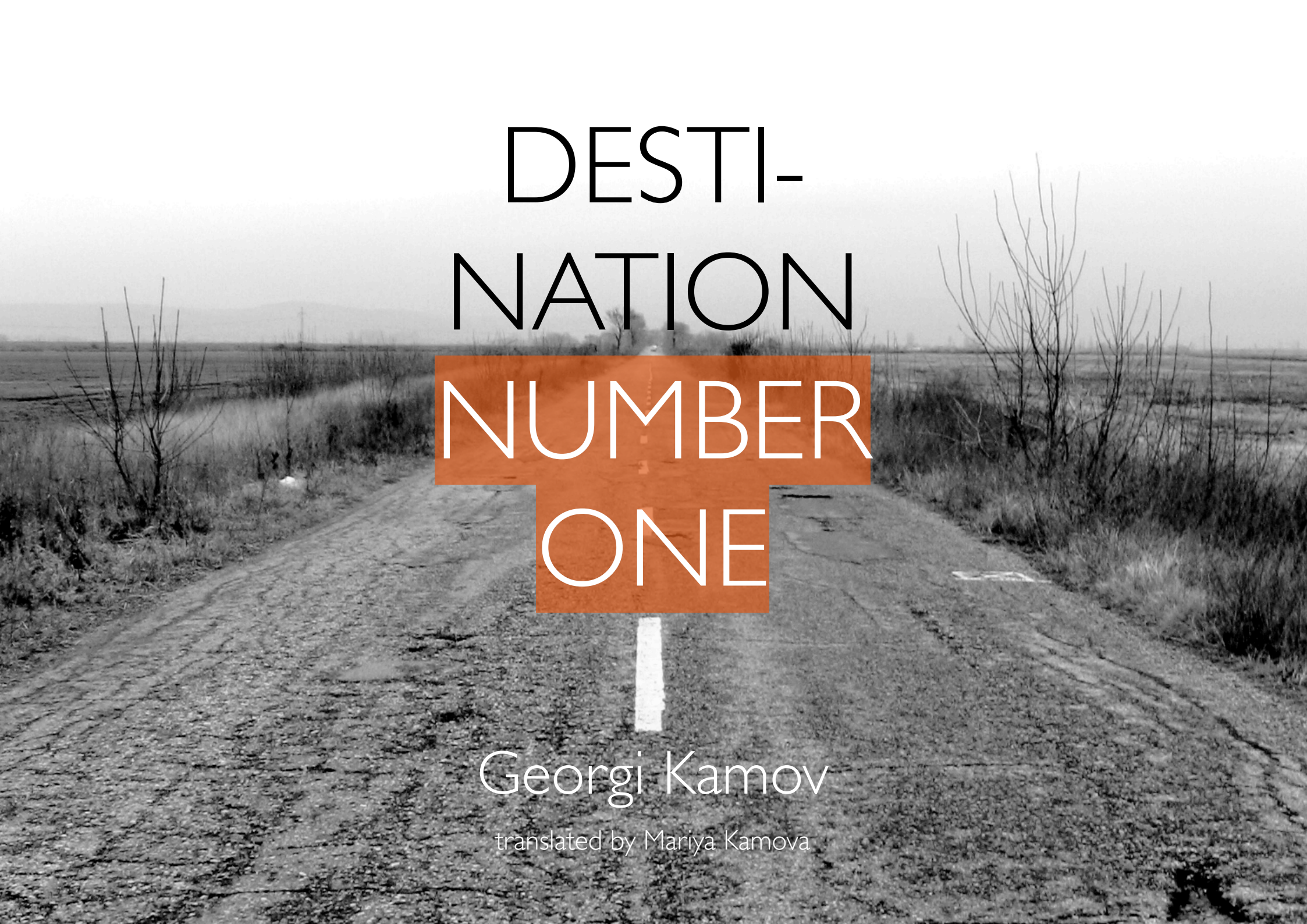




DESTI- NATION NUMBER ONE

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“We are
effectively dealing
with a **Wild West**
country”

EU official, responsible for Eastern Europe
Reuters, 8 May 2013 г.

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What matters now

Why are we here

This text does not pretend to say something completely new and unheard of. It doesn't contain great secrets or revolutionary suggestions. It wasn't requested by someone and it is not meant for everyone.

What this text claims is that it matters. Right now, we don't know where we are heading as a country, why we are going there and what it is going to bring us.

This text is about the most important thing we need to start doing right now so we can see the results of our actions in the future.

What is it?

The answer will not come with a new strategy, written in a recently renovated office with permanently lowered blinds and a random three-digit number on the door, announced at a public discussion of ten people and

published in an unknown website with a miserable navigation, the authors aware that no one will read the whole thing.

The answer will come the moment we start asking ourselves truly challenging questions. Here's one:

What could turn Bulgaria into a number one destination on a global scale?

And I don't mean it as a tourist destination, I mean it as a focal point for something we can be the best at.

Not just good. The best in the world.

We, Bulgarians, are not used of thinking of Bulgaria as a leading destination in anything. As a center of gravity with a leading role in something, which is useful and important both for us and for the rest of the world equally.

We need to raise the bar. It will give us an idea where we want to go, what to stop doing, what to keep doing and what to change. It will help us find a niche where we feel

comfortable enough to live well, and at the same time uncomfortable enough so that we continue moving ahead.

Yes, we have many serious problems. But none of them is actually stopping us from pushing further. What holds us back are the missing answers to questions such as “*What can we be the best in the world at*”. This is our major obstacle and it makes us go round in circles, again and again, until we find ourselves in an all too familiar situation.

This text is my answer. I hope it is as provocative as the question itself.

Our story

We live in interesting times, that`s certain. But do we live in an interesting place?

Today, Bulgaria doesn`t have a story to tell - not individual events, facts, words or phrases, but a coherent narrative. We currently combine the lowest income tax in Europe with the reputation of a cheap tourist destination, protests, poverty, corruption scandals, organized crime and the occasional burst of national pride either from stray

sporting achievements or traditional cuisine and historical events from the distant past.

Stories help us by providing meaning to our environment (meant here not as “natural habitat”, but “societal setting”), and making the people, things and events around us meaningful. They help us remember, appreciate, recognize and create occasions for shared emotions and joy. What we need now is a story of that kind – realistic, yet ambitious. Authentic, but also forward-looking. Interesting, while still credible.

Some refer to such stories as having a *brand*. The closest translation in Bulgarian would be a “product label”, but it doesn`t capture the full meaning of the word. A brand is the essence, the very nature of a product or service – the thing that makes it different from everything else. It helps becoming memorable, recognizable, worth talking about, significant - irreplaceable, even.

Packaging can enhance the image of a brand, but a flashy wrapping cannot compensate the lack of essence – at least not until we open it and take a look inside. This was most evident in our recent discussions about Bulgaria`s logo, symbols and “branding”. The focus of the debate was

not whether those elements represent the story we would like to tell the world in an appropriate way, but whether we find those elements pretty enough or not. Because all of us secretly wished to see whatever was pictured on the logo or in the promo video magically appear in reality and become true. And we can argue for ages because we want to believe in this sugarcoated vision of us, disregarding the fact that it is not the reality we live in (or precisely because of that fact).

People want to be part of something bigger than them, something significant and impressive. They want to be part of a story, which develops and unfolds in much more interesting and exciting ways than any other story - so they can believe in it.

We need more than fancy words or visuals to tell this story, though. We need substance – an aim, a vision, a cause. These are all clichés, but without them we cannot do anything but constantly tell each other stories of pure fiction.

A vision (or any of the three words mentioned above) means saying “no” to a lot of things in order to do only those worth doing. It provides focus, making it clear what

we should and should not be doing. It gives us a clear voice, a stand and a point of view to push through. It says, *“Here, this is what we do. It is our priority. We are ready to invest resources, time and effort for it to happen because it is important for us.”*

Take a look around (if you are not in Bulgaria – glance at a picture or recall a memory; if you have never been to Bulgaria, I hope this is interesting for you even without something to look at). Why do we need Bulgaria? Why is this place important? What makes it significant and irreplaceable?

The logical answer is that we need it - the Bulgarian people. Because we were born here, because we have inherited it from those that preceded us, because of nationality or language, because of family and friends, because of the secret hideaway beaches, the hidden pathways in deep forests or the jagged mountain peaks. Because of our past and present. Because of our future?

There is one particular phrase about the future which I hear more and more often in one way or another:

"I have the feeling that
nothing good awaits us."

How did we end up looking away from our future
because we don't see anything positive coming out of it?
Why are there only clouds of dust on the horizon visible
from this part of the Wild West?

How did we end up here

Some old facts about us

When somebody starts talking about the future of Bulgaria, the usual starting point is what Bulgaria has to be and not what it has been so far and what it truly is.

I will start from where we are standing right now. Without much effort, you can find all sorts of statistical data about the not-so-pleasant situation we are in right now. Here are a few statements from the last 2-3 years regarding the labor market:

- Over 40% of the people of working age in Bulgaria are not part of the workforce
- Over 100,000 people are not working because there is no one to look after their children
- One in every five young Bulgarians is not involved in any kind of education, employment or training

In the last couple of years we often found ourselves last or in one of the last places in a number of ratings and studies, ranging from quality of life to innovation potential and development. If we extend our view and take a step back, however, we will see that this phenomenon is actually not very recent and doesn't show something completely new or unseen of.

A quick glance at the past. If someone would ask us to describe our historical development in one sentence it will probably sound like this: a glorious past of conquest, the creation of a new alphabet and a period of enlightenment, five centuries of slavery followed by independence, two World Wars, half a century of socialism, a quarter of a century of democracy and a market economy with questionable results, the 1994 football World Cup in the United States, Dimitar Berbatov, an economic crisis, (probably) Grigor Dimitrov.

The economist and historian Rumen Avramov provides a different perspective, a much more interesting and unfamiliar view even for us, Bulgarians – the development of Bulgaria's economy in the last hundred years. His writings provide a valuable overview of the connection - ever-existing, according to him - between the state and the

creation and distribution of private capital; of recurring crises caused by external factors and outside influence, not due to events and processes that took place here; of constant suspicion towards private owners and businessmen; of the expression of extreme “individualism” not as a vehicle for entrepreneurship but as a reaction against all forms of authority; of perfunctory modernization that has never led to real changes in society.

Bulgaria did not become the country with the lowest income in Europe in the recent years. Bulgaria has been the country with the lowest income in Europe for over a century.

Are we interesting enough?

Even our past and present problems, no matter how serious and deep they are, cannot rank us as a destination number one. We have corruption and organized crime, but they are not the worst in the world. We have a very low birth rate, but not the lowest in the world. We have a high number of smokers, but not the highest in the world.

The same applies to our advantages. We have a fast internet connection (without taking into account whether it is evenly distributed in the country), but not the fastest one. We have a beautiful nature, but not the most fascinating natural landscapes. We have an interesting history, but not the most turbulent or the most important for humanity (not including the widespread notion that there`s always a Bulgarian involved in every major event in global history – something we are often teasing our Macedonian neighbors about).

The truth about Bulgaria is not that we are the smallest, the most problematic, the poorest, the most corrupt, the most miserable, the least innovative, the most affected by the crisis or with the most problematic banking system. The truth is that right now we seem boring. Inconspicuous. Uninteresting.

Nothing special is happening here. Or am I wrong?

“The saddest place in the world, relative to its income per person, is Bulgaria.”

Titles of articles, such as „The Rich, the Poor and Bulgaria”, where the quote is taken from, manage to attract the attention of politicians, the press and ordinary Bulgarians for one reason. Right now, we can differentiate ourselves from the rest of the world only by the high level of dissatisfaction to what is happening to us. Our self-imposed sense of tragic fate is just a way to appear important and meaningful in our own eyes. We have *branded* ourselves (the original word derives from “livestock branding”) as unhappy people, trapped in a perpetual crisis, always last and always too late. This is deeply imprinted in our minds.

We obviously have a very serious problem, related not only to our wealth but to our state of mind. The statistic shows that no matter how difficult the economic situation is, more and more basic needs are met and the income of the whole population grows each consecutive year. Yet we still feel miserable.

Our main problem is not our material well-being. It is our attitude towards our own lives – the compulsive feeling that we ourselves do not participate in it but merely observe it.

That we are living a life created by someone else.
Determined by someone else. Arranged by someone else.

If you think that right now we are surrounded by chaos without any vision, you are wrong. There certainly is a vision – we are just not part of it.

A vision without people

The current “vision” for our country (the quotes are intentional) does not include its citizens / voters / consumers / taxpayers as a key element. It is built on the relationships among a certain group of people, who treat the country, its state institutions, wealth and population as a non-renewable resource for specific purposes and without any consideration for the overall development of the country. Keep that in mind – they don’t necessarily mean to intentionally harm us, the point is that we are not even considered as a factor.

The usual suspects to blame include the constitution, laws, institutions or political parties. But the problem does not lie in them as such – as if a businessman can blame his smartphone for not having good communication with his

clients. They are just tools – the real question is how they are used and for what purpose.

Even during periods of economic growth our development is not sustainable, because it does not reach a major part of society. It is temporary at best and does not stand on strong determination for development, but on favorable trends in the world economy and, most of all, on our membership in the European Union. We grow when the Union is experiencing periods of growth because we receive a substantial amount of investments – as do all neighboring countries from Central and Eastern Europe. In times of crisis, the investors fall silent. Even if we go back to our best years, we managed to reach a growth rate of 6%, with foreign investments reaching 40% of the GDP. The statistic for the EU funds is similar – they are currently regarded as the “engine” of our economy (in 2012 they constitute 65% of the GDP), but their impact is (in)visible to everyone.

Rumen Avramov provides a short and telling description of this “vision” - *growth without development* (the “growth” part being optional).

A vision like any other

There is another, standardized vision of the country that can often be heard by politicians and analysts – we should take advantage of our achievements to become a normal, stable country with a functioning market economy, where people live according to rules, harmony and understanding. Here is an example:

“By 2020 Bulgaria will become a country with a competitive economy, providing conditions for social, creative, and professional individual realization through intelligent, sustainable, inclusive and regionally balanced economic growth.”

You can read dozens of variations of this idea about our common future – they all contain more or less the same ingredients, priorities and phrasing.

The problem with this “vision”? You can replace the name “Bulgaria” with that of any other country. They all want to be like that. This is the reason why this “vision” is also put in quotes – because it is based on the lack of a genuine idea about what we want to achieve. It could lead to a certain individual success – of people, companies, even of

certain sectors of the economy. But it cannot harness development on a national scale that can position us as a leading entity in the world.

If you want to be more precise, you can use the phrase *a normal European country*. Our membership in the European Union has given us a wonderful opportunity to talk about how we should become *Europeans* or *a European country*, without fully thinking through what that actually means and what are the real benefits of our participation in the most ambitious integration process ever.

Do we really have a role model in Europe? Who is *the European* – the German entrepreneur, the English gentleman, the Greek farmer or the Spanish unemployed student? What is the model for a *European country* – the ambitious and pragmatic Finland, or the painfully nostalgic Italy? What are the *European values*, repeatedly questioned in critical situations by both Member States and European institutions?

An important part of this “vision” of normality is our attractiveness for investors. That is why we advertise our low corporate tax, fast Internet connection and the

(relatively) skilled labor force. In Bulgaria's official Sector Investment Strategy we can find proposals for specific areas of development that already have some basis for growth. One example is biotechnology. But there is also a map in the strategy, which shows that the number of countries ready to develop (or currently developing) biotechnology as an important sector is not that small. Why? Because serious investments are expected in this area and Bulgaria can be one of the countries to take advantage of these favorable times.

A serious question arises here. If we decide to compete with the others in the field of biotechnology, can we actually offer something more than them? Do we really have the key advantages to facilitate the development of this sector for a long period of time and bring more added value in comparison to other countries?

Can we compete with Ireland, which by 2020 plans to host dozens of multinational companies and global innovation leaders, thus creating the most dynamic startup environment in Europe? Can we compete with Finland, which by 2030 plans to become the "problem solver of the world", the country with the most functional society, with drinking water from every lake and river and

exemplary education models to be implemented throughout the globe? Can we compete with Australia, which plans to be the best positioned country in the Asian 21st century and by 2025 to be in the top 5 worldwide for ease of doing business, in the top 10 for innovation systems, in the top 10 for elementary schooling and have 10 universities in the global top 100 rankings?

No, we cannot compete with them. And we don't have to. Because we cannot be destination number one in a competition created by someone else.

There will always be someone to outrun us, not least because of our starting position. In almost all areas we start from a low base, even compared to countries with similar quality of life, population and culture. We are not last, but we are far enough behind. And our goal is to be number one, right?

We want to have export-oriented companies that produce goods and services with high added value. At the same time, from "Europe's backyard" we are steadily becoming "Europe's back office", simply because this is the only thing that we can offer at the moment. In this particular instance Bulgaria seems interesting and

Coca-Cola decides to outsource its entire European back office here. However, if someone else decides to offer better conditions, we can be replaced in an instant.

The British Ambassador in Sofia, Jonathan Allen, recently said that we are heading in the right direction, that moving ahead is simply a matter of speed. But this is not about speed at all – we are not in a hurry right now and we have never been. The problem is that we don't know where we are heading.

If we want to be number one, being the best is not enough. We have to be different.

We have to create our own race.

The race has changed

The world has gone mad

We missed an important period in the development while being part of a different system. Over the last two decades we were trying to catch up – or so it seems. The problem is that we are looking at an old picture of the world. We are trying to get closer to something that is already fading away. Our situation is similar to looking at old postcards from the Black Sea shore – they certainly are from the Sunny Beach resort but the beach itself is quite different (where it still exists).

Predictability, stability, factories with happy workers and effective management techniques are all things of the past.

Our dreams are out of fashion.

None of the solutions for the future of Bulgaria that are being discussed at the moment take into account the fact

that the world has gone crazy and will become crazier over time. All of our actions, no matter how focused, will become pointless in the face of a much bigger change taking place at the moment.

According to Seth Godin, the industrial economy, based on the competition for increasingly scarce resources, is giving way to a different economy, driven by the completely opposite force – abundance. Not in the sense of access to natural or material resources, but as the plentitude of opportunities for making choices, creating connections and gaining access to knowledge, ideas and people. The connection economy offers two possible directions – downward, towards the lowest prices and the cheapest labor (the most recent example being the tragedy in the garment factory in Bangladesh) or upward, towards being unique and irreplaceable for others.

The more the connection economy develops, the more valuable it becomes. Connections lead to more connections, knowledge generates more knowledge, ideas lead to more ideas. In the connection economy there are no winners and losers - there is a place for everyone. The more you give to others, the more it pays off. From this perspective, the future doesn't seem so grim, does it?

Of course this leads to risk, instability and uncertainty. But in a world like ours, these concepts are the new reality – and they will continue to extend their reach.

There is an expression, which describes the present situation very well:

The old rules are no longer working
and the new ones are not working yet.

Many of the things that are currently not functioning in Bulgaria are not functioning in many other places around the globe – education, social systems, healthcare, business models and institutions. The reasons are different but the situation is quite similar.

This is pretty good news for us – perpetual transition is the typical state of Bulgaria. It is our existence by default. Our culture is the culture of crossroads, constant movement and change, not of stability and predictability. Now all Bulgarian citizens are citizens of the world, because the world itself is in transition. Our problems are global problems. Our solutions could become global solutions.

Our race is not with someone else – it is with ourselves, with our own ambition to be the best in something that sets us apart from everyone else.

The result that matters

We have three possible ways to move ahead:

- *stay put* – remain the same as before and accept a vision that doesn't include us as a major factor;
- *step backward* – try to be like everyone else and compete with everyone else;
- *move forward* – be different, remarkable and impressive.

If you think that the first two options seem reasonable, you can stop reading any further – you won't find anything about them further in the text. I will only talk about the third case, which to me is not only our best option but the only viable one. We have no other chance to move ahead but to find our own niche and develop it in a way that will put us in a leading position.

Bulgaria can become remarkable if it commits itself to solving *interesting problems*. Bulgaria can become a true

number one destination, when it starts solving interesting problems *in an interesting way*.

Reforming the educational system is not an interesting problem (“*Do you want me to serve you another tasty strategy for higher education, Sir?*”). How to encourage children to become leaders of change and meet new challenges is an interesting problem.

Rolling out classes for presentation skills is not an interesting solution to stimulate leadership. Engaging students to rethink the learning process and offer them the opportunity to apply their ideas in their own schools is an interesting solution.

The difference in the approach makes the difference in value. In their essence, these problems are quite similar – the question is how do we perceive them and find solutions for them.

What are we the best at

Chaos with a + sign

And now, a small exercise for the mind. Imagine that everything we have so far considered as an obstacle becomes our greatest advantage.

We have never had a truly functioning economy.
We have never had well-established institutions.
We have never had deeply rooted laws and regulations.

These are very serious problems. But at the same time they create a wide-open field for hundreds of social experiments. Some of them can easily be part of a low budget horror movie; others can save human lives. But all of them are as valuable for us as for everyone else.

If you draw a parallel with business, at the moment Bulgaria is managed as a startup company – one that has attracted several million users and has yet to prove

whether it has a successful business model which can keep them using the service (or find out they are still using it simply because it's interesting or there is no other choice).

This is the territory of continuous experimentation. And this is our biggest chance.

Nothing truly works here, so anything
might work here.

If right now we decide to implement a radically new educational model that did not originate in a top-level strategy and instead was formed in a particular school in the village of Khan Asparuhovo with a predominant Romany population, we can make it happen. In many other countries with functioning institutions this would take years, even decades, because it will mean a slow and gradual change in a system of laws, regulations and established practices.

Here the logic is reversed – a specific change in a particular place can easily exist under the current rules (or the lack thereof) and subsequently be implemented on a larger scale by laws, regulations and established practices

because it has been tested and it works. The lack of strong foundations is our greatest advantage.

Bulgaria as number one

Bulgaria has perpetually been in social transformation – whether it has been good or bad, controlled or disorganized, constructive or destructive, against someone or together with someone.

Bulgaria is a land of experiments – an untapped field for social change. It is time for us to become aware of this potential, bring it to a new level and become the number one destination for social innovation in the world.

Social innovations are new solutions (products, services, models, designs, markets, processes), which meet concrete social needs and problems more effectively than previous ones. Moreover, they increase society's ability to function better in the long run.

One example from Seth Godin: if you ask the people who deliver food to the school canteens what school lunch is for, most likely the answer will be “to feed as many kids as fast and as cheaply as we can, given the limited resources

we have.” But the answer could also be “to educate kids about healthy food and help them to make nutritious choices for a lifetime.” The first approach brings material benefits to the food manager at the expense of the children, whereas the other brings social value for both groups and society as a whole.

Social innovation refers to implementing ideas that are valuable not only because they are new, but because they lead to social change and directly influence the quality of life of people and communities. They are the answers to unresolved problems, which can be answered with the active participation of the people affected by them. They don't merely serve as a safety net for people and communities in need, but act as tools for long-term change.

Pick one year. If 2020 seems too early and 2050 - too late, we can decide on 2035 as a middle ground.

In 2035 Bulgaria will become the number one destination for social innovation in the world.

We will be the main supplier of models for social solutions, to be tested here on a smaller scale and subsequently applied worldwide; models for social organizations, entrepreneurship, design, architecture, marketing, engineering, education, banking – for every single area of our lives.

In 2013 Bulgaria can be the first country to declare social innovation as its single top priority. I did a quick Google search and this is what I saw: No results found for "social innovation is our top priority" (except for the Bulgarian version of this text).

This does not mean that we will turn into lab rats. The goal of social innovation is just the opposite – to create greater value for society as a whole. In this sense, experimentation is desirable and useful.

This does not mean to continue on the same path and just “rebrand” ourselves as social innovators. It means using all that we have accomplished so far to change our stance. This does not mean pothole patching the streets in the biggest cities or directing people to the already constructed highways. It means creating a new social infrastructure throughout the country.

Why exactly us?

Sounds great – Bulgaria, the global leader in social innovation. But why us in particular?

First of all, because we don't want to be rich - at least not in the traditional capitalist sense. It may seem paradoxical, but the reality on the ground confirms that. Here are three quotes from three different sources:

- “Bulgarians work to create something, not to earn money from it.”
- “Once again I am convinced that we, Bulgarians, don't want to get rich. Even if we are given money we don't want to take it.”
- „Profit is demonized and the search for its substitutes (such as “social” goals or “developmental” values is viewed as completely legitimate).”

If we use Simon Anholt's argument, we don't need to strive to become a rich country – we can become a smart country in a world, which values not only economic power but creative power as well.

Our second advantage is that we are resourceful and inventive – thanks to our socio-economic environment or in spite of it. I heard a very indicative story by Sudhanshu Rai, professor at the Copenhagen Business School. When he was taking part in the research for the cheapest car in the world – Tata Nano, professor Rai and his team encountered a big problem with the car paint. While the car itself cost \$ 2,000, the cost of the paint was \$400 because there are a limited number of car paint suppliers for all car manufacturers in the world. The team could not resolve the issue and went on a one-week vacation in a mountain hotel to take a break and generate fresh ideas. Their bus broke down along the way – not just anywhere but in the middle of the biggest landfill in India. While they were waiting for the bus to be repaired, one of the engineers noticed a small colorful stream on the side of the road, which combined vibrant colors from different organic and inorganic waste coming from the landfill. The team took samples from the stream that led them to discover and patent a new type of good quality car paint at the cost of \$30 per car and not \$400. You can find innovative ideas wherever there are social challenges in place – even in a landfill.

Third, we combine the advantages and problems of the developed and the developing world (if you agree with these rather outdated concepts) on one territory. We have access to large markets and well-established businesses, but we are also open to emerging new business models and niches. We have to tackle issues such as youth unemployment, inflexible workforce and an ageing population, but also the lack of integration of minorities, the outdated educational system, and the resistance to rethink the majority of our social systems. We cannot resolve those challenges using the traditional methods of either of those worlds – we need to discover new models.

Not present on the map

There is, however, one small problem – Bulgaria is currently off the map of social innovation. We are a country in constant social transformation, located in a region going through the largest social transformation in the past twenty years and part of a union, which is probably the largest social transformation project ever undertaken. And we are off the map.

The European states in general are not present on the map of social innovation, with a few exceptions –Finland and the United Kingdom, for example, are making concrete efforts to establish a solid foundation for social enterprises, with the UK expressing the desire to become a leader in the field. By 2020 the European Union plans to become an Innovation Union, with social innovation playing an important role in the strategy. The United States have demonstrated an interest with the creation of the Office of Social Innovation and Civic Participation in 2009. However, the most dynamic markets for social innovation remain in Asia and Africa – bursting not only with local ideas but also with approaches that originated in American universities and companies, which have been applied locally. Of particular interest are the billions of people who live on the edge of poverty, creating huge opportunities for social innovation.

The interest of big multinational companies is also telling. Unilever stimulates social entrepreneurship in India with their Shakti Project by creating a network for the distribution of goods directly to the households, managed by underprivileged rural women. The company provides microcredits and training, and has so far included over 45,000 women whose network covers over 100,000

towns and villages. The key issue here is not to discuss the effectiveness of their approach in India, but instead to focus on the difference in their approach to Bulgaria. It is caused by the huge contrast in terms of scale, as well as by the different perception of the two countries (according to Unilever, we are obviously a more developed country compared to India – here, they simply sell their products the traditional way).

Exporting the model

In order to appear on the map of social innovation and carve a path towards becoming a leader in the field, we have to start by thinking of ourselves as the center of the map. Japan consults counties all over the world on how to build effective water systems and construction. Denmark advises them on how to use renewable energy. Graphic and industrial designers from the UK lead ambitious projects throughout Southeast Asia. They have all begun by finding solutions for their own social contexts first.

We have always identified ourselves as Europe's periphery. Social innovations will help us shift this stance.

They will directly benefit our neighbours - from the Western Balkans and Turkey to the countries around the Black Sea and Caucasus. The potential market in countries with similar historical background, language and norms extends from Croatia to Azerbaijan.

According to political scientist Ivan Krastev, Europe's main role will be to tackle problems that others will face in the future. Our role as leading social innovators would place us at the very center of the European Union. If resolving social problems is our main goal, we can form a core group of countries to bring social innovation at the forefront of European politics.

In the latest EU Innovation Union Scoreboard 2013 rankings Bulgaria occupies the same place as in the previous edition – last. The reason is that innovation does not happen in isolation. We don't have sophisticated research systems, hundreds of patents submitted every year, global research centers, development of a large number of advanced technologies, highly qualified workforce or well-established funding mechanisms – the main criteria for innovation potential according to EU methodology. It is therefore important for us to focus on social innovation, which is closest to our social

environment and has the potential to become a major criterion for innovation throughout the European Union.

One of the greatest advantages of social innovation solutions is that they have the potential to become global without any prior planning or purposeful investment. Our successful models can flourish and spread everywhere. We could see the innovative solutions for landfills in small Bulgarian villages being implemented in communities in the United States, townships in India and cities in China with a population of several millions. It is social innovation that will play a key role in addressing the major global challenges of our times and shifting people's attitude towards them – climate change, conflicts, poverty, social inequality, diseases, access to education and food resources.

How do we begin

To become the number one destination for social innovation, our main task is to build capacity and create assets. In short, we need the following:

People who create positive change in their social environments with the help of different tools and organizations in order to find solutions for local, national and global problems in a new and effective way.

Not quite clear? Let me explain what I mean.

People in the spotlight

Involvement

“The more miserable a society is, the more people exclude each other socially. Citizens exclude socially the state and in return, the state excludes the citizens. Everyone excludes everybody else until they can. We have an urgent need for a systematic policy for strengthening the relationships between people.”

Rumen Petrov, psychiatrist

In the connection economy, human potential, not technology, is the main driver of economic growth. In order to become number one in social innovation we need to put people in the spotlight. Our biggest investment will be in people who know what is best for them and their community; who can unite others using their own ideas and those of others; who are able to put them into practice and transform their social environment for the better.

A small number of people of that kind are currently engaged with social change. Most of them are not involved because they don't see the point and prefer someone else's ready-made solutions. In a world where the importance of personal qualities for achieving success is as strong as ever, the deeply rooted belief that one cannot succeed simply because of personal initiative and potential is still quite strong in Bulgaria.

Social innovation won't originate from some established political, economic or intellectual elite. People who know their social environment, have a good grasp of its problems, find new ways of dealing with them, and are ready to take action will be the ones who initiate the process. People who have, maybe involuntarily, found themselves in the epicenter of events and who realize their potential as change makers. People, who have not been appointed or elected, but instead have chosen to become leaders themselves. People, who are ready to solve problems stemming from their social context and achieve success for themselves, their families and their community.

According to Ulrike Reinhard, the only way to achieve sustainable social change is to make people the main

stakeholders in the process – in short, to co-create. Only when people participate first hand and experience the whole thing we can achieve transformation that they would like, protect, commit to and continue working on. We cannot expect success if we haven't involved them in a process, which affects them directly and if they don't have the sense of being part of the solution.

People don't simply wish to be informed that a new sports center is about to be built in their neighbourhood. People wish to decide whether this is beneficial for them and if they do so, to actively participate in the process in order to ensure a coherent link with their social environment. The difference between being informed and being involved is huge.

There will always be people who will be isolated from such processes – those who are not motivated, enthusiastic or creative, simply because the stakes are too high for them. Those are the people in the middle – middle-aged, middle-ranked in a company or organization, with middle income, credit, children and cars. People who won't be able to adapt quickly to the changing environment. They will also need social innovations to

thrive and prosper – and they will most probably come from their sons and daughters.

We are constantly telling ourselves that we are lagging behind and we find evidence to support our case all the time.

We are not lagging behind in anything except in our understanding of success, happiness and meaning.

Personal social responsibility

Social innovation requires people with strong commitment to their social environment or, in other words, with personal social responsibility. It means accepting the fact that the communities we live in and the people who inhabit them are part of our own comfort zone.

The Russian designer Artemy Lebedev wrote a short but very revealing text about the comfort zone in Russia and in other places, which applies fully to Bulgaria. According to him, the difference in the quality of life in countries around

the world is determined by people's comfort zone and not by their material well-being. In our part of the globe, the traditional comfort zone ends at our front door and is usually limited to our house, clothes and car. Everything else that surrounds us is excluded and doesn't concern us. Lebedev finds the expansion of the comfort zone very simple – to begin with, we need to let others in.

We might be doing just fine as separate individuals. But it is impossible not to be affected by the social environment around us – we are part of it and in turn it reflects our own perception of the world. It's wonderful that we have a new car, but the potholes on the roads that we bumped into with the old one are the same. It's great that we are renting a big apartment with a spacious terrace, but the noise from the local bistro won't stop until late at night. It's amazing that we have bought a new designer stroller, but we will push it along the road in the same way as the old one because the sidewalk is still occupied by parked cars (perhaps ours is parked there as well). This is the reason why personal social responsibility is so important – it helps us move ahead with our own goals not at the expense of our environment, but thanks to it.

Meet Natalie Avery. She is a Sustainable Hospitality Consultant – she works with restaurants, bars and night clubs and helps them manage problems with noise and waste and improve their relations with the community; she also assists them with complying with laws and regulations and developing their business in a sustainable way. Her main objective is to seek common solutions that can reduce conflicts and benefit all stakeholders.

Our social responsibility is not a utopia or an illusion. It reflects a fully conscious, rational and pragmatic personal interest.

Communities

Social innovation won't start with a complete change in society as a whole. It will start from much smaller groups of people who share a common habitat (a city neighbourhood), or common interests (an amateur running club), from the communities we belong to and the people we know.

Hester Street Collaborative stimulates the development of neighbourhoods in New York with the participation of everyone who lives in them – from children to the elderly,

on all matters of their concern (from playgrounds to wheelchair ramps). The residents have a key role from the very beginning – they present all kinds of projects dealing with issues of importance to them. Everybody takes part and nobody is isolated from the process.

Each community has its own priorities. For young families with children the unresolved problems are not having enough kindergartens and playgrounds, the lack of pleasant and comfortable environment for raising children in their neighborhoods and insufficient conditions for sports and games. For car owners who travel every day, the most important issues are potholes on the roads, road surface marking, traffic control and the availability of parking spaces.

Each and every one of us belongs to one or several of those communities, which can become formal or informal groups for solving problems. The presence of personal commitment for the realization of a common goal is a very big prerequisite for social innovation – it stimulates connections between people and shared problems and emotions. When you are personally involved in something and have invested time and (probably some) resources, the outcome matters to you. TimeHeroes is an example

of a Bulgarian platform for connecting people willing to get involved in volunteering with initiatives that can benefit from their support.

In addition, social innovation and personal social responsibility offer something extremely valuable for us – they provide everyone with the opportunity to prosper wherever they feel most comfortable, wherever they have expertise and strong interests. At the moment, Bulgaria is developing its major cities at the expense of smaller towns and villages, which leads to serious imbalances in every aspect of development. Involving people in their communities could halt this process or even reverse it. A large number of people head to the big cities to do low-paying jobs that usually bring some money and no satisfaction whatsoever.

A fresh graduate from school in a small village in Northwestern Bulgaria will compete in Sofia with many more like him to work in a call center instead of having a leading role in his community – as long as he sees an opportunity to develop his interests there and decides to make this happen. He can, for example, become a farmer and people from all over the world could invest in his farm thanks to platforms such as the Bulgarian startup

Farmhopping. We would welcome teachers and doctors everywhere – there is always a need for professionals who practice their craft in a location that suits them, closer to their families and social environment, where they feel comfortable, happy and encouraged to grow. Instead, they move to bigger cities to do something else – anything but their profession, in fact.

I would like to pay special attention to one particular type of communities – ethnic groups, especially the Romany. According to a recent study by the World Bank, in 2020 23% of the new entrants in the Bulgarian workforce will be Roma. Social innovation could stimulate their personal growth as well as support their integration in society. An example for this is Viktor Kirkov's initiative Bulgarian Homeless Football, which helps homeless children, most commonly from a Romany background, to build personal skills and confidence – not by wandering the streets, but by competing in the Homeless World Cup. If we can implement new and successful models in this direction, we would send a strong signal that we can solve a problem we have always shied away from.

Changing the social environment

Design thinking

We no longer vote for political parties, politicians, programs and platforms. The ballot is cast for the social environment we live in, directly connected with our everyday lives. Instead of trying to shape it, we treat it as a precondition for well-being.

In purely visual terms, the environment is the most visible sign of our isolation from the surrounding world. The nostalgia for the clean, tidy and green streets of the past is therefore understandable. Now everything around us symbolizes disarray, clutter, negligence and lack of direction. We consider ourselves poor, lagging behind and without any perspective because of the way we perceive our environment. Crumbling facades, colorful squares of building insulation put at random, overflowing rusty bins (wherever there are any left), cigarette butts, plastic bags flying around – each look brings disappointment, every

harmful action we take encourages degradation, every gesture of indifference confirms our isolation from the surroundings (and reaffirms the borders of our restricted comfort zone). Even when something is new or refurbished, we often see defects – not because we are trying to find them, but because it is not people-oriented.

Design thinking is a method of problem solving, based on observing people, discovering their recognized and unrecognized needs and offering them new solutions to meet those needs more effectively. It is a way of understanding people and their desires from the very beginning of the process of creating a product or a service.

Design thinking's aim is not to make our external environment look nice; it aims at making it more meaningful. Its aim is not to make bus stops more beautiful, but make them more functional. It doesn't start from packaging, it originates from content.

Proximity Designs is a company in Myanmar that uses design thinking to create products specifically targeted at low-income farmers and their particular needs. Eighth graders from the school at Columbia University are

creating new designs for the perfect classroom – the way they see it through their own eyes; the furniture company Bernhardt then makes their design a reality.

Containers2Clinics make fully equipped medical stations from used cargo containers in locations with limited access to medical services. Transformatori and Hamalogica provoke people from Bulgarian cities to create a more interesting and engaging urban environment by getting together and working on projects.

This is design that puts people at the forefront.

Experiences

We need design thinking to involve people in changing their social environment. However, this is not our ultimate goal.

As I mentioned before, even when we indicate economic growth people don't seem to feel happy – this has been defined as *the paradox of Bulgarian transition*. This is not a paradox, though, and the reason is obvious – we don't have enough meaningful experiences which would make us feel happy. As consumers, the consolation of buying online or in shopping malls is temporary – we often use it

to escape from the gloomy environment around us. Even if we have money to spend, we spend it on things we easily get bored with (or those which further isolate us from our surroundings).

Our ultimate goal is to create experiences that will make people feel safer, happier, knowledgeable, valuable and special.

Every one of us creates something to be used by other people – customers, clients or employees. It should engage people in a complete way. As the design company IDEO puts it, this applies to everything – the way we educate ourselves, the way we communicate, the way we treat ourselves from illnesses, the way we buy and the way we spend our free time. Every aspect of our lives can be turned into an experience, into something special. And this is not a novel idea.

Take a look at the photos you have from last year. On most of them you are smiling, right? You are with a colleague at work, or with friends on holiday;

then there are shots from the parking lot at your office, from the shopping mall, from the last party, with you and your new sneakers, from kayaking on Veleka River close to the Black Sea shore. We should aim at having experiences not only as a result of our personal lives, but as the ultimate goal of every company and organization – banks, supermarkets, auto services, and hospitals. Meaningful and satisfying experiences should be the result of using their products and services, of their communication and service. They should not be a lucky coincidence but a sought-after result.

If we want to truly engage and impress people with what we do, we need experiences with the power to strike a chord with them. Even on their own, authentic experiences bring significant added value to society.

Social innovation can also be turned into an experience. There are already several examples of fashion designers who make exclusive lines of clothing that support social causes in an impressive way – for example, using skills and materials from local communities in Ghana or restricting the buyers to those who are blood donors.

If you fancy such things you can order a limited edition woven laptop or smartphone sleeve created by Bulgarian

grandmothers or a T-shirt designed by Eastern European prisoners. Social causes are plentiful and diverse, the ways to present them in a special way even more so.

These experiences are not a trademark of developed societies whose consumers are over-satisfied with products and services and want something special. They are very important for social contexts such as ours, where people have very low expectations towards products, services and their environment in general. Almost everything we see or use is more or less the same – or a tiny bit better, a little newer or with a slightly improved quality. On the other hand, when we experience something new and exciting we remember it for a long time and we share it with everyone. The best thing about creating memorable experiences is that they increase the expectations of anyone who goes through them. And then we start to look for them everywhere we go.

Horizontal factors

In order to become a global leader in social innovation we will need three more things in addition to design thinking and creating experiences. Simon Anholt thinks they are the key factors for the reputation of a country – the attitude towards nature (a sign for sustainable development), technology (hints at modernity) and education (encourages personal growth). The most important thing to keep in mind here is that these are not separate industries or areas. These are horizontal factors that must be present everywhere, with every community, company, organization and institution committed to them.

Our attitude towards innovation is also crucial. Usually, the innovative sectors in the economy are the ones considered to have a “higher added value”, the main criteria often being research, studies, patents and greater financial returns. If we consider their role in social change as their core value, all sectors and businesses can become innovative with a high added value – from furniture factories to hairdresser salons.

Education

Of the three horizontal factors I want to pay special attention to education – not because it is more important than the other two but because it has the most problematic understanding about what is important and what is not. In a society of social innovators everyone should have the opportunity to share their experience and expertise, and the ability to transform it into added value for everyone else. This is the main role of education. It does not begin with kindergarten and end with university. It does not happen only in educational facilities or at seminars. It is the process of sharing knowledge, skills and experience and ensuring their long-term development.

We are still far away from this definition, not because we are closing down schools or using outdated methodology, but rather because of the way we approach education. Usually, we only discuss the educational system, ignoring the atmosphere of learning, the student's experiences and the lack of connection between the material and the real world outside. Our future generations continue to study in the rooms of the past. The people who take care of our children – teachers, counselors, babysitters, nannies – have a very low position in the social hierarchy.

It is not about whether education “fits the needs and demands of the modern world” or is “business-oriented” – those are clichés that we often hear, rinse and repeat. We don’t need the kind of education that prepares children to become waiters, taxi drivers, part-time laborers, employees in call centers or pizza delivery boys – jobs that are completely in tune with what the market currently offers. Of course we need engineers and biologists, but this is beside the point.

Education should help children create new market opportunities and achieve progress through social change initiated by them. This is the best leadership course they could have, but it can be made real only when schools and universities decide to become platforms for ideas and change and stop being so painfully attached to the past. It is important to instill a culture of involvement in real life, of experimentation and problem solving starting from nursery and kindergarten. Those are things, which organizations such as Junior Achievement Bulgaria and Teach for Bulgaria are already working on.

Our goal shouldn’t be to prevent students from dropping out of school. It should be far more ambitious - to motivate their personal social responsibility and contribution to the development of their school.

They learn about innovation every day – on the street, in their neighborhood, in their community – and they are doing very well there. These environments and experiences, however, don’t provide a structured way of learning because they’re not perceived as opportunities for social change.

There is great potential in lifelong education, too. The entrepreneur Boyan Benev has recently suggested developing Bulgaria as a centre for professional education with a platform offering short-term training courses for executives from major international companies. We can link this idea with our aim to become a number one destination and teach these executives how to start and develop social innovation projects, therefore bringing greater added value for their companies and their respective markets.

Everyone has a role

The state

State institutions are often cited as the source of our worst problems, while at the same time are loaded with expectations to initiate dramatic changes.

I am not against state institutions or political parties per se, as they are supposed to connect the people with those who govern. The state continues to be the main factor determining the fundamental rules, the foundation of our relationships and the principles on which our societies function – regardless of its performance in executing these tasks. But I think it's the last thing we can refer to as an *agent of change* (pun intended).

Social innovation will originate outside of state institutions and despite their direct responsibility towards social issues such as the labor market, education and healthcare. When innovative solutions prove their societal value, those institutions could put them into laws and regulations and launch supportive policies to stimulate their further

development. This is the only way to get things moving – the opposite has been proven to lead to failure.

Given the current situation of our institutions, it is counterproductive to put them at the beginning of the transformation process – *“this law has to be changed”*, *“the Ministry should remove those serious obstacles”* and so on. Moreover, the country's transparency, efficiency, openness and innovation potential are not prerequisites for social change the way we all want them to be. In our case, the state institutions can only accept and adapt to social changes, which have originated elsewhere and have proven to be successful.

One example is the horrific condition of emergency medical care. Instead of changing the system, we have to accept that it will continue to function in the same way for a long time; in the meantime, we should look for other practical solutions – mobile medical teams, telemedicine, training of staff in schools and companies, training children for assistance in emergency situations. The members of the OFFRoad Bulgaria forum found such novel solutions when they were the first to help the victims of the flooded village of Biser (and in many other cases that followed) with their off-road vehicles, quick reaction, collective

resources and most of all, with a tightly knit community that has decided to help communities in need and comes off much more prepared than the official institutions. The mobile hospital in Devin, regarded as a temporary (and controversial) measure might actually represent a very good permanent solution for accessing remote locations.

We have many examples of blank spaces left by state institutions that can be filled with new solutions that are workable, result-oriented and helpful for the community. If some of the institutions choose to create a mechanism for the rapid deployment of such solutions on a larger scale, the better.

Too much state intervention could also cause problems. One such example is the entirely top-down approach for creating an innovation cluster in Okinawa, Japan. The investments there were directed towards the creation of a top-class university and technology park, yet nothing was done in regard to the local economy and towards overcoming the fear of failure in the Japanese society - factors of no less importance for creating successful innovation initiatives. Okinawa's experience can be very useful for the current and future development of Sofia Tech Park.

In order to advance our future position as destination number one for social innovation, the most important task for the state institutions at the moment is to restore their relationships with the citizens. They are facing a very serious lack of trust and don't stand a chance of influencing the negative opinion of the public by initiating change on a large scale. The reason is simple – it takes time for the effects to become visible.

Promises are quick; legislation is slow;
positive results take even longer.

The experience of many countries shows that straightforward, quick and visible results can only be achieved where the state has a direct line of contact with the public (by that I don't mean the contact form on the municipality website, but a genuine dialogue with the community).

The British administration has a Nudge Unit – the unofficial name of the Behavioural Insights Team. It consists of 13 (yes, *thirteen!*) people who have the carte blanche to work with all administrative levels, local authorities, NGOs, and embassies. The Unit “nudges” state institutions

to adopt a more human-oriented approach in their relations with the citizens and their usage of government services. They don't do this by changing people – instead, they transform government services with small, concrete steps, making them more convenient and accessible and do their best to avoid changes in legislation.

For example, using the methods of behavioral economics and psychology, the team altered the language of the tax returns to make them more user-friendly and encouraged supermarkets to have “guilt-free aisles” with no chocolate or fizzy drinks. These are small, concrete actions that save millions of pounds and make people feel more relaxed. The model is so successful that it is used in an increasing number of countries around the world. The department itself is soon to become a separate company with shareholders, public and private investors and staff members.

The Nudge Unit is also changing the design of certain processes. Take employment centers, for example – the experts found out that people who have been unemployed for more than a year and are currently looking for a job with the help of the state, increase their chances of finding work if they have a sense of constant

progress. After reviewing the whole process of applying for a job and filling the necessary papers, the experts reached an interesting conclusion. The decisive factors for the success of the applicants come down to the way they are treated, what has been said to them, the structure of the individual steps and the types of documents required.

Here in Bulgaria, the logic behind providing work through the state job centers is different:

“If an individual does not seek the services of the state, which are offered for free, it means that he or she receives some sort of income and is able to survive.”

Rositsa Stelyanova, former Executive Director
of the National Employment Agency

In many other cases the situation is similar. The use of “services” provided by the state is mostly painful, exhausting and bureaucratic. It brings no sense of progress; on the contrary, it instills a feeling of total failure. Therefore, the key to restoring trust in the institutions lies in improving the points of contact between the state and the citizens.

The British Ambassador in Sofia recently proposed a bolder idea – a Bulgarian version of the British Cabinet Office, to bring together the interests of the different institutions, to create consensus on all issues and monitor the implementation of decisions that have been taken, including on a local level. Another idea, perhaps even more ambitious, is for the state itself to stimulate social innovation by actively including the public in the process of creating and changing laws and policies.

I mentioned earlier how social innovation can secure us a leading role in processes on a European level. At the moment, we simply act as consumers of EU policies – precisely due to our lack of vision. We can become the main proponents of a comprehensive EU policy for social innovation, able to solve major problems such as youth unemployment and the ageing of the workforce. This will give us an important seat on the table and something substantial to say to the others.

There is a certain amount of risk here. Under the pretense that we are creating social innovation to be implemented on a European (or a global) scale, our state institutions could continue their business as usual and sugar coat it with words about novel social change, without actively

prioritizing the process. Therefore, it is important to accept that at the moment state institutions play a supporting role and could only amplify the signal coming from somewhere else.

Businesses

Anyone who has read Maverick by Ricardo Semler was left with one question after finishing the book: could this really happen? It turns out that it could happen – not only to run a company for the benefit of the employees, but also to steer it forward together with them; not only to survive, but also to make profit during one of the worst periods for the Brazilian economy; not only to introduce piecemeal change, but also to constantly reinvent your business.

According to Umair Haque, companies in the 21st century exist not to make money but to develop and make better people, communities and societies. This evolution is very visible in the work of one of the most prominent management thinkers, Michael Porter. The idea, which he became known for in the 1980s, was that business exists in order to deal with competition.

He recently put forward a very different approach – shared value, according to which the goal of business is to create value for the society by meeting its needs and challenges. For him this is not social responsibility, philanthropy or sustainable development, but a new way for achieving economic success.

In contrast to this approach, the principle of running a company in order “to come full circle” and control every aspect of it is widespread in Bulgaria. This is not done to achieve optimal efficiency – it is driven by the desire to keep everything under control, to remain reluctant in relying on other people and companies because they could cheat you in a critical moment. There is also a hidden component in applying this principle – the unwillingness to connect with the social environment and the possibilities it can offer. If things get worse, you secretly hope you won’t suffer that much because you keep everything under control and all problems magically disappear when they reach the freshly painted fence of your company headquarters.

It’s quite clear this is an illusion. Companies need to realize the market value of the outside world and treat it as a

great source of new businesses opportunities, increased revenue and potential employees.

Companies move forward by investing in their own social environment.

Our future position as leaders in social innovation would require three realistic strategies for the different types of organizations, taking into account their individual role and scope:

- *Business comes first, but we pay serious attention to the social environment* – for large and medium-sized companies;
- *We are developing our business and the social environment simultaneously* – for social entrepreneurs, startups and small companies;
- *Social environment comes first, but we meet its needs with a clear business model* – for NGOs.

Large and medium-sized companies

The challenge for these companies is to move from a model of corporate social responsibility (CSR) to corporate social innovation (CSI). The difference is in the way they treat the social context – CSR implies that companies have to “give back” something they have taken from society and is mostly used to score points and polish their image in the eyes of the public. CSI treats the environment as a business opportunity and uses it as a source of a completely different kind of added value.

Telerik is a Bulgarian tech company with a global outreach using the new model for its academy by offering free courses for software professionals in various fields. Given the large number of graduates, the company does not just ensure potential employees for its own business, but also “floods” the market with qualified people. This is done on purpose – Telerik has realized that in order to grow and raise the bar, it has to raise the bar of its social environment as well.

There will always be instances in which the goals of the companies don't match the goals of the society or even seriously diverge - for example, when several hundreds of

people have to be laid off because of business restructuring. Therefore, we cannot require those companies to make the move to an entirely social model – their size, structure and slow pace of change would not allow it. However, if we want to become number one in social innovation, they have to contribute and do their best to make this happen.

Startups and small companies

The most interesting development in the Bulgarian business environment is the emerging ecosystem of startups and venture capital funds. The time is right to encourage the development of social entrepreneurs. Traditional entrepreneurs have one task – to standardize a business model. This can bring a solution to a social problem, but is completely acceptable if the company turns profitable without providing it. Social entrepreneurs are driven by a different set of values. They are much more interested in understanding the social, economic, political and cultural context of the problems they are trying to solve, meaning they have a strong sense of personal social responsibility and attitude towards the environment. People who already run small-sized companies can also become more involved in their social context.

Here we must show once again that Bulgaria is different and able to develop its own unique potential. Social entrepreneurship is a step away from the idea that having a startup is the new quick way to make money and appear creative, isolating yourself from the surrounding environment in a community of cool and different people. Another potential problem is caused by the model of overly ambitious startup companies, who from the very start aim at creating a product or service to compete on a global market. We could use more companies that develop their business on a smaller scale in our own social environment and subsequently expand their model. If you have succeeded in Bulgaria it will be much easier to go global.

The Bread Houses created by Nadejda Savova are a good example for a local initiative that brings communities together for such an important ritual as bread making. The houses grew into a global network with presence on almost all continents, creating new connections between local people. Another example of making bread, this time from the United States, is Dave's Killer Bread. The name of the company is important because Dave is a former felon who spent 15 years in a prison cell (not on murder charges) and afterwards started a \$50 million dollar

organic bread business. The feature about him in the New York Times said that Dave's past served well as advertising aimed at increasing sales – if you don't count the fact that this was the best bread the reporter had ever tasted.

Regardless of their business niche, social entrepreneurs will inevitably compete with all other companies. They will not succeed in this by simply stating as many times as possible that they are developing communities, protecting nature and moving society forward. They will succeed if they meet the needs of their clients better than anyone else – including traditional businesses, by making not simply organic or local bread, but the most delicious bread that ever existed.

Non-governmental organizations

NGOs play a key role in our transformation into leaders in social innovation. This is understandable – they are the organizations with the most coherent moral stance. Their work is directly linked with solving social issues - or at least it should be. In Bulgaria, non-governmental organizations still have a very low reputation (in many cases for a good

reason) of being used as a channel for money laundering and as artificial screens for “entrepreneurs” to gain access to funds entirely for their own benefit.

This is the reason why they have to aim at becoming leaders.

NGOs should become the best run and the most efficient organizations of all.

They have to be the best in innovation, sales, customer service, transparency, social networking and partnerships; in attracting employees, measuring results and creating experiences – in short, in everything. They need to aim high because their products and services are the most difficult to sell and, as is the case with social businesses, they are competing with everybody else on the market. The first step in the process is to change the way we describe them – the term *non-governmental organizations* does not sound well, carries a negative connotation and determines their position not according to their role but according to the state institutions. *Social organizations* is a much better option.

The second step is to develop their own business models, differentiating between beneficiaries and clients. Clients of a social organization are the ones that provide funding (in the form of campaign donations, for example), while the beneficiaries of its actions usually consist of a different group of people (elderly people in a nursing home). Therefore, social organizations need to start treating their clients as real clients and not only pay attention to the beneficiaries. They should provide real added value and not just beg for money in exchange for the altruistic feeling you get when you contribute to a good cause.

The third step is to regain the trust of the communities, to defend their cause and to prove their value as organizations which can launch, support and develop real projects for tangible social change – both for isolated groups of people in small towns, as well as for the population in large cities.

Partners and investors

If we want to become number one in social innovation, the potential of our local organizations and institutions will not be sufficient. We have to attract investors and partners from all over the globe who follow a similar path

and who can contribute to the development of our own image. This is the only way to establish long-lasting relationships, regardless of the global economic outlook. We would have something much more important than financial interest to keep us together – a shared social interest. So far, each and every investor has asked us: “What more can you give compared to the others?” It is time for us to respond with a question ourselves:

“What more can you give for our social development compared to the others?”

We need to carefully select investors and attract those who bring the greatest added value for our society. Patagonia is an example of a clothing company with an almost fanatical social engagement and a strong commitment towards sustainable environment. I would be glad to bring them here so we can work together and make their products and services even better.

Another guiding principle is collaboration – to be the best at what we do, we have to partner up with the best out there. If Ireland wants to become the center for innovation

in Europe, we have to be able to offer them something connected to our vision – people, expertise or business models. This is not an innovation competition – it is a partnership for creating even greater added value in the spirit of social change.

I already gave the example of Coca-Cola’s back office. Yes, it will create jobs and will send signals to other large investors. But this will not bring us any closer to our goal. We can make a difference if we are able to attract Coca-Cola’s center for social innovation. And if it doesn’t exist yet, we should encourage them to create one and set up it in Bulgaria (or at least to relocate their Foundation here).

We have one more task – to attract the leaders in social innovation research to Bulgaria; people, universities, think tanks and consulting companies whose ideas and insight are renowned worldwide. We should aim at having the best academic programs in social entrepreneurship, the largest number of kindergartens using design thinking and the biggest number of researchers looking for new global models for social innovation. The more ideas we welcome now, the more solutions will emerge in the future.

What comes next

To turn Bulgaria into a market for social innovation with a world-class expertise, we need bold solutions, pooling of resources and building capacity. These are several concrete ideas on how to begin:

Knowledge and skills transfer – we can start programs for accelerated practical training in social innovation, design thinking and creating experiences for large companies (especially for senior management), startups and social organizations. They could be organized individually or group several organizations together so they can collaborate and share their experiences. Simultaneously, we can launch top-class social innovation and design thinking educational programs in kindergartens and schools. We can also initiate the most ambitious academic university programs in the field in partnership with institutions such as Stanford d.school, companies such as IDEO, Frog Design, Ziba and Doblin, organizations such as Acumen Fund and Ashoka, centres such as Clayton Christensen Institute.

Social innovation standards – every product or service made here should comply with locally created and implemented standards for measuring the social value they bring to our society. We should aim at creating the best such standard in the world, thus sending a very clear signal that social innovation is our priority. It can be initiated not by the government, but by a group of companies and organizations, which adhere to it and extend it to others.

Shared workspaces across the country – this idea isn't a new one and it isn't mine, but it is very suitable for our vision. There is a network of „smart work centres” in small towns in the Netherlands, usually located near a train station, with all necessary facilities such as internet access, workspaces and conference rooms. People don't need to spend the rush hours in traffic jams, especially if their jobs don't require them to remain in constant personal contact with a head of state or a CEO. People who work in the city but live outside of it and don't need to stay in the office all day can also work there, as well as people who prefer the more relaxed atmosphere of the countryside. Imagine using two Bulgarian co-working spaces – betahaus and SOHO – as a model and applying it on a national scale, in sync with the needs of the local community and supporting its development with various initiatives.

Office space for social projects – office buildings are the ones that most often do not fit in the surrounding environment - not in terms of architecture, but in terms of their commitment to it. We have an abundance of empty office space – instead of waiting for large-scale tenants real estate developers and consultants can shake up the business model by allocating part of their space and accommodating a variety of social initiatives and entrepreneurs.

Venture funds for social capital - it is indicative that last year Bulgaria stopped the EU funds for social innovation because of lack of interest and relocated them to other programs. This could change if we adopt a vision for social innovation, but those funds won't be enough. We need specific high-risk venture funds with *patient capital* that do not seek immediate returns and invest in long-term projects for social entrepreneurship. Rumen Avramov uses the term *chronic disease* to describe the fundamental lack of capital in Bulgaria, which often leads to a constant redistribution of resources and creates “fake capitalists” who have nothing to do with the market. Venture capital for social funding can be obtained through European funds since we already have them. The positive development of the Bulgarian startup accelerators Eleven and LAUNCHub

gives additional reasons for that. In addition, a vision for social innovation on a European scale, launched by Bulgaria as a key stakeholder, might lead to the utilization of even more EU funds in this direction.

Dialogue on social innovation – we can play an active role in hosting monthly or yearly events of various scale, where we can discuss new trends in social transformation together with governments, companies, organizations and social innovators. This is a step towards becoming a thought leader in generating new ideas and concepts for the development of the field that will serve the bigger purpose of becoming number one.

Co-creation programs for companies – rather than attracting interns and keeping them busy with routine administrative tasks, companies could utilize their creativity capacity and entrust them to seek innovative solutions for business development. The goal is to turn the idea of doing an internship on its head and imagine it not as something boring and trivial but as a possibility for direct involvement with the most important problems of the company.

Social innovation manuals – Frog Design, IDEO and Edutopia have created manuals which are attractive, clear, easy to understand, containing basic knowledge and advice for societal change, development of community initiatives and design thinking. We can create similar guides tailored to specific areas and local issues to be used by any person or entity in an easy and practical way. It's always good to have the essentials near at hand in order to quickly move forward.

Internal marketing – people in Bulgaria should constantly learn about good examples of social innovation currently being implemented. We can run campaigns aimed at promoting everything that works in the field, demonstrating why it works and suggesting how others can use it. In other words – we have to start celebrating all of our successes, not only our sporting achievements.

The story

As far as I remember, the year in which we officially become destination number one for social innovation is 2035. Surely it's important to have a reference point in the future, but it is not the most important thing.

What matters most is that we have a realistic opportunity to tell ourselves and the rest of the world a real, believable story that is ambitious and fascinating at the same time.

We are starting from a position of weakness, unsolved problems and negative attitude. It might be a good thing, in a way, because the expectations towards us are practically nonexistent. What we need to do now is change our own expectations about what we are capable of.

No one would be happy to have us on board because we are Bulgarians, but because we are doing amazing things that bring about genuine, visible change.

Here is one version of the story we could tell in the future:

“Throughout its existence, Bulgaria has been a country in constant social transformation. Many peoples have passed through our lands and everyone has left something. Although we live in a world where uncertainty is the norm, we actually feel pretty comfortable - not because we live in the best possible way, but because every day is an adventure.

We used our environment to become the best in something that every country will need in the coming decades – social innovation. Our position as a European Union member state still bothered by problems more typical for the developing world may seem strange, but provided us with a valuable perspective. Our incertitude seemed like a disadvantage, but happened to be our greatest asset – it helped us seek and discover new solutions that we implemented locally and quickly yielded concrete results.

All of this was accomplished by people with personal social responsibility and communities striving for social change; because of state institutions seeking to strengthen their ties with citizens and society as a whole; with the help of companies and organizations, which use design thinking and create experiences in order to make our lives better and more meaningful.

Bulgaria has already become the number one destination for social innovation, offering the best and latest solutions to important problems, which can be used, transformed and remixed all over the world.

Because we always find a way.”

This story sounds good.

We cannot say that it`s real yet.

Today is a good day to start making it happen.

This is why it`s our own vision – because we are not waiting for anyone to give us a starting signal.

We are ready.

Georgi Kamov

What I do for a living is to make change happen. I create new ideas and bring them to life with companies and organizations. I also lead workshops, lectures and presentations that ignite change.

Before that I established and ran the innovation consultancy Nextdoor; managed leadership training programs in the Bulgarian School of Politics; developed Bulgaria's Black Sea policy while working at our Foreign Ministry; wrote papers for think-tanks in Brussels and studied European studies in Nice. I spend the rest of my time exploring the world through the eyes of my ever-smiling son, taking pictures, skiing in deep powder, birdwatching and playing drums.

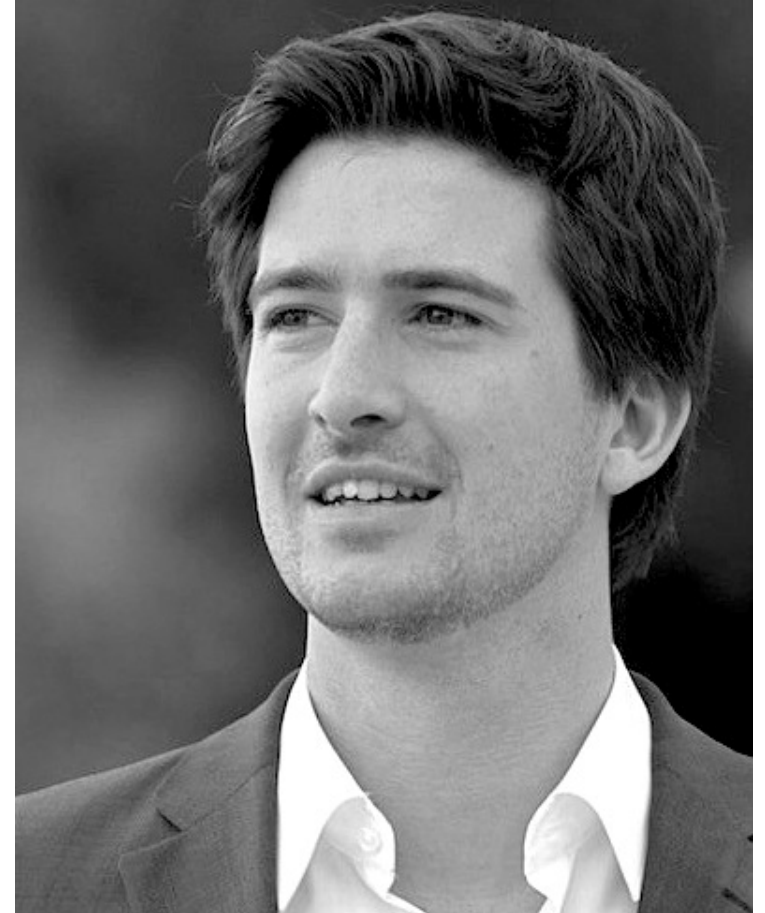
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The cover photo is an author's image taken in the village of Khan Asparuhovo, close to Stara Zagora.

Now, back to work.

