (82%) are in Sofia.
2. **Law and other business services**. Here we inevitably (every town need lawyers) find a much more even spread, with 7,000 out of a national total of 24,600 in Sofia, and with only 28% of all relevant companies.
3. **R&D and higher education**. Given the inherited over-concentration of education and research in Sofia, the picture here is less lop-sided than one might expect. Out of a total employment of 47,525 nationally, 29,000 (61%) are in Sofia. In terms of institutions and companies, however, the picture is closer to the situation in the creative industries, with 80% of all establishments situated in Sofia. Higher education, when taken separately, reveals that 44% (13,000) out of all employed in this field are in Sofia, as are 47% of higher education institutions. With research and development, however, there is again a huge preponderance of Sofia, with 16,000 out of 18,025 being found in the capital city.

KNOWLEDGE INTENSIVE INDUSTRIES Industry	Employed Employed country	 Employed Sofia	Companies Companies country	 Companies Sofia	 share
Financial intermediation					
65 **Financial intermediation**	39456	17300	340	269	79%
66 Insurance and pension funding	-	-	58	55	95%
67 Activities auxiliary to financial intermediation	-	-	52	44	85%
TOTAL	**39456***	**17300***	**450**	**368**	82%
Law and other business services					
741 Legal, accounting, book-keeping and auditing activities, tax consultancy	24600	7000	5335	1329	25%
market research and public opinion polling, business and management consultancy					
743 Technical testing and analysis	-	-	9	7	78%
745 Labour recruitment and provision of personnel	-	-	191	150	79%
746 Investigation and security activities	-	-	157	112	71%
TOTAL	**24600****	**7000****	**5692**	**1598**	**28%**
R&D and higher education					
73 Research and development	**18025*****	**16000****	144	129	90%
731 Research and experimental development on natural sciences and engineering	-	-	91	80	88%
732 Research and experimental development on social sciences and humanities	-	-	10	10	100%
803 Higher education	**29500******	**13000****	70	33	47%
TOTAL	**47525**	**29000**	**315**	**252**	**80%**

Estimations: Employed
* Official data for the sector, registered in Yearly Statistical Annual, NSI 2004
** Base: Expert estimations, GfK Bulgaria for approximate number of employees in the whole sector
*** Base: Official data, Yearly Statistical Annual, NSI 2005
**** Fragmentary data from Yearly Statistical Annual, NSI 2005, not official from the whole sector

Estimations: Companies by sectors
Financial intermediation
Data Source: Yearly Statistical Annual, NSI 2005
Data Source: Financial Supervision Commision
Data Source:: www.investor.bg
Law and other business services
Data Source:: www.CATALOG.BG
Data Source:: www.lex.bg

Data Source: ESOMAR, 2005
R&D and higher education
Data Source: Ministry of education and science
Data Source: Yearly Statistical Annual, NSI 2005
Data Source: www.CATALOG.BG

The workforce employed in Sofia's knowledge industries is considerably, yet not strikingly larger than the creative workforce[10]. Creative workers are 45% of those in the knowledge intensive industry. Such proportions are at variance with other ACRE cities (eg. in Amsterdam the workforce in the knowledge intensive industries is three times higher than in the creative economy) and further analysis would be needed to acount for this. One hypothesis worthy of exploration would be to do with rapid de-instustrialization on the one hand, and culture / entertainment concentration on the other.

The average employment per company, in the knowledge intensive sphere, works out at almost 11 people, which hides some discrepancies. The average is distorted by proportions in higher education, where the average numbers of people employed per establishment is almost 400.

The lack of a litiginous culture in Bulgaria (and even in Sofia) can be seen in the relative positioning of employment in the legal and business consultancy professions, which is proportionately much lower than in other ACRE cities. Only 7,000 people are employed in this category, compared to 17,300 in finance and 29,000 in R&D / higher education. Meaningful comparisons with past periods are virtually inconceivable, given that under the previous system of state socialism lawyers, while in existence, were few and far between, and financial and business services were entirely unheard of.

Same as the creatives, the companies and employment in the knowledge intensive industries continue to be concentrated in the heart of the city, as well as in emptying administrative buildings in the near periphery of the centre. A move toward the green outlying areas has been in evidence over the past 18-20 months.

2.4. Selection of Interviewees

Against the background of the above, as well as in line with the ACRE aims and intentions, the following companies from creative and knowledge intenisve industries are to be interviewed.

[10] This is, of course, applicable as far as the industries we cover are conserned. Should all be counted, a different picture would emerge.

Creative industries	Companies details			
	Address	Phone	www	e-mail
722 COMPUTER GAMES, SOFTWARE, ELECTRONIC PUBLISHING, SOFTWARE CONSULTANCY AND SUPPLY				
PULSAR	Sofia 1612, 21 Tsar Boris III Blvd	9549862; 9549811	www.pulsar.bg	lupo@pulsar.bg
SCIANT BULGARIA	9 Chamkoria Street Sofia 1504	943 33 31	www.sciant.com	Andrey.bachvarov@sciant.com
SAP BULGARIA	Sofia 1618, 136A Tsar Boris III Blvd	915 7100	www.sap.bg	info.bulgaria@sap.com
APIS HRISTOVICH OOD	1000 Sofia, 7A Graf Ignatiev St.	923 9800, 980 4827, 988 3541	www.apis.bg	office@apis.bg
AUTO 3P BULGARIA	Sofia 1330, 83 Giueshevo St. office 409	9208790; 9208791	www.auto3p-bg.com	info@auto3p-bg.com
MOTION PICTURES, VIDEO ACTIVITIES, RADIO AND TV ACTIVITIES				
921 & 922	MOTION PICTURES & VIDEO ACTIVITIES			
BOYANA FILMS AD	Sofia 1616, Kumata St.	963 2422	www.boyanafilm.bg	
SUNNY FILMS ENTERTAINMENT	Sofia 1421, 45 Krustyo Sarafov St.	958 1196	www.sunnyfilms.com	sunny@sunnyfilms.com
ART FEST	Sofia 1463, 1 Bulgaria Sqr. NDK administrative building, floor 12	916 6029 952 6467	www.sofiaiff.com	office@sofiaiff.com
NATIONAL MOVIE CENTRE	Sofia 1000, 2A Kniaz Dondukov Blvd	987 5135 988 3831	www.nfc.bg	nfc@nfc.bg
UNITED CINEMA AD	Sofia 1463, 1 Bulgaria Square.	951 5101	www.uncinema.com	info@uncinema.com
921 & 922	TV ACTIVITIES			
BULGARIAN NATIONAL TELEVISION-CHANNEL 1	Sofia 1504 29 San Stefano St. 29	944 4999	www.bnt.bg	bnt@bnt.bg
bTV	Sofia 1463, 1 Bulgaria Sqr. NDK administrative building, floor 11	917 6800	www.btv.bg	office@btv.bg
NOVA TV	Production Studio Nova TV, Sofia Студио 1172, 1 Pimen Zografski St., Dianabad,	915 1200 915 1201	www.ntv.bg	programa@ntv.bg film-program@ntv.bg kanendar@ntv.bg
MM Television	Sofia 1330, 85 Giueshevo St.	920 0313	www.mmtv.bg	mmtv@mmtv.bg
7 dni TV	Sofia 1797, Izgrev, 26 170th Street	971 3255	www.7dni.tv	office@7dni.tv
921 & 922	RADIO ACTIVITIES			

BULGARIAN NATIONAL RADIO-HORIZONT	Sofia 1040, 4 Dragan Tsankov Blvd.	933 6571 933 6559	www.bnr.bg/horizont	horizont@bnr.bg
DARIK RADIO	Sofia 1504, 82 Kniaz Dondukov Blvd.	984 9845	www.darikradio.bg	office@darik.net
RADIO VESELINA (SBS Broadcasting Group)	Sofia 1404, 21 Sreburna St.	9 1000	www.radioveselina.bg	office@sbsbroadcasting.bg
RADIO 1 (Communicorp Group)	Sofia 1612, 3-A Sofiiski geroi St.	951 5808	www.radio1.bg	reklama@radio1.bg
Fresh Radio (Emmis Communications)	Sofia 1784, Mladost 1, 51 Erusalim Blvd.	976 7400	www.radiofresh.bg	sofia@radiofresh.bg
744 ADVERTISING				
NEW MOMENT NEW IDEAS COMPANY	Sofia 1124 5 Kaliakra St.	963 1272 963 1289	www.newmoment.net	Info@newmoment-bg.com
McCann Ericson Sofia	Sofia 1574 63 Shipchenski prohod Blvd.	971 9641 971 9642 971 9643	www.mccann.bg	office@mccann.bg
AMEXY	Sofia 1000, 44 Yanko Sakuzov Blvd.	944 3659	www.amexy.com	blefterov@amexy.com
OGILVY & MATHER SOFIA	Sofia 1463, 60-62 Dospat St.	952 3068 952 3400	www.ogilvy.bg	Viara.Velichkova@ogilvy.bg; Ekaterina.Popova@ogilvy.bg
IDEO SAATCHI & SAATCHI	Sofia 1504, 22 Veliko Turnovo St.	987 7522 981 8075	www.ideo-saatchi.com	contact@ideo-saatchi.com; i.totev@ideo-saatchi.com

Knowledge intensive industries	**Companies details**		
Company	**Address**	**Tel.**	**www.**
First Financial Brokerage house Ltd.	Sofia Enos Str. 2	02 810 64 01	www.ffbh.bg
Economic and Investment Bank	Sofia, Saborna 11A	02 981 65 34	www.eibank.bg
HVB Biochim AD	Sofia Alabin Str. 58	02 926 91 24	www.biochim.com
Beta Corp AD	Sofia, Bulgaria Blvd. 1, fl. 4	02 986 55 66	www.beta-corp.com
TOP 5 Insurance and pension funding			
DZI	Sofia, Dondukov Blvd. 4-6	02 930 71 36	www.dzi.bg
Bulstrad	Sofia, Positano Str. 5	02 985 66 10	www.bulstrad.bg
Lev Ins	Sofia, Tzar Boris IIII Blvd. 41	02 952 12 25	www.lev-ins.com
UNIQA (former Vitosha)	Sofia, Uiliam Gladston Str. 5	02 9156 333	www.uniqa.bg
Allianz Bulgaria	Sofia, Dondukov Str. 59	2 9302101	www.allianz.bg
TOP 5 Auxiliary activities to financial intermediation			
Bench Mark Fund Imoti	Sofia, Cerni Vryh Blvd. 32A, fl. 2, office 3	02 962 54 05	www.benchmark.bg
Elana Fund for agricultural land	Sofia, Bulgaria Blvd. 49	02 810 00 00	www.elana.net
Fund for real estates Bulgaria			
Prime Property BG			www.primeproperty.bg
Advance Terafund			
Law and other business services			

TOP 5 Market reaserch agencies and business consultancy companies			
MAP Marketing reaserch Ltd.	Sofia, Kapitan Andreev Str. 1	02 969 60 86	www.map-mr.com
TNS/ BBSS GALLUP International	Sofia, James Boucher Blvd. 23	02 96 94 200	www.gallup-bbss.com
AC Nielsen	Sofia, Kukush street 2, Antim Tower, fl.12 and 13	02 821 14 70	www.acnielsen.com
GfK Bulgaria	Sofia, Ekzarh Josif 86	02 9308 600	www.gfk.bg
HIRON Management Consulting Ltd.	Sofia, Strelbishte, Tulca 46, office center	02 818 80 39	http://www.hiron-mc.com
R&D and higher education			
TOP 5 Universities in Sofia			
University of Sofia	Sofia, Tzar Osvoboditel Blvd. 15	02 846 42 10	www.uni-sofia.bg
New Bulgarian University	Sofia, Montevideo 21 A Blvd	02 81 10 180	www.nbu.bg
University of national and world economy	Sofia, Studentski grad Hristo Botev	02 962 18 41	www.unwe.acad.bg
Medical University Sofia	Sofia, Akademik Ivan Geshov Blvd. 15	02 851 08 89	www.mu-sofia.bg
Technical University Sofia	Sofia, Kliment Ohridski Blvd. 8	02 965 21 11	www.tu-sofia.bg

3. Graduates in Region Sofia

3.1. University / polytechnic (“college”) graduates

It will obviously be a very long time, before we would be able to easily access reliable data on education levels age group by age group, field by field and industry by industry. What we know about Sofia’s education structure are the basic outlines only. But they are in themselves enough to contribute to the picture of the city and its people.
The educational structure of the employed indicates that high employment levels go together with high education levels. The biggest percentage in the capital city are the employed with higher education degree – *university and college education.* In 1998 these were 38.31 % of the total number of employed, in 1999 they were 37.12%, and in 2002 – 44.6%. This percentage is two times higher than the national average and demonstrates that Sofia’s development lies increasingly in higher value-added fields.
The percentage of labour force with low education level in the region is minimal. In 2003, working people with secondary, elementary and lower education composed just 4.7% out of all employed. For comparison, it can be pointed out that this percentage for the country as a whole is 16.8%, in fact 4 times higher. Since 1998, as the proportion of highly educated workers has increased, so has the proportion of the lower-educated shrunk, starting from over 8 %.

Out of the overall (working and non-working) population of the city, the percentage of the population with higher and college education has increased, since the late 1990s, to 28.9%, compared to less than 20 % the national average.
Such are the official statistics, which provide part of the picture. Reputable polling and market research agencies, however, provide a more detailed picture for 2007, registering an astonishing 42% of the over-18 population in Sofia as bearers of University or polytechnic degree.
This leads to the following probability. Official statistics, as has been made clear, manage to capture no more than 60% of Sofia's population at best. Pollsters provide information for the rest. The education-related discrepancies between official (incomplete) and polling (close to the truth) statistics tell us, therefore, that the new migrants, ands also the week-day workers of Sofia – i.e. the people that the NSI does not see – are composed to a very great extent of highly educated people. This again bears out the hypothesis (above) that Sofia's growth is produced by qualified people and is, therefore, of higher value added – explaining the vastly greater per-head GDP produced in Sofia as compared to the national average.
Important factors for the concentration of high percentage of highly educated population in the Metropolitan municipality are the concentration of universities. The biggest research centre is also situated here, Bulgarian Academy of Sciences. The presence of institutional structures of high level (executive, legislative, judiciary), cultural and others, in which people with high educational qualification are occupied, also contributes to the high percentage of highly educated population in the region.
Sofia's districts show extreme contrasts in the educational level of the population. Five areas can be distinguished, in which the percentage of the population with higher education is on average 40 %, and for the central Sredets district it is 44%. A second group over the average level of the municipality is formed in the areas of Krasno selo (30.6%) and Mladost (25.1%). Nine more areas demonstrate the average level for the whole municipality, while four villages of the surroundings, Pancharevo, Novi Iskar, Kremikovtsi and Bankia, demonstrate from 4-5 up to 10% people with hither education. These villages preserve much of their original peasant characteristics and are still to become fully-fledged components of the metropolitan district.
With the distribution of the population with secondary education to a certain extent the regional differences are evened out. In this sphere, Sofia contains less than the national average of people with secondary education. Given the virtual absence of people in Sofia with lower than secondary education (the national average in this being 22.5%, with Sofia coming in with a measly 7% at best), the educated nature of the workforce becomes further clarified.
Poll data cross-tabulation reveals dramatic differences between Sofia and the national picture in terms of concentration of higher-educated individuals in the fields, where creative and knowledge-intensive industries are situated. Almost 60% of owners of businesses, managers or "free professions" hold University or polytechnic diplomas, compared to about 1/3 for the national average.

3.2. Selection of graduates for interviews

In line with ACRE aims, two approaches will be implemented.
First, people currently employed in the workforce in the chosen industries will be interveiwd. This would capture the current situation and throw some light on the past.
Second, we would take fresh graduate inflow. This would concentrate on the future potential of the chosen industries, for graduates of creative and knowledge-intensive profiles would be approached.

4. MANAGERS

Official statistics are almost entirely lacking in this problematic, as indeed regarding the more general issue of employment. Under the heading of "employment", both the NSI and Sofia municipality's statisticians obssessively provide long treatises on **un**-employment and the unemployed. This tells us something very important about the hidden ideologies, shared by statisticians – i.e. that they still see market economy as a mechanism for producing suffering and unemployment – but nothing of substance about the matter at hand. Professional and trade organisations carry statistics to do with their members, which are too skewed to be taken as the basis of a more general statistical picture.
Again we fall back on agencies dealing with market research and polling. Overlayed polling data from the spring of 2007 tells us that in Sofia there are one-sixth more "owners of companies" than the national average (7.7% compared to 6.3 %) in people over 18. In terms of managers, however, the difference is striking – as a proportion of people over 18, there are three times more managers in Sofia than the national average (3.7% to 1.2%). In the next biggest booming Bulgarian city, the sea port of Varna, often seen as Sofia's competitor, both figures stay close to the national average.
This tells us that managers are comparatively a considerable presence in Sofia's workforce. Further calculation provides us with estimates in terms of numbers.
Sofia's constantly employed workforce is just under 800,000 which, together with the temporary workers form slightly inj excess of one million employed people. Assuming the temporarily employed are not characterised by a significant presence of managers, we arrive at a plausible figure of around 30,000 managers situated in Sofia, which is, roughly, up to half the entire managerial force of the country.
Free-lancing and self-employed people in Sofia are, in percentage terms, almost twice the national average (4.3 to 2.5%). Further calculation indicates that this means up to 35,000 individuals, again composing slightly less than half (around 45%) of the entire number of such people in the country.

Selection of managers will be conducted on the basis of the industries chosen for Sofia and in the proportions indicated. Depending on work conditions as interviews are structured, free-lancers and self-employed would be added on a needs-basis.

5. Foreign Population in Region Sofia

5.1. General picture

During the times of state socialism, Sofia's administrators, as well as government policy strove to freeze the numbers of inhabitants of the capital. Migrations from the hinterland were, from the 1970s, increasingly difficult and from the outside world – impossible, except in cases of refugees and a (very limited and tightly controlled) inflow of people from the "socialist camp" becoming Sofianites by marriage. Given the absence of serious representation of indigenous minorities, such as Turks or Roma, Sofia entered the 1990s as one of the most ethnically homogenious urban conglomerates in Bulgaria, with up to 98% and more being ethnically Bulgarian.

From the mid-1990s, visible changes to this picture started. Attracted by higher living standards, together with the rest came the Roma, forming compact communities. An Irish community was visible by the end of the decade, as were the beginnings of a Chinese and Arab community. While official statistics continue to live in the dreamland of the past, claiming ethnic and cultural homogeneity for the national capital, pollsters and market researchers have produced a fascinating picture of 21st century reality.

According to official (2001 census) statistics, Sofia continues to be Bulgaria's most ethnically and religiously homogenious area, with Christian ethnic Bulgars representing 96 % of the population (compared to 85 % nationally). Second in numbers percentage after the Bulgarian is the ethnic group of the Romanies. It is only, officially, 1.5% of the population in the region. More compact communities of Romanies are created within the boundaries of the city of Sofia – in Fakulteta, Hristo Botev, Filipovsti residential districts.

Such figures contradict observable reality, in which the city has become home to compact and visible ethnic areas. Market research reveals a picture much more in tune with globalisation. Besides the ethnic groups evident in the census, Sofia in fact also possesses: 93,000 migrants from Asia; 77,000 migrants from the Arab world; 70,000 migrants from Balkan countries (excluding Turkey). Turks prove to be up to eight times more numerous than in the official figures, being almost 50,000 in number. The Roma are also much more numerous, coming in (in representative polls) at almost 150,000. Sofia also has almost 40,000 migrants from non-Balkan European countries. It is estimated that up to half of those are Irish or British migrants.

If one plots non-Bulgarian ethnic groups against polling agency estimates of the total Sofia population, one would arrive at an ethnic mixture, in which 17 % are of non-Bulgarian ethnicity or religion. This tallies with observable reality and also situates Sofia as a richly multi-ethnic environment. Estimates for London and Paris indicate 19 % ethnic minorities, which places Sofia in the league of Europe's multi-cultural metropolitan areas.
Significantly, 80% of all Jews and half of all Armenians in the country live in the Metropolitan municipality and more particularly in its centre.
The explosive flowering of an "ethnic bouquet", with the almost overnight appearance of completely new ethnic and cultural groups, is a pointer to a future in which Sofia begins to see itself as a multi-ethnic and multi-cultural metropolis.
Such migrations have been in evidence for, at best, a decade. This means that the migrants are of working age, having children but not yet old-age pensioners. This would suggest that the immigrant proportion of Sofia's employed may be in fact higher than 17%, but further research would be needed to confirm this. Much more research would also be needed to ascertain the fields of employment and industries that immigrants gravitate to. Anecdotal evidence and estimates would suggest an over-concentration in the services, but this can at this stage be no more than a hypothesis. No real estimate can be made regarding the qualification picture of immigrants; but they are not likely to be significantly under-educated, given Sofia workforce's impressive education characteristics generally.
Ethnic groups indigenous to Bulgarian society – Roma and Turk – make up together about 200,000 people of the population of Sofia. Immigrants proper (i.e. born elsewhere in the world and arriving into Sofia later) are considerably more numerous, in the range of 348,000. Of these, predominant are ex-Soviets, Asians, Middle Easterners and Balkan migrants. "Western" proper are slightly more than 38,000 – i.e. about 11% of all immigrants.
As far as can be estimated, the majority of immigrants to Bulgaria over the past decade have chosen to reside in Sofia.

5.2. Selection of foreign professionals

Foreign professionals to be interviewed will be selected on a case-by-case basis, in line with the industries outlined above. Given that we know nothing of the proportions of foreigners present in these industries, no proportional representation is likely to be achieved. The division of Western / non-Western descent will be kept.