CULTURAL INNOVATION IN TRANSITION:

A VALUE-BASED APPROACH

The case of Bulgarian visual arts

Lyudmila Petrova

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CULTURAL INNOVATION IN TRANSITION: A VALUE-BASED APPROACH

The case of Bulgarian visual arts

CULTURELE INNOVATIE IN TRANSITIE: EEN OP WAARDEN GEBASEERDE BENADERING

De casus van Bulgaarse beeldende kunsten

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by
Lyudmila Atanasova Petrova - Treffers
born in Varna, Bulgaria

Erasmus University Rotterdam

Doctoral Committee

Promotors:
Prof. dr. A. Klamer
Prof. dr. S. J. Magala

Other members:
Dr. C. Handke
Prof. dr. B. Wubs
Prof. dr. B. P. van Heusden

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Working on my PhD was an unsettling, uncertain, and deeply enriching journey of searching, exploration, and experimentation, in which knowledge and transformation often intertwined.

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CHAPTER 1

INTRODUCTION

1. ARTS IN TRANSITION

In 1989, Bulgaria underwent a political revolution through which the existing totalitarian regime was replaced by a democratic mode of governance. This shift was marked by myriad changes, which affected the laws, procedures, institutions, governance (public and private), but also impacted culture, traditions and values which shaped the daily lives of individuals.

It is evident that the changes in governmental structure and the radical shift from a planned to a free market economy also opened up new opportunities in education, the arts, in terms of leisure activities, including travel and every other sphere of people's lives. Indeed, from my personal experience, it was a turbulent time full of changes, not all of which were obvious or immediate, but which nevertheless had a huge impact upon my life and the lives of my family and friends moving forward. Perhaps the most obvious of these changes was the different choices that we back then faced, ranging from how we spent our money, to the way we pursued our education and careers, right down to the way we organised our homes and socialised with others.

Running parallel to this political revolution was a radical change within the Bulgarian visual arts scene. The post-1989 milieu signaled the emergence of a host of "unconventional" art forms, which profoundly challenged the prevailing social and artistic conventions of the Bulgarian art world at that historical juncture (Popov & Stefanov 2003). One could argue that the creative spirit of this period was engendered by the radical changes in artists' immediate environment; or, alternatively, as Elster (2000) put it: "extra-artistic events such as the Industrial revolution or class conflict, create the need for new forms of artistic expressions" (p.225).

Retrospectively speaking, it is clear that, allied with these aforesaid socio-economic changes, new economic, social and cultural opportunities opened up for artists, which, in turn, led to the emergence of new artistic practices. Artists began to celebrate their freedom by creating new art forms - so-called "unconventional" art[1] - and organising themselves in different settings, which allowed for the sharing of ideas and inspiration. New groups emerged and began to consolidate into a strong non-profit/third sector. Further, private individuals, companies and non-profit organisations started to play an active role in the governance and financing of contemporary Bulgarian visual arts. For example, the first private galleries opened and the first collectors of contemporary art entered the sector. All these shifts had a notable

[1] Chapter 7 provides an extended discussion of the etymology of the term "unconventional" in the context of the new Bulgarian art during this period.

impact on the reforming of the Union of Bulgarian (Visual) Artists (UBA), on the establishment of new artistic organisations, on the practices of critics and curators, as well as on the functioning of the art market and the way art was financed by the new patrons. Consequently, the radical socio-economic shift in Bulgaria during this period gave rise to the belief that all these changes would bring favourable conditions that, in turn, would help to facilitate profound artistic and institutional changes in the Bulgarian visual arts. However, did this happen?

From my personal experience, as a Bulgarian who lived through the revolution of 1989, I witnessed the radical changes that were introduced, not to mention their impact on the personal sphere, education, the arts, work, and intersubjective relations between friends, family and communities. That said, more specifically, the question this thesis sets out to address is how artistic creativity and innovation were affected in the aftermath of this turbulent period. Did these radical political shifts serve as a condition of emergence for radical artistic modes of creativity which shifted into radical innovation in the sector? If so, in what ways?

Economists have observed that rapid economic transitions occurred across all areas in this period, powered by changes in laws, regulations, organisations and instruments (The World Bank 1991, Dobrinsky 2000). With hindsight, we would have expected that changes brought about freedom, democracy and welfare increased, however, at the same time we also witnessed profound suffering, decreased life expectancy, greater poverty and levels of inequality, as well as increased corruption (Dobrinsky 2000, Tomova 2004). Recent studies have argued that the liberalisation of the laws and the instantiation of new institutions operate only as conditions for transitioning to a democratic society, rather than immediately producing real change, i.e. a real transformation (positive) towards democracy and its respective values (Tridico 2011). For example, many now question whether the practice of freedom in the first years of adopting the free market principles in fact led to a shadow economy or the emergence of mafia structures which according to recent analysis still corrupt the democracy in Bulgaria (Bui-Wrzosiriska 2019).[2]

Similarly, in the arts, with the ideological liberation of the political system, we would have expected that artistic innovation would have followed suit and promoted values of freedom, tolerance, diversity, newness and non-conformity. The standard

[2] The results of a survey show that half of Bulgarians believe democracy, the rule of law and freedom to protest, are at risk of creeping autocracy. Moreover, they believe that there are no fair and free elections in Bulgaria. And a worrying majority (73%) say that people in the country are not free to live as they wish (Bui-Wrzosiriska 2019).

economic approach here posits that the "invisible hand"[3] of the market, directed by supply and demand forces, would begin to regulate the market in contemporary art and facilitate its economic flourishing. This, in turn, would create favourable conditions through which to generate aesthetic-intellectual innovation in the sector qua new genres, forms of expression or new movements. However, this is not the story that many actors from the art sector shared when I interviewed them for the purposes of this thesis.

The anomaly

Despite the favourable institutional conditions (new constitution, privatization, new regulations, tax incentives, etc.) brought about by political and economic reform, the new situation did not elicit a radical shift in the sector over the course of the last decades. Moreover, not all the positive changes in the environment led to a substantial change in public attitudes towards supporting "unconventional" (contemporary)[4] art. After the initial enthusiasm tapered off, in which spontaneous initiatives started and artists and art groups took initiatives to popularize their movements and modes of expression, artists' urge to innovate was not always sustained in the long-term. In fact, in many cases new art initiatives failed to last longer than one or a few ad hoc acts. Moreover, it is worth mentioning that in the late 1990s many of the active members of the so-called "unconventional" art movement left the country. Hence, although the art market emerged, it operated in a very limited way; indeed, the main galleries which supported the new genres closed their doors at the beginning of the new millennium, while only a few art collectors remained. The national museums and galleries did not build their own collections of Bulgarian contemporary art (except in the case of the Sofia city gallery), while many of the critics and curators who engaged with the new art forms at the end of the 1990s either also left the country shortly afterwards or have had limited opportunities to practice their profession. As such the process of legitimizing the new art forms was thus difficult, and was often in the hands of many different people and institutions who lacked the necessarily credibility to do so (Popov 2003).

These aforesaid examples thus appear to problematise the coherence of the picture presented by economists apropos changes in Bulgaria post-revolution. So, how do we then make sense of these changes and what lessons should we draw from these

[3] "Invisible hand is an expression introduced by Adam Smith as an analogy for the way in which the working of the markets allows economic activity to be coordinated without any central organization" (A dictionary of economics 2002).

[4] Though those new art forms are part of the Bulgarian contemporary art they were called "unconventional" to marked their radical innovativeness in comparing to the other contemporary art forms. For further discussion see chapter 7.

examples? What does constitute radical change? What does it mean for the art world to change in a radical way? How do artists cope with such changes?

It is evident that changes come and go, and, as such, the challenge derives from the fact that there is no singular model that can be applied to all the examples. However, I still believe that if we wish to understand this shift in its entirety, then it is instructive to examine not only the economic and political, but also social and cultural aspects. While research on transition economies provide rigorous analyses of political and economic shifts, there is a relative dearth of studies focusing on social and cultural shifts. If we want to understand the latter, then we need concepts that allow us to make sense (Weick 1993, Klamer 2019), i.e. observe and interpret the events engendered by change and understand these processes so as to isolate the underlying determinants of the change itself. More specifically, sense making here is considered as an interpretive process by which people are assigning meaning to different practices. As approach it derives from the work of Weick (1993) who argues that "[t]he basic idea of sensemaking is that reality is an ongoing accomplishment that emerges from efforts to create order and make retrospective sense of what occurs" (p. 635).

In acknowledgment of this, the thesis aims to explore the processes of change in one sector, namely the Bulgarian visual arts, at a historical juncture in which the entire country was undergoing transition. More specifically, the thesis sets out to investigate the effects that changes in instruments (laws, regulation procedures, etc.) produce in artistic practices. It is commonly accepted that radical changes in the environment foster changes in sectors with high creative potential, such as the arts (Simonton 1984, Elster 2000, Murray 2003). Hence, the question becomes whether such socio-economic changes were capable of promoting forms of radical artistic innovation in the Bulgarian visual arts and supporting in long-term the shifts that the new art initially evoked? In other words, was the new-born "unconventional" art able to sustain its rules, norms and practices in the Bulgarian visual arts scene in the long-term?

This question of what exactly changed and whether these changes were systemic and substantial or otherwise remained with me until I began to study cultural economics in the Netherlands, whereby I began to question change from every perspective, ranging from the personal to the systemic, sectoral, institutional and organisational perspectives. From my perspective, the aforesaid questions I raised above are incredibly complex and multifaceted; to make sense of both the political revolution in Bulgaria in the 1990s and the artistic changes it produced, in the following section I focus upon one example of an art work, which I would like to use as a metaphor that illustrates the complexity of the process of change.

1.2. CHANGE AS TRANSFORMATION

During one of my trips back to Bulgaria, I visited the exhibition at the Institute of Contemporary Art, in Sofia. Among all the interesting objects and concepts, one title especially grabbed my attention: "Transformation always takes time and energy" (see cover). This is a work from the Bulgarian contemporary artist, Pravdolub Ivanov. The work represents a 30-degree hot plate which is on the ground, and old and varied coloured pots, all of which are disproportionately larger than the hobs. Each cooker is connected to a coupler, which is connected to another coupler and thus to a single point of contact. The water in them is trying to reach a point of firing, something that turns out to be impossible.

What strikes me above all about this piece, is the fact that so many small elements are bounded together in an attempt to reach a boiling point - a point of transformation from one physical state of the water to another. Inspired by the title, I associated this work with the revolutionary changes in Bulgaria in the 1990s – a topic I had already been working on apropos my thesis and work as a cultural economist. For a long time I have asked myself questions such as how does the change evolve?; who is powering the change when so many small elements/factors are involved?; at which point is the status quo changed or the changes considered to be transformative, completed and sustained? This work also provoked me to reflect upon how I have coped with the radical changes in my own life – from the political changes of the 1989 and the ensuing turbulence, to my decision to study abroad in my 30s and leave my beloved family and friends, to marry a Dutch man and embrace Dutch culture, to pursue a PhD and enter the academic environment with a distinct working culture, up to becoming a mother in a country with a very different culture than my mother land. All these events challenged my very existence, my being, my values which I thought were well established and recognisable to me.

Sometimes we think we are taking conscious decisions to change our existing life paths (studying, pursuing a career, becoming a parent, etc.), but sometimes the changes in our life simply happen without anticipation, such as the political revolution in Europe in the 1990s or when we fall in love. Such events, almost by definition, have a profound impact on our own life and on our life with others. How can we understand these changes as both transformations within us and beyond our own existence when so many factors are involved, all of which are connected, and affect our inner and outside worlds?

In many instances we think we can control the factors that trigger changes and direct them in such a way that we think will work. For example, by substituting a planned economy with free market institutions, Bulgarian political leaders (and their Western advisors) expected that this would somehow transform Bulgaria into a democracy. Or, to cite another example, when having a child, we expect by default that we will become good parents. However, this is not how it happens in reality, at least not in terms of own experience of the turbulence that the radical changes brought to my life.

When talking about radical changes like the one in Bulgaria, scholars invariably focus on transition theories based on economic rationales (Tridico 2011). However, are these capable of explaining the process of change within the Bulgarian visual arts scene? Is there a recipe for radical change? Can we straightforwardly define how to cope with radical change? Or is the picture more complex, and, as North (1990) suggests, any institutional change occurs in parallel with both structural changes qua changes in laws, procedures, etc. and value changes as expressed in changes in beliefs, norms and traditions? Indeed, the new political, economic, social and cultural changes that emerged in Bulgaria were supplemented with different values, including, *inter alia*, attitudes towards freedom, professionalism (economic values), social (in)equality and justice (social values), as well as towards national identity and collectivism vs individualism (cultural values) (Draganov 1991). In the art world during the period of value shifts, Bulgarian visual artists in this period were faced with the prospect of searching for a new identity (as a professional community and as individual artists), which can be traced in many works from artists of that period, as well as in the appearance of new styles, genres and practices (Nozharova 2018). One could argue that this process connected to the formation of new cultural and social values[5] within the Bulgarian art world in the 1990s, and that the changes this process brought about cannot be explained solely in economic terms.

From my perspective, (radical) qualitative change implies that the birth of a child does not make you a mother or a marriage does not make you a partner in life; rather, it is about the creation of new or/and readjustment of existing values, cultural practices and behaviour, or to what here I refer to as cultural transformation, which derives from understanding, acceptance and mutual adjustment of values and new roles in life. In this thesis, I argue that the process of qualitative change as realised through the process of cultural transformation goes beyond changes in instruments - albeit it can be provoked by them - to issues of identity and value transformations

[5] The distinction between cultural and social values is explained later in chapter 2.

which provide us with stability in the long-term. This goes along with Kuhn (1962), Foucault (1970) and Schumpeter (1942) claims that only paradigmatic, systemic or qualitative changes matter for the radical shifts in science, society and economy. Were the changes in Bulgaria of such a scope?

Extant research on post-communist societies suggests that the effects of Communism on people's behaviour are significant and long-lasting (Alesina & Fuchs-Schündeln 2007, Aghion et al. 2010). Many beliefs and behavioural norms were shaped during this period which remain persistent during the transition of former Soviet countries, especially in terms of preferences and attitudes about the government role in society (Alesina & Fuchs-Schündeln 2007). Accordingly, this strong path of dependency is linked to the way that the value of trust revolves in the new situation. This also suggests that values that express in behaviour norms are influenced by institutional arrangements, i.e. they are culturally persistent (Alesina & Giuliano 2015).

Coming back to the art world, my task in this thesis is to make sense of the economic, social and cultural values changes, if any, that occurs in the Bulgarian arts during the period of economic and political transition. On one side, we have observed many substantial changes, and on the other Maria Vasileva, one of the frontier figures in "unconventional" art from its inception observed that despite changes in governmental structures, neither the institutions, nor the people working there recognised, then or now, new developments in the arts, because they remained locked-in (path dependent) to the old mentality of organising things, in turn, reducing the capacity of the entire system to renew itself (Kultura 2018).

To comprehend the dynamic of these changes for the arts, I argue that next to the socio-economic dimensions we need to take seriously and analyse the cultural (in both the artistic and anthropological senses of the term) dimensions of these changes. More specifically, I seek to explore whether ruptures in the government brought about cultural change within the Bulgarian visual art sector, which supported the establishment of new modes of artistic practices. Respectively, I argue that we must consider various economic, social and cultural changes in values and delineate how they intertwined to support, or not, the radical changes in the sector. To comprehend the complexity of these changes, it is necessary to expand the limited economic perspective and propose a more comprehensive conceptual framework which acknowledges that important (economic, social) changes are culturally embedded and derive from ideas and rhetoric (Kuhn 1962/1996, McCloskey 2010, 2016, Klamer 2007, 2017, Potts 2018, 2019). Ultimately, this requires another discourse that allows me to get a grip of the different layers of change. What Maria Vasileva is addressing lies beyond the economic and

political changes that economists invariably focus their analytical gaze on. Rather, she is talking about behavioural patterns, values and attitudes, that is, cultural and social factors that are part of the narrative of the development of the Bulgarian contemporary art scene. This motivates me to investigate the intricacy of the processes of change and the various (value) shifts in practices it promotes by studying the relationships between culture, individuals and institutions within a radically changing environment.

To make sense of this on one side I apply in this study concepts such as paradigm shift and incommensurability (Kuhn 1962/1996), and institutional change and path dependency (North 1990). On the other, considering that different cultures connect to different values, led me to consider a research framework that builds on the Value-based approach, introduced by Klamer (2017) in his recent book "Doing the right thing". This approach stresses the importance of values in the operation of our economy and society. Hence, in the context of the changes I would like to analyse, I believe the application of this approach will help me to structure the argumentation of the changes in respect to their cultural and social dimensions. From the perspective of the individual artist, I am trying to understand if "the transition period, in which the country is located, places the artist in a radical rethinking of the topics both for personal self-determination and for national affiliation" (Nozharova 2018, p. 173). In other words, to what extent were Bulgarian artists able to liberate themselves from the previous artistic and social conventions and embrace the newness brought about by the socio-economic changes? From an institutional perspective, I study the readiness of the institutions to facilitate such changes. How did they cope with the rupture? Is there a safe road to take?

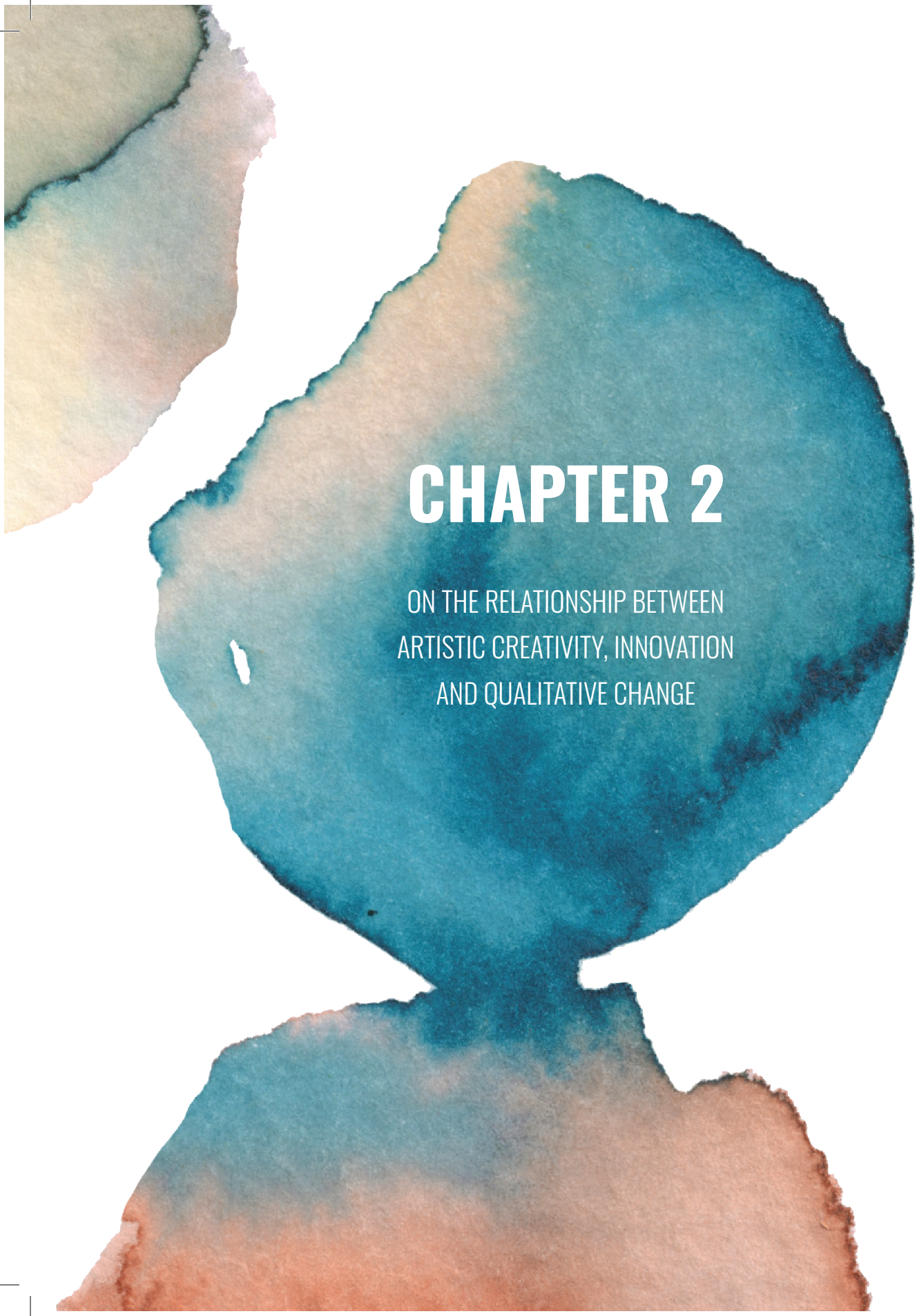
I believe that being able to make sense of the process of radical change in the Bulgarian case, we can learn more about what is relevant and what not to the processes of transformative change that follows in other situations, too. This analysis can inform our understanding of situations when radical changes in the context prevail for example, in the case of radical changes in the Western art and culture sectors as a result of the legacy of the 2008 financial crisis, or in the case of recent COVID crisis.

It is said that cultural change is an unsettling and uncertain process, which can lead to significant and sustainable changes (or transformation), but also fail and lead to becoming locked into the past. Studying this process is unquestionably a challenging and ambitious goal, given the fact that scholars such as Foucault and Kuhn dedicated considerable time and effort to construct their theories but yet cast doubts over their veracity in their later interpretations of the very same theories. Similarly, my personal journey of transformation of being a Bulgarian who now lives in the Netherlands,

alongside, simultaneously, pursuing another career and changes in my personal life is also a part of the process of this thesis. It is a process full of detours which do not provide you with straightforward directions, but, rather involves you engaging in the process and figuring out on your own what the new direction is. It is a process of searching, exploring, experimenting with your own values and borders, but, most interestingly of all, it is a process through which one realises those new values and develops an awareness of how they affect your practices. I hope this thesis is all about this.

"Art is either plagiarism or revolution."

Marcel Duchamp



CHAPTER 2

ON THE RELATIONSHIP BETWEEN ARTISTIC CREATIVITY, INNOVATION AND QUALITATIVE CHANGE

2.1. ARTS AND CULTURE - LED CREATIVITY PROMOTES INNOVATION

This thesis aims to explore the potential relationship between radical institutional change (structural change) in Bulgaria and the radical shift in artistic creativity and innovation (qualitative change) witnessed during the late 1980s and early 2000s.

Given that creativity and innovation that originate in arts and culture are the central themes in this research, it is essential to provide a more substantive understanding of both of these concepts, as well as their interrelationship.

In our rapidly changing environment, there is an urgent need for creativity, which, we would argue, positively contributes to our lives, economies and societies. Indeed, creativity has become a central and widely embraced topic in the context of the creative economy (Higgs, Cunningham and Bakhshi 2008, KEA 2009, 2015), in which individuals, products, companies and even cities all aspire to be creative. The call for creativity espoused here stems from our belief that creativity not only evokes experiences of particular desirable qualities, such as authenticity, originality, novelty, freedom and non-conformity, but that it can also engender qualitative changes (Baumol 2006, Pratt 2007, 2008, Cooke & Lazzeretti 2008, Potts 2009, Bakhshi & McVittie 2009, Muller et al. 2009, TFCC 2015). The theoretical exploration of both concepts here I believe will be useful to answer the question of how we can account for artistic creativity and innovation, more specifically, radical qualitative shifts in the Bulgarian arts during the radical institutional change in the country.

Understanding this phenomenon is of particular importance at a juncture in which the concepts of creativity and innovation have been applied in an extremely broad context and loaded with extensive expectations especially in relation to their policy relevance (Madden & Bloom 2001, 2004). Within these formulations, there is little thought paid to the differences between creativity and innovation; rather, the link is simply taken for granted and not questioned further. However, is their connection so straightforward? For example, Schumpeter (1942/1975) invites us to consider something as being innovative only when it is of a "destructive" kind and engenders qualitative changes. In this sense, innovation does not merely designate the introduction of newness, but instead is characterised by paradigm shifts[6]. That said, what does creativity stand for then? How can we understand the changes that creativity can generate and trace its underlying processes?

[6] Chapter 6 and 7 deal more in details with the concept of paradigm shift as introduced by Kuhn (1962/1996)

When attempting to assess creativity, one could begin by saying that a product, person, process even concrete situations or spaces can be defined to be creative. Furthermore, when attempting to assess creativity in concrete situation it is not always clear whether we should focus our attention on only one dimension or the combination of all various aforesaid dimensions? Indeed, in some situations the creative process might be more relevant than, say, the finished creative product or the creative behaviour of a single person.

Referring back to the research question outlined at the beginning of this chapter, it is also important to ask why creativity has anything to do with the political context? Why at all to aim at a study related to the creativity environment? In what ways does this matter to people who are creative or otherwise and the work they are producing? After all, people invariably talk about creativity as being an indispensable part of an artist's being and labour, with creativity being seen as an innate talent of an individual artist, which, in turn, reproduces the idea of the genius (Galenson 2006). Then, the question becomes whether all artists, including Bulgarian artists, are creative solely because of their talents to the extent that they can create in radically new ways in any situation?

In their research on diverse creative achievements, Csikszentmihalyi (1996) and Murray (2003) demonstrate that this is not the case, and, in fact, that there is a deeper level of complexity involved. Indeed, creativity has proven itself to be a critical, complex and often controversial phenomenon, one that defies being viewed through a sole disciplinary lens and instead demands complementary interdisciplinary perspectives to examine it. Gardner (1994) argues,

> "the study of creativity is inherently interdisciplinary; in addition to being rooted in psychology, the student of creativity must be informed about epistemology (the nature of knowledge in different domains) and about sociology (the ways in which judgments are reached by experts in different domains)" (p. 145).

In accordance with this, in order to make sense of the newly emerging art scene phenomenon in Bulgaria, specifically in terms of both the changes it engenders and the changes which affect its development, I draw upon a range of disciplinary discourses from economists, psychologists and social-psychologists to examine this subject in the requisite depth. As a cultural economist, I also engage with literature in this field to build a comprehensive framework through which to extend the study of artistic creativity and innovation beyond a purely economic rationale.

2.2. ON VALUE OF CREATIVITY

Before analysing the complex interrelation between art, creativity and innovation with respect to their context in the next section, I first explore in greater detail how we value creativity. As I argued in the beginning of this chapter, today, the concept of creativity is associated with a variety of issues, whilst scholars, policy makers and business leaders assume that creativity is a valuable asset. However, do we truly understand what we are actually valuing when we name certain work, people, and/or organisations as being creative? Although we often take for granted the qualities that creativity yields, my concern is that we place too much value on too many different aspects that may not in fact be connected at all to creativity. Should we value new, original, serendipitous, authentic, as the most significant qualities or, rather, a combination of all these qualities? But most importantly to what extent can these qualities of creativity generate changes?

In his historical analysis of the importance of creativity, Mason (2003) suggests that creativity was valued for different reasons across different historical periods in Europe. In ancient Greece, for example, creativity was only seen to belong to those poets who drew upon their highly appreciated inspiration and imagination. During the early period of Christianity, creativity was not linked to human activity at all, but rather to the divine nature of God. It was only later, during the Renaissance, that creativity qua novelty, freedom, nonconformity was assigned to an individual artist, who was considered to be a genius. The use of creativity as a means through which to generate positive benefits to society and the economy has a long history in the development of modernity, however it was during the era of industrialisation that it emerged as a value in itself. It was also believed that creativity best manifested itself through aesthetic creation and experiences. Hence, it only truly revealed its positive effects through the practice of art. Following Mason (2003), two different aspects of this belief are highlighted here: (1) the relationship between creativity and economic and political transformation (2) its connotations with the aesthetic dimensions of art.

Economic and political dimensions of the belief in creativity: historical perspectives

Creativity emerged as a value in its own right over the course of the 17th and 19th centuries (Mason 2003). It gradually emerged as a belief in human nature (apropos the genius), rather than, say, divine nature (apropos God). Its value derived from three radical historical changes: (1) human independence from natural resources become possible because of technological and scientific advances; (2) development of the free market which required innovation to take place; and (3) the emergence of the

concept of progress which demanded constant desirable improvements. Indeed, the new world of modernity was brought into being by talented individuals who were able to operate differently in the light of economic and political transformation. These transformations coincided with the rapid development of science and technology, which brought about advances that enabled people to emancipate themselves from natural resources. Moreover, the belief that God created the world was substituted by or complemented with the belief that humans are able to re-create and be in control of their own world. According to Arnold, "it is undeniable that the exercise of a creative power, that a free creative activity, is the true function of man; it is proved to be so by man's finding in it his true happiness" (quoted in Mason 2003, p.198). All these aforesaid shifts inspired people to continuously improve their environments and, as such, continuously be creative in their lives.

Aesthetic dimensions of creativity: historical perspectives

In his in-depth historical analysis, Mason (2003) concluded that, although creativity was related to the general economic and political transformations and, as such, derived primarily from human advances caused by technological, scientific and political inventions, creativity as a value in itself derived exclusively from the arts expressed by means of aesthetic experience. It was believed that particularly because of this that "humanity will progress" (Mason 2003, p.169). This romantic idealised view of creativity was strongly associated to the notion of the genius – the person with outstanding qualities who can "create" change, rather than simply making or producing (Mason 2003, p. 7).

The pivotal role played by the aesthetic dimension of creativity pertains to its capacity to realise not only new, but, most importantly, *significant* achievements. For example, in the 17th century, the poet Maciej Sarbiewski, in his theoretical writing on poetry, regarded creativity as a feature of the "perfect poetry" (Mason 2003, p. 192). Hence, the value of creativity that came to the fore over the course of the emergence of the modern world and which subsequently became embedded in the arts was important in two respect: on the one hand, its aesthetic capacity ensured human well-being; and, on the other, it engendered an escape from "everything which made modern life disagreeable" (Mason 2003, p.199).

2.3. HOW ART AND CULTURE RELATE TO CREATIVITY AND INNOVATION: A CULTURAL ECONOMICS PERSPECTIVES

Within the context of the "new" economy[7] (Baumol 2006) and the rise of the "knowledge-based economy" (OECD 1996), creativity that originates from the art sector is not only a desirable asset with respect to products, individuals, processes, companies and cities, but also has a value in and of itself in terms of engendering newness, change, dynamism and progress (Braun & Lavanga 2007). The studies by cultural economists into the fundamental shifts in the contemporary economy suggest that creativity is an asset in processes of production, dissemination and consumption of cultural goods and services in cultural industries (Towse 1997, Caves 2000, Throsby 2001, Baumol 2006). It is because of these very associations that creativity has become a key topic of interest for policy-makers (European Commission 2009, 2010b, 2012, Council of the European Union 2015).

However, what specific qualitative changes can creativity generate, and, moreover, how does this occur? In extant analyses of the contemporary economy, scholars have registered several fundamental shifts ranging from high-tech innovations and globalization in markets, accelerated change in the market of goods and services, a marked increase in the employment of creative workers, and a marked shift in their attitudes towards work (Nakamura 2003, Baumol 2006). In light of these diverse changes in the economy and society more broadly, Nakamura (2003) posits that the new economy is in a stage of "creative destruction", which is referring to a concept introduced by the Austrian economist Schumpeter (1942/1975).

In his theory of economic evolution, Schumpeter presents creativity as an indispensable factor in the appearance of new products, new technologies, new organizations, and new services, which are subsequently successfully implemented within the market. Accordingly, creativity as a driving force for change is inherent to the capitalist system. Through recourse to the concept of "creative destruction", he suggests that capitalism is a dynamic system based on the relationship between industries, markets and creative individuals. In contradistinction to the classical model of economic equilibrium, Schumpeter argues that what really makes capitalism powerful is the profits derived from the qualitative changes caused by creativity. As Schumpeter posited: "It is not simply change in quantities, but it undergoes a process of qualitative change" (Schumpeter 1942/1975, p. 82). These qualitative changes produce

[7] The "new" economy is marked by radical technological change which stimulates the production of new art forms that can be financed, disseminated and consumed in radically new ways (Baumol 2006).)

long-term product innovations in a competitive economy and are judged over time. For Schumpeter, incremental changes do not count, rather, it is only radical changes that induce transformation in the existing infrastructure and environment. He goes onto argue that this change "acquires its true significance only against the background of that process and within the situation created by it" (ibis, p. 83). Accordingly, the concept of creative destruction connects to changes that replace existing products and processes, and by this induces changes in a sector within it.

Developing and extending Schumpeter's argument further, scholars and policy-makers have come to recognise the importance of the contribution of creativity that originates in the arts and culture within the era of "creative destruction". For example, in the "Creative economy" report published by UNCTAD (2008) it is suggested that:

> "In the contemporary world, a new development paradigm is emerging that links the economy and culture, embracing economic, cultural, technological and social aspects of development at both the macro and micro levels. Central to the new paradigm is the fact that creativity, knowledge and access to information are increasingly recognised as powerful engines driving economic growth and promoting development in a globalizing world" (p. 3).

The idea outlined above received widespread attention at the European level as a consequence of the Lisbon agenda (2000), which aimed to turn Europe into "the most competitive and dynamic knowledge-based economy in the world, capable of sustainable economic growth with more and better jobs and greater social cohesion." (p. 2). The drivers of these desirable changes were the manifold creative ideas and products generated by people working within creative environments. Consequently, creativity that is originating from art and culture became a central component of the new economy where creativity has not only become a desirable asset in products, processes and people, it has emerged as a value in and of itself (KEA 2006, 2009). This goes hand-in-hand with the acknowledgement from UNESCO (2013) and the European Union (2012) that artistic and culture-led creativity is vital to industry, business, education and community development.

Studies on creative and cultural industries, creative cities and clusters and creative workers/employments highlight some key aspects of the relationship between art, creativity, innovation, and economic and social development. For example, the richness of the content that cultural sectors can yield supports those arguments that view them as a knowledge-production system that generates and transfers ideas for new concepts, methods of production and material outputs for other sectors (Throsby 2008, Jaaniste 2009). Furthermore, culture, generally, and art, specifically, are important for the economy because of their tangible and intangible qualities (Towse 1997).

The key factor in the initiation of such knowledge transfers is the diffusion of new ideas arising from the circulation of creative workers (artists, designers, architects) within different sectors (Florida 2002). A key feature of Florida's argument concerns the human factor of creativity and the specific habitat of the creative workers, which can be better cultivated in some territories than others. Further he distinguishes between technological, economic and artistic dimensions of creativity which are interrelated (Florida 2003, 2004). Cooke and Lazzeretti (2008) argue that this shift towards the 'cultural enhancement' of the economy also profoundly affects the creative millennium within cities. Hence, the creativity that originates in art is considered to be a pivotal factor in the qualitative changes (innovation) that take place, or at least we would like to think so.

2.3.1. On the relationship between arts and culture-led creativity and innovation[8]

The emergent interest in cultural and creative goods and processes is linked to innovation discourses, which purports that the production and experience of creativity within the creative and cultural industries can stimulate more creativity in other spheres (Potts 2011). An important point to grasp in relation to this discussion is how creativity relates to the concept of innovation.

In economic terms, innovation can be defined as a new product or a process related to the development, distribution and diffusion of products (Dosi 1988, Edquist 1997, Blaug 1997, Lipsey et al. 2005). This concept is indebted to the work of Schumpeter (1942/1975), who characterised innovation as the long-term driving force of economic development within the capitalist system. Traditional research on innovation has primarily focused on technological and science-related indicators, such as the tangible and technical advances and patents associated with the manufacturing and ICT sectors (Tether et al. 2001). However, extensive analyses of innovation research has founded that innovation invariably takes place in unlikely places, and, moreover, that it is rarely based on a traditional understanding of R&D. For example, in extant literature on innovation, the focus has shifted to the organisational and creative nature of innovation (OECD 2001, Djellal et al. 2003) in the context of the development of the service sector. Subsequently, the attention that has recently been paid to the cultural and creative industries (CCIs) has led to a better understanding of the aesthetic and

[8] The author thanks Christian Handke for his very useful comments and advices in relation to the economic theory of innovation.

intellectual nature of innovation, which has only relatively recently been systematically captured within the scope of innovation research (Castañer & Campos 2002, Handke 2008, 2010, Jaaniste 2009, Stoneman 2010, Bakhshi & Throsby 2010, 2012).

Stoneman (2010) reveals aesthetic changes in content also apply beyond narrowly defined aesthetic products, such as art works, whereby the functional nature of the output is enhanced by aesthetic product differentiation. For example, he illustrates how in various non intensively innovative sectors such as manufacturing, and/or high-tech sectors in the British economy, such as the food, finance and pharmaceutical industries, considerable aesthetic-intellectual innovations take place, which he refers to as "soft" innovation. The same mode of innovation also applies to the automobile, electronic and ICT industries. Innovations in these aforesaid sectors do not necessarily aim to alter the technical or functional characteristics of products, but, rather, seek to commercial differentiate products from others available on the marketplace. Miles and Green (2008) designate this as "hidden" innovation, insofar as it is incredibly difficult to measure. Such forms of innovation are crucial in the cultural industries, where changes in the aesthetic value of the products can increase horizontal differentiation and thus competitiveness (Caves 2000). Building on Caves's (2000) distinction between humdrum and content creation, Handke (2008, 2010) introduced a distinction between content creation and humdrum innovation. While the former relates to artistic and aesthetic development, the latter is associated with forms of value-creation generated by new business models and administrative, organizational and marketing strategies. Nevertheless, it remains extremely difficult to draw the exact boundaries between technological and aesthetic - intellectual innovation, which is why Jaaniste (2009) proposes that we should see "soft" innovation as being wholly complementary with technological innovation. In light of these aforesaid arguments, he suggests that forms of contemporary innovation which derive from the cultural and creative sectors comprise two aspects: (1) cultural processes and product innovation (CPP); and (2) technological products and process innovation (TPP).

This discussion is also enriched by the contribution from the field of cultural economics where it is commonly understood that culture, art and creativity can promote innovation across the economy and society more broadly via the provision of input into products and services in other sectors, which, in turn, causes "spillovers" (Throsby 2001, Potts 2011). This input translates into economic benefits through direct contributions to GDP, growth and employment (O'Hagan 2016), as well as socially and culturally enriching the quality of life, integration and cohesion in society via

knowledge and network spillovers (TFCC 2015)[9]. In many cases these spillovers occur via close collaboration between artists, designers, architects, etc., with workers from less creative occupations. The fostering of spontaneous social mechanisms and cross-fertilisation processes support the experience and practice of creativity and results in collective inspiration, which, in turn, leads to more creative approaches and/or new products (Currid 2007a, Uzzi & Spiro 2005).

2.3.2. Cultural good and values in the context of cultural and creative industries

Having considered various aspects of the link between culture, creativity and innovation, the question to be addressed here concerns what exactly make these goods so desirable. In an attempt to answer these questions, I will first explicate what is meant by the concept of a cultural good, which has been widely adopted in recent analyses of cultural and creative industries. Indeed, both concepts are widely adopted in extant cultural economics research examining how the cultural good operates within the market and within the government. These questions are of especial relevance to the Bulgarian case study, due to the fact that the emergence of the radical new form of art was also connected to the formation of new markets and new government support schemes.

Since the first attempt to define cultural and creative industries at the national level (DCMS 1998), there have been many definitions proposed by different national governments, transnational institutions (UNCITAD 2008, European Commission 2010, OECD 2014) and scholars (Howkins 2001, Throsby 2008, Hartley 2005, Cunningham 2002, Potts & Cunningham 2010). My purpose here is not to examine the differences and similarities between these manifold definitions. Instead, the delineation of the manifold sectors within the cultural and creative industries proposed by Throsby (2008) is used as a starting point to understand the concepts of cultural industries and cultural good and their relationship to creativity.

Throsby's (2008) model incorporates both aspects by including core sectors (literature, music, performing arts, visual arts, heritage and museums, film industry) and related industry sectors (advertising, broadcasting, video games, publishing,

[9] In this respect, the Oslo Manual (2005) also provides a broader definition of innovation, based on a variety of typologies other than those that are based on technology. This broader definition, which is also articulated in the European Commission's Green Paper on Innovation (see European Commison 2009a), highlights the active role played by society at large in engendering innovation. OECD (1997a) report refers to the National Innovation Systems (NIS) approach as a complex the interrelations between products, processes, agents and knowledge (Jaaniate, 2009). However, this approach fails to identify methods to transfer or evaluate the innovation potential of social dimensions of creativity and the cultural sector.

music recording, architecture and design) (figure 1). According to Throsby (2008), three arguments are important to keep in mind when collating a range of different sectors under the singular banner of 'creative industries'. First, the outcomes of those industries are aesthetically appealing or intellectually inspiring. As such, the value they convey cannot be objectively defined, determined, assessed or verified (Throsby, 2001). At the same time, cultural value is crucial in terms of establishing the market value of cultural goods (Caves 2000, Hutter & Frey 2010). Second, the outcomes of the creative industries derive from human creativity, whilst the diffusion of these new ideas and products across various sectors is made possible through the mobility of creative people. Finally, the outcomes contain intellectual properties.

FIGURE 1 • Concentric model of cultural industries

Source: Throsby (2008)

Those goods that are generated by the cultural sectors share properties, which, in turn, makes them distinct within the market (Caves 2000). First, their cost structure is characterised by high development costs and low reproduction costs. This means that exclusive property rights are difficult to determine. Furthermore, most specific works are defined by uncertain demand. For instance, 'classic' literature is in constant demand and is sold over long periods of time, while some video games lose value relatively quickly due to the rapidity of technical developments related to computer technologies. There is a high-degree of uncertainty on the manufacturing side related to demand before the work is marketed, which makes it difficult to predict which products will be successful (Cave's 'nobody knows property'). These products are also characterised by 'infinite variety', which is to say that they can be differentiated horizontally as a consequence of consumer tastes, or vertically as a result of the skills and talents of the artists. Most importantly, the creative worker/artist cares about his/her products, which Caves (2000) refers to as 'art for art's sake'. Creative work also often shares characteristics with those goods referred to as *experience* goods (Cave 2000, Ginsburgh & Throsby 2006, Hutter 2011). Those goods relate to both the process of 'taste formation' and the personal experience as a way to assess the merits of those goods for the individual (Handke 2010).

Whilst economists have hitherto not studied the phenomenon of creativity, and, hence, creativity does not form part of their discourse, they have developed a number of theories of innovation. Recently, cultural economists have studied the phenomena of creativity, while linking it to innovation. An important part of the discussion vis-à-vis this relation the value that cultural goods can yield (Bakhshi & Throsby 2010). These studies form so-called valuation approach tradition[10] within the cultural economics (Dekker 2014).

Throsby (2001, 2008), Klamer (1996, 2002, 2004, 2008), Ginsburgh (2003), Hutter and Shusterman (2006), Hutter and Throsby (2008), Hutter & Frey (2010), Hutter (2011), Snowball (2011) have studied creativity that originates in the arts and culture through recourse to the concept of cultural and economic values and how they interrelate. Whilst the economic value of a cultural good has been extensively studied and measured (Throsby 2001, Snowball 2008, Maas & Liket 2011), there are different approaches that try to grasp the complexity of the concept of cultural value. As Throsby (2001) puts it:

[10] The other traditions that are distinguished by Dekker (2014) pertain to the economics of the arts and evaluations of the impact of arts and arts policy, which are both motivated by Baumol & Bowen's (1965) work.

> "[cultural] value is multi-dimensional, unstable, contested, lack of common unit of account, and may content elements that cannot be easily expressed according to any quantitative or qualitative scale" (p.279).

For example, Throsby (2001)[11] considers cultural value to be distinct from the economic value of a cultural good and may consist, *inter alia*[12], of aesthetic, authenticity, symbolic, spiritual, historical and social dimensions or values. Aesthetic value relates to the form, expression and style of the art work, whilst the value of authenticity is associated with a work's originality (Ginsburgh 2003). Symbolic value is expressed through the meaning of the art work, whereas the spiritual value coincides with its "significance to the members of a religious faith, tribe or other cultural grouping" (2001, p.29). Historical value pertains to the historical context within which a work is created, whilst the social value is expressed through the sense of belonging to a particular group.

An additional approach to cultural value is advanced by Klamer (2004), for whom cultural value pertains to "a source of inspiration or symbol of distinctions" (p. 138). The author explicitly separates social value from cultural value, while delineating the differences between "culture as expression" and "culture as identity". The former relates to the social dimensions of culture[13], as well as that which is beyond the social whilst the latter is important. In Klamer's words, "[the] cultural" in cultural goods has the connotation of the artistic, aesthetic and sacred" (2004, p. 32). These characteristics are also understood as qualities[14] of the cultural good. Hutter (2011) interprets them as being a "value anchor" within "a pool of relative judgments, [whereby] there is a fixed point evident to all those who participate in the discussions surrounding a particular kind of private surprising experience" (p.207)

Realising the economic, social and cultural values of a cultural good depends on the different capacities of individual artists to deal with these values, which is informed by their respective social and cultural capital, but not entirely by this. In his interpretation of the art work qua cultural good, Klamer (2004) argues that cultural

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[11] Hutter and Shusterman (2006) provide a similar definition to Throsby's (2001) delineation of values (Angelini & Castellani 2018)

[12] See also Throsby (2003) and Throsby & Zednik (2014) for other values as educational, integrity, etc.

[13] Here, Klamer (2004) connects social value to "belonging, being a member of a group, identity, social distinction, freedom, solidarity, trust, tolerance, responsibility, love, friendship" (p. 147)

[14] The notion of the quality of an art work is often used as a substitute for different dimensions of cultural value, such as aesthetic, symbolic or any other form of 'artistic merit' (Angelini & Castellani 2018), and has been used specifically in debates around the (e)valuation of it (for more on this, see also Throsby 1999, Ginsburgh & Weyers 1999, Ginsburgh 2003). This is a category that originates in the work of Hume (1757/1965), where it was used to assess the different characteristics of art work over time (Ginsburgh 2003). Economists measure it based on consumers' choices, while philosophers base it on the long-term reputations of art experts (Ginsburgh 2003).

goods realise their values in concrete context in that it is made up of different social relationships which may or may not be conditioned by monetary exchange. Most importantly, Klamer here argues that the values of a cultural good are thus not fixed, as standard economists invariably claim, but rather are subject to change during the process of their realisation. When explaining the formation of and change of value of a cultural good, Klamer (2017) argues that this is a dynamic process which depends on different valorization strategies – a topic which is the subject of in-depth analysis in chapter 6 of this thesis.

More recently, Klamer (2017) has interpreted the cultural good as a shared good, that is, one which is based on shared practices or the commons[15]. Both categories refer to the realisation of cultural and social values through the sharing of knowledge (both tacit and formal), norms, conventions, languages, and so on, between people in a specific domain. However, this may differ depending on the extent of their sharing. For example, some professionals (being a doctor, engineer, artists, etc.) acquire specific formal knowledge and, as such, are less accessible to everyone and are characterised by exclusion and rivalry. Conversely, common goods are those which are non-excludable, and as much as they are used, as much their value increases[16]. The critical issue with respect to the commons is their governance (Ostrom 2015). In relation to innovation, recent research on the commons suggests that they can operate as effective replacements for market-based institutional forms of regulation (Potts 2018, 2019). The important point to emphasise here is that innovation commons can be considered as a pre-stage of the Schumpeterian innovation process, where "innovation originate[s] in a prior state of non-market coordination" (Potts 2018, p. 1026)

In light of these various aspects associated with cultural goods and cultural and creative industries, Bakhsi and Throsby (2010, 2012) identify four different types of innovation[17]: innovation that extends one's audience, innovation in the development of an artform, innovation in value creation, and innovation in business management. Innovation that extends one's audience refers to processes that lead to the broadening, deepening and diversification of one's audience, as a consequence of new marketing strategies and methods (mostly based on new technologies). Innovation in the artform concerns the generation of new work "that has at least the potential to influence artistic

[15] The notion of the commons is introduced by Ostrom (2015). Shared practices also relate to the notion Csikszentmihalyi's concept of the domain (1996) and Bourdieu's (1993) concept of symbolic fields.
[16] Klamer (2017) also defines them as praxis or "goods to strive for" when they contain the purpose in itself (p. 100). See also Klamer (2019).
[17] They specifically emphasise the role of technology in fostering these innovations.

trends and perhaps lead them in new direction" (2010, p. 17). These are changes which relate to the aesthetic-intellectual nature of the cultural good, and are expressed through the production of new content (i.e. stylistic changes) and/or forms (i.e. changes in presentation) (Castañer and Campos 2002). The critical point to highlight here concerns how this newness is defined and who has the power to define it (Castañer 2014). It is often the case that every new artwork is referred to as innovative, based on the presumption that it is a unique work. In contradistinction to this self-referential way of defining newness[18], Castañer and Campos (2002) define artistic innovation in terms of the programming of a new activity, which is new in a truly radical way within that field[19]. Innovation in value creation is expressed through the manifold values which cultural goods can realise – economic, cultural and social, or use-value and non-use value. The relevance of these values forms a special place in the discourse of cultural economists, who seek to analyse their manifestation and measure their impact. Conversely, innovation in business management refers to the development of new business models, which considers the changes in the value-chain of the cultural good.

Despite the aforementioned attempts to study artistic creativity and innovation, cultural economics discourses still focus on the instrumentalisation of creativity by examining its economic benefits to the economy and society, whilst creativity in the arts has hitherto been explored in a very broad context, along with being loaded with manifold meanings and expectations. Madden and Bloom (2001, 2004) argue that the concept of creativity is deeply misunderstood and overlooked in the context of policy discussions where in economic and policy debates creativity is attributed worth solely in terms of its novelty, due to the wrongful assumption that any cultural process, individual and product which is novel is also inventive and, as such, is capable of yielding innovation. However, through drawing on cross-cultural evidence, the authors suggest that, in fact, the opposite is true, that is, that "art practice is largely non-inventive" (Madden & Bloom 2001, p. 414). Specifically, they refer to the concept of hard creativity[20] - something that did not exist before – as the form of creativity that yields qualitative changes, which they oppose to weak and soft types of creativity[21]

[18] The notion of newness is also addressed in the general innovation literature (see Johannessen et al. 2001)
[19] Here, they designate a field as a cosmopolitan referent (all the organisations worldwide) or a local referent (other organisations in the local field).
[20] In the arts, the unprecedented or inventive style of work illustrates hard creativity (Madden & Bloom 2001).
[21] Weak creativity is defined as merely production, soft creativity designates the re-production of something that already exists, whilst art as mere expression is defined as weak creativity and classical and folk arts are associated with soft creativity (Madden & Bloom 2001).

that do not possess this transformative power. Here, hard creativity is associated with a Schumpeterian notion of innovation that is linked to newness and usefulness, whereas invention only pertains to the newness of the idea. When applied to the arts such distinctions between innovation and invention are difficult to establish and maintain, because of the lack of any definitive criteria (in contradistinction to science or technology, for example) over what constitutes newness.

From this, we can argue that the relationship between creativity and innovation that originate in arts and culture is a complex phenomenon and that, ultimately, ignoring any aspect of it diminishes the entire discussion around it. They proceed to challenge scholars to properly acknowledge the importance of creativity that generates qualitative changes by deepening the study of the complex interrelation between art, creativity and innovation and the environment.

2.4. CREATIVITY AND QUALITATIVE CHANGES: A SYSTEM MODEL PERSPECTIVE

In a similar vein to historical accounts of creativity, contemporary research on creativity suggests that not all forms of creativity can promote transformation. In this respect, Gardner (1993b) contrasts "'little C' creativity – the kind which all of us evidence in our daily lives – and 'big C' creativity (eminent) - the kind of breakthrough which occurs very occasionally" (p. 29). Similarly, Boden (1994) distinguishes between psychological and historical modalities of creativity, whereby the former relates to the individual and the latter to socially acknowledged forms. Csikszentmihalyi (1996) and Eysenck (1994) establish three different types of creativity. The first is associated with the expression of unusual ideas. The second one pertains to the capacity of someone to experience the world in an original way and to materialise this in his or her work. The third type acknowledges the creativity that engenders changes to a specific domain and/or a society. Eysenck (1994) argues that the third form of creativity is qualitatively different to the others and that its significance can only be judged in a concrete context.

Murray (2003) purports that the significance of an artefact or activity can be judged to an extent when it is "widely shared, or profoundly experienced, if it is recognised as being cogent or important, or convincing (i.e. not superficial, or transient, or trivial), occupying a distinct place within a broad field of understanding or experience" (p.8). Or, phrased otherwise, their significance does not simply stem from their capacity to evoke insights that are original; rather, they must also serve as a desirable model and represent the best of their kind, an accomplishment of excellence

with respect to high aesthetic qualities (Murray 2003), and/or produce outstanding achievements "that leave a trace in the cultural matrix" (Csikszentmihalyi 1996, p. 26). Creativity thus has transformative power and can contribute towards qualitative change only when it possesses certain qualities. Respectively, an especially important characteristic of creativity pertains to its capacity – either in its capacity as a product or person – to induce qualitative changes to an existing discipline/sphere, to transform an old one into a new one or to create a new one Csikszentmihalyi (1996). In this sense, creativity can be attributed to those achievements, accomplishments and/or radical change which are validated by social judgments. For example, the emergence of Impressionism, Cubism, Fauvism, Pop-art, and Conceptual constitute historical examples of creativity which produced qualitative changes in the art domain[22]. These examples do not simply concern what it takes to be a novelty-seeker[23], or illustrate how the process of creativity evolves; rather, they signal radical changes that emerged in a particular domain which were subsequently publicly recognised for their novelty, usefulness (appropriated) and significance.

Whilst novelty and significance are both criteria which can be validated over time, they can still be judged as being characteristic of outstanding creativity. For Jackson and Messick (1965), outstanding creativity always coincides with four aesthetic responses:

> "(1) surprise is the aesthetic response to unusualness in the product, judged against norms for such products; (2) satisfaction is the response to appropriateness in the product, judged within the context of the work; (3) stimulation is the response to transformation in the product, evidence that the product breaks away from the constraints of the situation as typically conceived; and (4) savouring is the response to condensation in a product, the judged summary power or ability of the product to condense a great deal of intellectual or emotional meanings in a concise and elegant way." (in Amabile 1983, p. 29).

To comprehend this complexity of creativity, I propose a framework that combines (1) only those forms of creativity that can be defined as "hard", "historical", "with big C – and which are deemed to produce qualitative changes; (2) a type of creativity characterised by certain values - high-level of novelty, long-term affection, significance and a connection to concrete knowledge embedded in certain traditions (figure 2); and (3) studying creativity within a *system model*.

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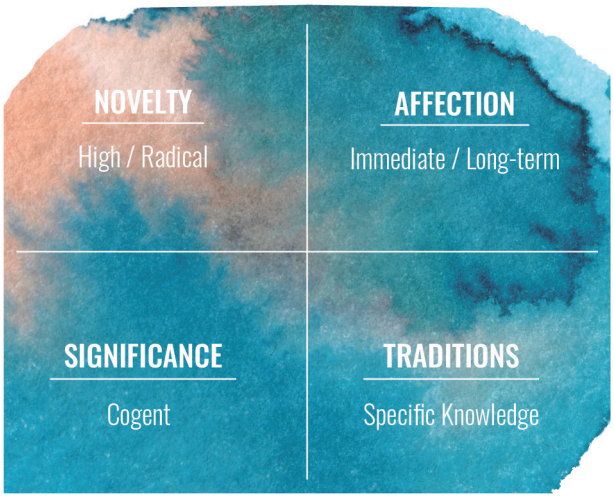
[22] Albeit, it must be said that these changes were not immediately accepted and it took time for this to happen.
[23] Novelty-seeking individual is described by Schweizer (2004) as individual with temperament behaviour exposing curiosity, excitability, impulsiveness, easily bored, disinhibition, proactivity. These traits may lead to creativity (novelty-finding and novelty-producing), but not necessary (p. 52).

FIGURE 2 • Characteristics of creativity that produces qualitative changes



Source: Adaptation of Amabile (1983), Sternberg & Lubart (1995), Madden & Bloom (2001), Murray (2003)

The system model defines creativity not merely in terms of the process, individual and product, but also in relation to its context (Csikszentmihalyi 1996). Indeed, scholarly research has shown how artistic and scientific practices connect to concrete social and institutional conditions, and that judgment is necessary to publicly validate these practices as achievements, not to mention a constant interplay/interactions between the creative process, individual, product and environment[24] (Becker 1974, 1982, Bourdieu 1993, Collins 1998, White & White 1965, Amabile 1983, Csikszentmihalyi 1996, Murray 2003, Simonton 1988, Boden 1994a).

2.5. ON THE INTERRELATION BETWEEN A CREATIVE INDIVIDUAL AND THE ENVIRONMENT

Unpacking some of the meanings and qualities that are constitutive of creativity helps to hone my analysis of the Bulgarian case to focus only on specific tangible and intangible characteristics of creative products, processes, and people. Building on the rationale of the systems approach to creativity, associated with Csikszentmihalyi (1996), I now need to address the question of how creativity takes place. That is to say, apropos the Bulgarian context, what forces constitute the realisation of creativity. Is it a person, product, process, environment, or, alternatively, a combination of all of these dimensions?

[24] This approach is also called a "systems" theory of creativity, see Montuori & Purser (1996).

This section aims to explain why I connect the creativity expressed through the new form of "unconventional" art to changes in the environment. Is the emergence of creative achievement mere serendipity, whereby the creative person happens to coincidentally be at the right place and time to create? Is the Bulgarian new art simply a coincidence or can we trace some underlying patterns leading up to its emergence? More specifically, the section addresses the link between creativity and its environment.

As already addressed, the contemporary understanding of creativity came into being after psychologists studied this phenomenon in the middle of the 19th century. After these studies, the genius concept was substituted for psychological analyses of creativity. Psychological research analyses creativity as a combination of several perspectives: the biological perspective analyses creativity as a specific brain structure; a personality perspective focuses its analysis on features such as intelligence, verbal and imaginative "fluency", intuition and talent; the motivation approach directs its analytical gaze on processes of nonconformity, divergent thinking, as well as intrinsic and extrinsic motivation (Montuori & Purser 1996).

While psychology focused creativity research on personality traits and the innate abilities of creative individuals, and sociological accounts stress the importance of the social dimension, the social-psychology approach explains creativity in terms of diverse processes realised by individuals during their interactions with the socioeconomic environment. Reviewing the current state of creativity research, Montuori & Purser (1996) draw upon the definition of creativity proposed by Stein, who defined it as a "process which results in a novel work accepted as tenable or useful or satisfying by a group at some point in time" (1963, p.218). More specifically, creativity conceptualised from three perspectives: novelty, social acceptance and process.

2.5.1. Creativity as novelty and social acceptance

Apropos artistic creativity, Martindale (1994) concludes that:

> "Artists are interested in accomplishing many other things besides making their works novel. However, what these other things are varies quite unsystematically, whereas the pressure for novelty is constant and consistent. Thus, only this pressure can produce systematic trends in artistic form and content" (p.164).

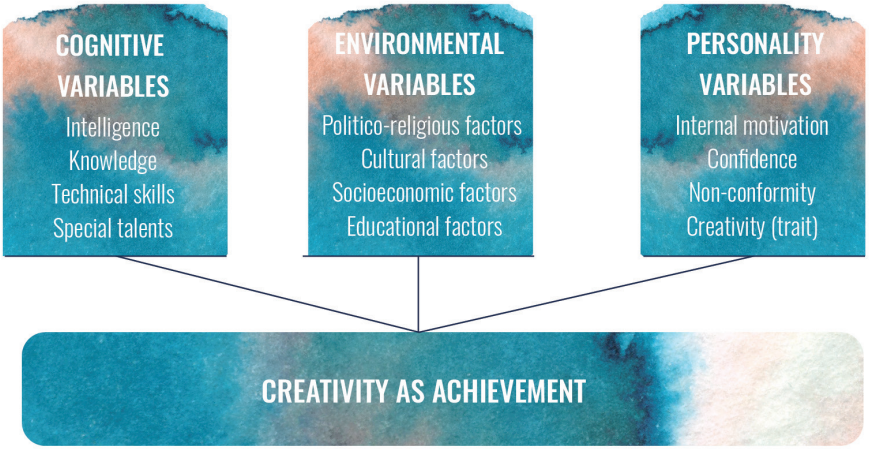
According to Hughes (1999), the roots of novelty derive from a synthesis of disparate elements, which together form a new and valuable work. Conversely, Eysenck posits that there are meanings of novelty: private and public novelty (1994). The first one pertains to an individual's capacity to judge what is new or not according to one's own understanding, and is based upon one's knowledge, experience, intelligence, and so on.

The second formulation views novelty as something new which happens to a wide circle of people, more specifically, something that has never happened before. To distinguish between private and public modes of creativity, Eysenck (1994) studies creativity both as a trait and as an achievement. When investigating creativity as a trait, he draws on many psychological factors, including asking how new ideas arise in individual minds (cognitive and motivational perspectives), and what sorts of personalities are involved (personality perspectives). Creativity as an achievement relates to procedures of judgment, which may influence an artist's behaviour. He claims that creativity as a trait "is necessary but not a sufficient condition" for attaining creative achievements, because "trait creativity is supposedly universal, while creative achievement is nearly always strictly tied to a particular field" (1994, p. 210). Thus, the process via which creativity turns from trait to achievement involves interactions between the creative personality and the creative environment that evoke the creative act and, subsequently, produce the creative product.

In a similar vein, a fundamental feature of creativity, according to Csikszentmihalyi (1996), is its capacity to produce qualitative changes. That is to say, something can only be considered to be creative insofar as it has "transformational power" Amabile 1983, p.29). In this formulation, Csikszentmihalyi (1996) highlights the importance of recognition and assumes that "creativity emerges in virtue of a dialectical process among individuals of talent, domains of knowledge and practices, and fields of knowledgeable judges" (p.10). Here, domain is defined in terms of shared knowledge, whilst fields are represented by gatekeepers and experts who shape the conventions in the domain. The creative individuals are thus those people who use knowledge specific to domains to introduce new ideas and products into the domain, in turn, challenging its existing conventions. Consequently, truly creative achievements are not simply fostered by the environment, but rather transform the environment itself.

To measure creative achievements, Eysenck (1994) proposes a model (figure 3) that combines the manifold complex variables that produce a creative product as an achievement, namely cognitive (intelligence, knowledge, technical skills, special talents), personal (internal motivation, confidence, nonconformity, creativity as a trait), and environmental (politico-religious factors, cultural factors, socioeconomics factors, educational factors) variables which contribute to the production of creative achievements (p.209).

FIGURE 3 • The major variables affecting creativity



Sources: Eysenck (1994)

Similarly, Amabile (1983) developed a conceptual definition of creativity based on the subjective assessment of the creative product by observers. She put forward two conditions: the products have to represent "the hallmark of creativity"; and the products must be studied within a concrete social context (p. 28). Though, it is difficult to establish clear criteria for what constitutes outstanding creative qualities in a product, still people can agree on what is creative.

This suggests that the role and capacity of the judge to evaluate creativity is paramount in the process of social acceptance of a creative achievement, a point with especial importance for the analysis of the Bulgarian case presented in this research.

2.5.2. Creativity as a process

It is often suggested that the emergence of creative achievement is a matter of merely pure serendipity, where the creative person is coincidentally in the right place at the right time to create. However, my purpose in this thesis is to trace some patterns that have led to the emergence of the Bulgarian new art and proof it is not simply a coincidence.

According to social psychologists, creativity turns from trait to achievement via assistance from different processes which can induce such inspiration and motivate such divergent actions. The common assumption is that creativity is a lateral process, which is formed out of an unexpected combination within a particular context and based upon non-conformity, authenticity and independency. Indeed, when asked to describe their creativity, artists often describe their activity as intuitive, emotional, free,

experimental, and coincidental (Klamer & Petrova 2007). On the other hand, artists' behaviour is also described in terms of them being driven into doing something that could be easily defined as a non-free act, or even a form of suppression. They must take into consideration space, feedback from others, the process of collaborating with a group, the instrumental character of the work, and so on, whilst, simultaneously, still experiencing creativity (Klamer & Petrova 2007). Is this a misunderstanding or, alternatively, an inherent conflict within creativity itself? Do rational and irrational forms of creativity exist, or do they correspond to different stages in the same process?

Referring to psychological literature, creativity is resolved through creative processes that enable a new idea or object to enter our conscious reality (Hughes 1999). In this sense, it can be understood as forming a bridge between the worlds of reality and imagination that arise during the germination of an idea and subsequently enter individual and collective consciousness. In this regard, creative processes facilitate an interaction between the creative personality and the creative environment which evoke the creative act and subsequently produce the creative product. Creative personalities and creative environments should not be conceptualised as static factors; rather, they change over the course of their interaction with one another. It is for this reason that creativity can be said to both comprise dynamic elements and derive from a dynamic process.

There are two types of processes that characterise creativity (Hughes 1999). On one end of the spectrum, there are irrational, intuitive, imaginative processes, which are driven by unconscious resources. For example, when artists germinate ideas, their urge is routinely described as an irrational process and as being dependent on intuition, imagination, and inspiration. Here, psychologists argue that these processes often embody unconscious conflicts, which presuppose the need for a shift. This process is divergent by nature and involves finding a new combination between unlikely things, the latter concerns selecting the best combination among the many that are produced. Conversely, at the other end of the spectrum lies rational, conscious, objective processes through which artists externalise their inner world (unconscious input) into art work, based on conscious solutions. This process is led by convergent reasoning which concerns selecting the best combination among the many that are produced. Divergent thinking is an essential component to the novelty of creative products, while convergent thinking is important to their appropriateness. Albeit to a different extent, divergent and convergent processes are inherent to the different stages of the creativity process and account for the accomplished emotional intensity. However, they are not merely related to the creativity process, as both processes are correlated with originality and personal characteristics, as well as responding to the process of intuition (Eysenck 1994).

The creativity process consists of different stages (Amabile 1983, Eysenck 1994, Csikszentmihalyi 1996, Hughes 1999). The first stage of the creative process involves preparation. This concerns the moment when an idea for a new work begins to germinate in the artist's mind (Csikszentmihalyi 1996, Hughes 1999). Next, the incubation phase involves compressing all the inputs that the artist prepared at the first stage. The third phase is characterised by illuminations and/or insights. During this stage, the idea of the creative work takes on its realised shape, form and solution. The next phase is the period of evaluation, where the creative person reviews and adjusts his or her creative work from the previous stage of illumination in relation to the applied field. This is often a highly emotional process, in that the individual must decide how valuable his or her work is. The last phase is that of elaboration, in which the creative person works on the final version of their work. This constitutes the culmination of the creative process that Csikszentmihalyi refers to as "flow", a process which he describes as an "optimal experience…[a] feeling that is almost automatic, effortless, yet [a] highly focused state of consciousness" (1996, p. 109). The emotionally intensive nature of this stage aids in the clarification of artistic work into consciousness, which, in turn, opens up the possibility for external influences. With respect to these features, it becomes evident that what counts as the moment of flow is the enjoyable experience for the sake of artists' actions.

The distinct phases of the creative process do not have strict boundaries. However, the most important point to take away from this is that having imagination and inspiration is not enough in terms of the creative process, rather it requires considerable effort, discipline and knowledge (Csikszentmihalyi 1996).

2.6. CREATIVITY THAT ENGENDER SIGNIFICANT QUALITATIVE CHANGES: CONCLUDING REMARKS

Creativity is a concept that has taken on renewed interest in contemporary society. Specifically, it has become a focal point in recent debates around the creative economy, where it is seen to be a key driver in the continuous invention of new products and services. The central purpose of the creative economy is to generate new symbols and new meanings through the realisation of innovative products and processes. Creativity is not only considered to be integral to the creation of new products, processes and places, as economists would argue. Praised for its content and aesthetic-intellectual richness, creativity has become championed by policy-makers, not only because it is viewed as an asset to the new economy, but because it has become a value in

and of itself. The belief driving this is that, as Schumpeter (1942/1975) suggested, creativity yields qualitative changes and produces radical innovation that engender transformations in existing infrastructures and environments, such as in production, cities and organisations. However, it is also a quality which is attached to behaviour (behaviour value) situations, and places.

The acknowledgment of the positive benefits of creativity originating in the arts and culture constitute new ways of conceptualising both creativity and innovation. For example, to signal the emergent equal importance placed on technology and aesthetic -intellectual content as being key drivers for change, Stoneman (2010) coined the term "soft innovation", Handke distinguished between content and humdrum innovation, whilst Jaaniste (2009) introduced concepts of cultural processes and product innovation (CPP), and technology products and process innovation (TPP).

Notwithstanding the contribution of such work that acknowledges the key role of artistic creativity as a driver of change, these studies solely focus on the instrumental benefits of creativity and, as such, are limited in their scope. There is a gap in this field concerning the types of qualitative changes that creativity can yield. Questions remain around how to think about creativity beyond the benefits we assume that it generates? How to understand these benefits? What constitutes its transformative power?

If we consider the artistic process in Bulgaria and, more specifically, investigate what kind of innovative processes emerged out of the political transition, one must ask why it should be considered as an example of innovation? Moreover, is it simply a case of creative individuals generating new ideas? The prior discussions tell us that this is not enough, but rather stems from the idea being accepted from the sector, the field and its domain, and even beyond, as being a shared practice.

The Bulgarian context raises the question of whether creativity as an act of radical artistic novelty can turn into a new shared artistic practice in the sector, while, simultaneously, promoting potentially new values. Does the emergence of new artistic forms already testify to immediate acceptance by the artistic community? If not, how did the community embrace it, if at all? Does it matter that these new art forms emerged during a radically changing political environment in Bulgaria in the 1990s?

In this chapter, I posited that it is important to critically look at these basic concepts, which cannot be addressed in sufficient complexity by solely drawing upon economic literature. This is because whilst economists are undoubtedly interested in quantifiable charactersitics of innovation, they do not know how to deal with creativity, which is why this concept invariably does not form part of their discourse.

Respectively, they reduce the innovation to quantifiable characteristics and undermine the importance of shifts in cultural and social values.

Recently, cultural economists have begun to further study this phenomenon, but these inquiries are still limited in their scope, especially when it comes to study the qualitative changes or changes in values. In order to discern what is important about the Bulgarian case, this chapter addressed all these questions through recourse to different disciplines. Bringing all these perspectives together broadened and enriched the understanding of creativity in its radical forms. Moreover, it helped me to conceptualise creativity and innovation more comprehensively, and be attentive to social conditions, the context in which these people operate, and capture some of the complexity and uncertainty which characterise creativity.

This chapter has revealed that creativity is not simply a question of a creative individual, but rather is a highly complex phenomenon that is studied by socio-psychologists in terms of the interplay between individual personal characteristics, talents, skills and his/her environment. Considering the interaction with the environment suggests that the social and cultural aspects of the phenomena, whilst less studied, are paramount to understanding of the complexity of creativity.

Creativity is conceptualised here as both the process by which ideas are evoked and materialised and the process by which these ideas become significant for others, that is, as a process that generates affection, followers and changes. In this sense, what is important about the Bulgarian case is not simply the generation of new ideas and new art forms, but about what values they evoke for the artists themselves and for others. Were these values able to affect others in a significant way which made them transform their own artistic practice and become followers of a new genre?

However, following Csikszentmihalyi (1996), Amabile (1983) and Mason (2003) reasoning, I propose to conceptualise creativity as only those forms of creativity which have a transformative capacity - creativity " with a big C", "hallmark" and "hard", as these conceptualisations are better equipped to fully comprehend the social and cultural aspects of creativity. Consequently, the analysis of creativity presented here aligns with "systems" theories of creativity (Montuori & Purser, 1996), where creativity is considered as important only insofar as it contributes to qualitative changes that continue to be valid in the long- term and in a concrete context.

The fact that creativity realises itself in a concrete context means that if newness is one of its core qualities, then it has to be publicly recognised, which this chapter addressed through the distinctions between public creativity and private creativity

and private newness and public newness. Creativity, in this sense, is not simply about mastering a skill connected to concrete knowledge systems and/or traditions (as the craft is), neither is it only about its capacity to generate a novel idea, rather it is both of these together and the possibility of being judged by others as new and significant which, ultimately, turns creativity into innovation. To do so, artists must articulate their work in such a way that generates levels of affection that create followers and forms of social acceptance, whilst, simultaneously, engendering changes in its domain (Amabile, 1983). Thus, to promote (transformative) changes, creativity must be of a certain quality which, in turn, in forms its transformative capacity (Csikszentmihalyi 1996), such as, for example, being novel in a radical sense and capable of generating long-term affection, significance, and so on. This immediately raises questions around an art work's recognition, that is, who is responsible for acknowledging its newness and legitimising it, and how does this happen? I address these questions in the following chapters 3 and 5.

This chapter also addressed the value formation of creativity. Economists ordinarily consider creativity to be a form of input that generates value for other products, processes and places. However, this chapter argues that it can also be a value in itself. In the context of a cultural good (which all art works are considered to be), an art work can yield manifold values, among which can be creativity itself. It is in this sense that it can be said to be associated with novelty, originality, authenticity, experimentation, openness, and so on. Moreover, if the value of creativity is shared, then it is capable of forming shared practices that praise creativity in its radical expressions. Was this the case for Bulgarian artists? Was the artistic community open to the experimental nature of the "unconventional" art? Were they ready to share the value of creativity?

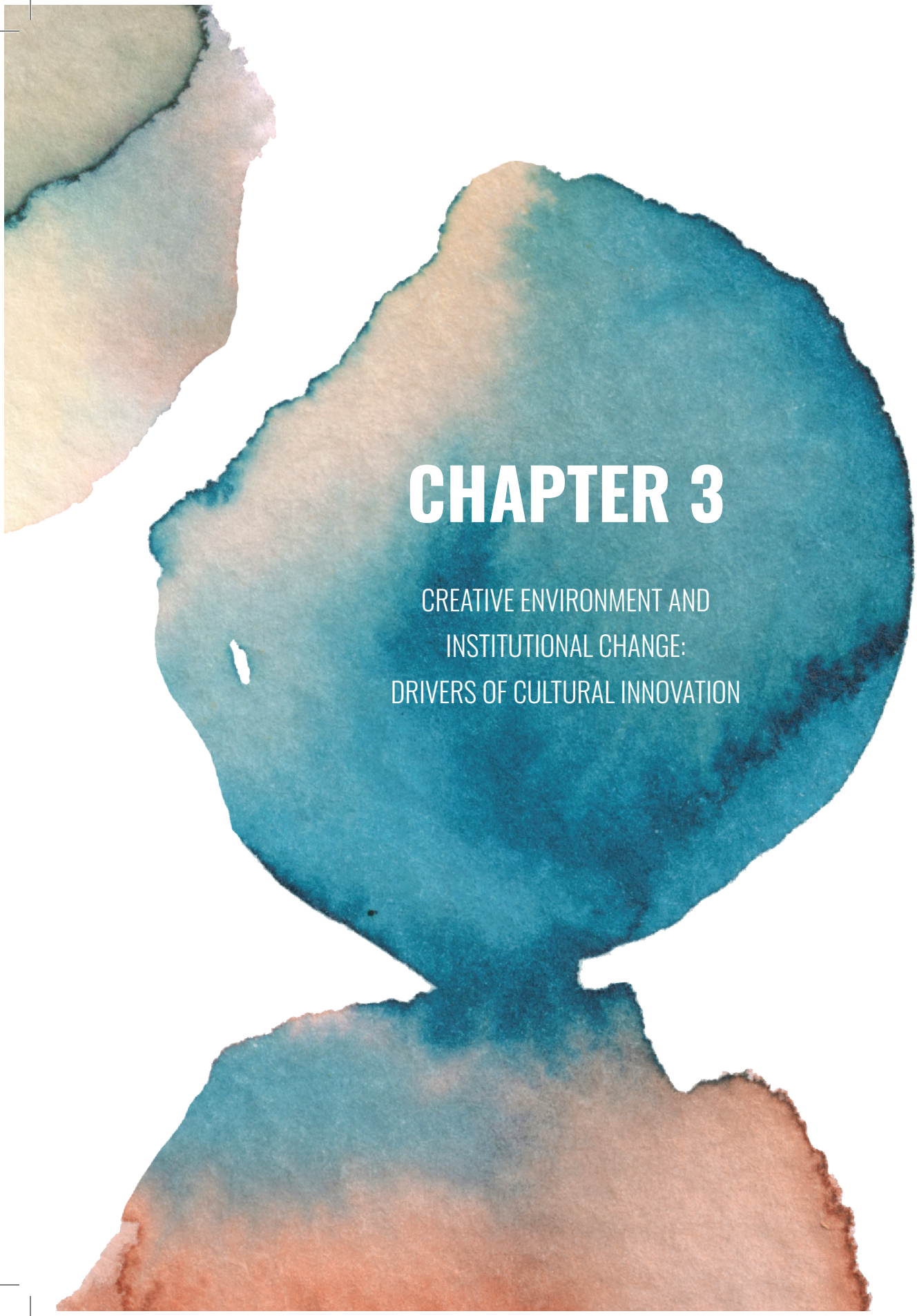
Here, the notion of art as a shared good is of critical importance for understanding the Bulgarian case, because it addresses the collective nature of creativity. To become a value in and of itself, creativity must turn into a shared practice that it is recognised by those who practice it and those who judge it, i.e. it must be embraced as a criteria worthy of judgment. The analysis of the latter is embedded in various practices which valorize the new work, a topic which is discussed in chapter 6. If the value of creativity is not shared among the artists, then they might remain resistant to its recognition and acceptance in their own practices, i.e. in the practices of the sector. Then, they can undermine its importance in the works of others, or, alternatively, if they choose to recognise it, they can remain ignorant towards it and, thus, not be able to foster artistic innovation in the sector.

Here, an important argument to consider is that the values that an art work yields are not fixed, but rather are shaped in a concrete context, which is contradistinction to the position of many economists that values are always fixed (expressed in preferences, taste, etc.). Conversely, by extending further this perspective, this chapter has demonstrated that creativity as a value is formed via a dynamic process, which, according to social-psychological studies of creativity, can be defined as the dynamic interplay between an individual (talents, psychological characteristics) and their environment. The nature of this process is extremely vulnerable and highly unpredictable, but still capable of being studied.

It is expedient to know about creativity in this detail as I proceed to analyse the Bulgarian case, because, as aforementioned, the context of creativity needs to be studied in depth. This forms the topic of the next chapter, where I again draw upon inter-disciplinary approaches to examine the potential factors that underpin the different types and levels of creativity.

"It was the involvement of the entire community in the creative process that made the Renaissance possible. And it was not a random event, but a calculated conscious policy on the part of those who had wealth and power"

Mihaly Csikszentmihalyi (1996)



CHAPTER 3

CREATIVE ENVIRONMENT AND INSTITUTIONAL CHANGE: DRIVERS OF CULTURAL INNOVATION

3.1. WHY STUDY THE CREATIVE ENVIRONMENT?

In order to understand the radical change, if any, in the Bulgarian visual arts at the twilight of the 20th century, one must go beyond an examination of the internal dynamics of the art world in isolation to instead consider the various environmental contexts in which the arts operate. Indeed, a central argument of this thesis is that the field of inquiry urgently requires a broader picture, which this particular chapter provides. More specifically, this chapter picks up from the previous one by exploring the relevant environments in which creativity and innovation emerge and thrive.

During the political transitions of the 1990s, prevailing norms about what constituted an art work were challenged in the Bulgarian visual arts as a consequence of the dual-shift in subject matter and style of visual representation. The so-called "unconventional" art was represented in radically new forms, genres and modalities of communication with the audience. Such shifts in the Bulgarian context paralleled those occurring in other major artistic centres in Eastern Europe due to political changes across the region (Groys 2003).

As is well-documented, in that period Eastern European societies underwent a political revolution that engendered extraordinary social, economic and cultural changes. This raises the question of whether the radical developments in the art scenes of these countries were associated with and influenced by the profound changes in their respective political, economic and social environments. This chapter sets out to consider whether this was in fact the case and, if in fact it was, how can researchers analyse this interdependency?

While investigating the concept of creativity from different disciplinary perspectives, the previous chapter also proposed that the transformative power of creativity is realised only if it engenders significant qualitative changes, which can also be understood as innovation. The chapter also posits that creativity and innovation are socially constructed and characterised by a highly dynamic processes, which depends on the interplay between individuals' innate characteristics, cognitive capacities and their context (Amabile 1983, Eynseck 1994, Csikszentmihalyi 1996, Montuori & Purser 1996).

In the Bulgarian context, the importance of this is two-fold: on the one hand, radical changes in the environment either foster or hinder artistic creativity and innovation; on the other, those creative and innovative practices which generate significant social affection can also shape the environment via fostering values of openness, newness, co-creation and experimentation, which, in turn, can eventually produce changes far beyond the art sector.

To understand this dynamic of creativity and innovation, this chapter focuses on studying creative and innovative environments. What engenders art? How does environment change? What do these changes mean for artists and their professional practices? This is especially important for understanding the complex interrelationship between creative individuals and their environments, as well as how these interrelationships produce transformation, which constitutes the focus of the next chapter.

The history of art allows us to trace "why" and "how" structural breaks with existing conventions or modes of artistic innovation emerged and established themselves as new doxa. With respect to this question, several authors have highlighted the manifold ways in which the external social environment, qua economic crisis, revolutions, shifts in governments and so on, impact upon changes in artistic expression, while, conversely, others maintain that the arts function independently of such external factors, as if they were propelled by some internal dynamic.

If we think concretely about the visual arts in the Bulgarian context of the 90s, then it is pretty clear that artistic shifts were intimately related to the radical changes in the state governance of the arts, in terms of the entry of different individual players as dealers, gallery owners, curators, artists and government/foundation representatives. Indeed, all these players shaped social and cultural conditions through their respective positioning in different institutional settings, including the market, government and foundations. The way these players interacted - via the application of their specific institutional norms - shaped the nature of the support they either provided or failed to provide to newly emerging art forms (Klamer & Zuidhoff 1998, Klamer 2017).

With this in mind, the aim of this chapter is to provide an understanding of environments which foster radical artistic changes, paying attention to the role of various institutions and how the ongoing changes they undergo may (or may not) encourage (artistic) creativity and innovation to take place. More specifically, in this chapter I discuss the factors that support (artistic) creativity and innovation. Informed by the literature review of economics, sociology and social-psychology studies, here the analysis aims to define the favourable conditions in which artistic creativity thrives and induces radical changes. Further, I investigate what can be classified as changes in the institutional environment. Next, the chapter delineates an understanding of various institutional logics and practices through which the government, the market or the third - sector institutions support (new) artistic practices. Finally, the chapter provides conclusions in relation to these aforesaid discussion points.

This chapter takes recourse to different disciplinary perspectives on environments, institutional change and their respective relations to artistic creativity and innovation. I frame the discussion in this chapter with the concept of the creative environment, drawing specifically upon system theory of creativity.

3.2. CONTEXT AND FAVOURABLE CONDITIONS FOR ARTS AND CULTURE-LED CREATIVITY AND INNOVATION[25]

The previous chapter concluded that creativity and innovation are integral to change and, moreover, that they require their own time, space and context. In a sense, then, the emergence of creativity and innovation cannot be predicted in advance, but rather can only be encouraged. Consequently, it is crucial that artists work in environments that they feel a sense of belonging to, where they can learn and share knowledge, ideas and inspiration with others, and have a sense of common ground. These are not the only factors require, however, because art does not exist in isolation from the rest of the world. Rather, art must also be facilitated by external sources – human, financial and cultural. In light of this, the challenge facing researchers is how to detect those specific factors inherent within an environment that facilitate creativity and innovation in the arts. Or, phrased otherwise, why can some social environments be considered to be more supportive to the creativity and innovation in the arts than others?

As the previous chapter made apparent, (artistic) creativity and innovation are only meaningful when they are situated in a particular context, within which the ideas and/or products that are generated by them come to be recognised and adopted by others. Given that creativity is difficult to measure objectively, artistic forms of creativity are ultimately validated by social judgments (White & White 1965/1993, Becker 1982, Bourdieu 1993, Simonton 1988, Amabile 1983, Boden 1994a, Csikszentmihalyi 1996, Montuori & Purser 1996, Collins 1998, Throsby 2001, Murray 2003, Hutter & Throsby 2008). Indeed, as aforementioned in the previous chapter, novelty, one of the core qualities of creativity, is tightly bound to the notion of social acceptance, (Amabile 1983, Eysenk 1994, Martindale 1994, Montuori & Purser 1996).

In this respect, Csikszentmihalyi (1996) argues that the validation of creativity is always tied to a specific context and constituted through the interaction between a given domain of knowledge, a field of experts, and those creative individuals that challenge doxa within the existing domain. A domain is made up of shared knowledge

[25] The author thanks Christian Handke for his very useful comments about the economic conditions of innovation.

and expressed through "symbolic rules and procedures" that are different in the sciences, arts and other domains (p. 6). The field is represented by experts, that is, those people who define and redefine what the conventions are within the domain. Finally, there are those talented individuals who draw upon the domain's extant knowledge whilst, simultaneously, challenging its existing conventions in order to introduce new ideas and products.

In the previous chapter, I delineated the most important qualities of creativity for engendering qualitative changes, which for our purposes here concerns artistic innovations. However, the other key question to be considered pertains to how to make sense of the different conditions which constitute creative environments.

When creativity researchers attempt to explain an environment within which creativity and innovation thrives, invariably all kinds of issues emerge. The literature suggests that creative environments are constituted by a range of factors within which activities are undertaken. Ultimately, then, the task here is to study those factors within an environment that foster qualitative changes (in values and practices), most notably, those generated by the arts.

The aim of this section is to analyse the conditions of creativity and innovation which allow for qualitative changes to occur. Is it possible to determine more or less stable conditions that are conductive to creative endeavours? The assertion here is that the modes of creativity that are crucial for transformative changes (radical innovation) require particular conditions to flourish.

If we consider the emergence of Bulgarian visual arts, through recourse to Elster (2000), I would contend that these new conventions came about through both the development of the art scene itself and the pressing need for the art domain to change. Another perspective on this issue could be that artistic creativity and innovation also were informed by non-art related events, such as social revolutions, changes in the political, economic, scientific spheres and the broader environment which, in turn, drove changes in art conventions. Indeed, as Elster (2000) purports: "extra-artistic events such as the Industrial revolution or class conflict, create the need for new forms of artistic expressions" (p.225).

If one looks at literature that adopts a historical perspective and examines other periods of time, then it is evident that artistic creativity and innovation qua new art movements, styles and genres flourished under freedom of action (Murray 2003), for example, and other dramatic changes in the environment, such as civil disturbances (Simonton 1977a). In parallel to these macro factors, Becker (1982) talked of the role of the 'art world', while Csikszentmihalyi (1996) spoke of the field. This can be

defined in terms of a network of art professionals – including academics, curators, dealers, critics, artists and buyers – who provide advocacy for and endorsement of artists' works through a range of activities, such as exhibitions, critical appraisal, and private and public purchases. From this perspective, importance is placed upon the manifold forms of validation provided by experts or gatekeepers and certifiers (Bonus & Ronte 1997, Caves 2000, Wijnberg & Gemser 2000, Abbing 2002, Velthuis 2005, De Marchi 2008, Hutter & Throsby 2008); the interactions among and between artists/peer groups (Collins 1998, Rantisi 2004, Accominotti 2009); role models, and prior education (Simonton 1984); the role of cultural organisations (Castañer & Campos, 2002); levels of competition (Gardner 1993, Simonton 1984, DiMaggio & Stenberg 1985); and financial support (Alexander 1995, Frey 1999, Klamer & Petrova, 2007).

With respect to this, I will start my discussion here by clarifying that the supportive environment is constructed from both: (1) extra-art social, economic and political factors; and (2) structural factors within the art world itself, in which artists, intermediaries, peers and cultural organisations interact. Although these factors undoubtedly foster creativity, none of them in and of themselves can cause creative accomplishments to occur (Murray 2003).

For the purposes of clarity, in this thesis I am adopting the factors delineated by Castañer & Campos (2002) and group these factors under the following taxonomy: macro, meso and micro level factors driving artistic innovation. The analysis of *macro-level factors* pays attention to general economic, social and political conditions that characterise the environments in which creativity and innovation occur. They can refer to conditions in a city, region or entire country. *Meso-level factors* pertain to those factors that are determined by the sector's infrastructure, including intermediary organisations and actors, branch organisations, associations and finance-providing supporters. The analysis of *micro-level factors* stresses the importance of various factors occurring at the level of an individual organisation, group and network. Each of the sub-sections below comprises a literature review of general factors of innovation and considers their relevance for understanding the specific forms of innovation generated in the arts and culture, more broadly.

3.2.1. Macro-level factors of creativity and innovation

General economic, political and social factors of creativity and innovation

From an economic point of view, the level of national economic development, education and human capital, as well as competition are all key factors for innovation.

Consequently, countries, cities and regions that are richer and grow faster tend to be more innovative. Human capital leads to innovation as it creates new ideas and commercialises them (Jacobs 1969). Education is crucial for fostering the requisite skills and forms of knowledge for those agents who are promoting radical changes throughout society. Florida's (2002) argument about the importance of geography in a city's creative development complements Marshall's (1890) claim that geographic proximity fuels knowledge transfer, innovation and growth.

Competition has also been said to be closely associated with innovation. Theoretically speaking, two perspectives are predominant within academic research (Handke 2010). One theoretical camp highlights the importance of concentrating on the market power of suppliers, which is in accordance with Schumpeter's (1942/1975) insight that greater market power leads to greater investment in innovation. Yet, Schumpeter's position is different with respect to the point that innovation-based monopolies are temporal. The other side of the theoretical spectrum purports that markets can reduce innovation due to the fact that they aim to be efficient and thus avoid inefficiencies born by the pursuit of innovation. However, neither of these two opposing positions is ultimately tenable in light of existing empirical research (Handke 2010).

This has led to an increased interest in the mechanisms fostering innovation on the behalf of policy-makers (Morck 2001). In line with this reasoning, several studies have explored the prerequisites of creativity and innovation within the arts and cultural sectors at the macro-level, identifying the importance of general political, economic and social factors, such as markets, the role of cities, national culture, technology development, education and government policies.

Place

The importance of the place (city, region) has routinely been argued to be a crucial factor for (artistic) creativity and innovation (Montgomery & Robinson 1993, Csikszentmihalyi 1996, Florida 2002, Murray 2003, Ginsburgh & Weyers 2006, Pratt 2007, 2008, Cooke & Lazzeretti 2008). At the city and regional level, various studies have demonstrated the relevance of size, wealth, prosperity and educational level of the population for flourishing of the artistic creativity and innovation.

Drawing on empirical evidence on the performing arts and museums in the US, Heilbrun and Gray (2001) argue that a higher educated audience supports higher levels of innovative programming in the performing arts[26]. Moreover, the authors found that

[26] Here, innovation is identified by the authors in terms of the programming of contemporary art works.

cities with greater population sizes enjoy greater levels of non-conformity in their artistic programming. In another study, DiMaggio and Stenberg (1985) observed that it was not solely about the availability of resources in local areas, but rather the level of competition among the involved actors which is decisive for innovation to take place. Accordingly, the sheer diversity of suppliers involved in art production in big cities also serves to stimulate innovation in these places.

Murray (2003) puts forward a similar argument. In his historical analysis of human accomplishments (incl. the arts and sciences) between 800 b.c. and 1950, the author drew on extensive historical evidence to demonstrate that significant creative accomplishments in the arts, in terms of new movements, styles and forms, are facilitated to some extent by prosperity, freedom of action and wealth of the cities. Here the author emphasises the importance of cultural capital for driving innovative changes in the artistic field. Simonton (1977a) and Csikszentmihalyi (1996) add to this analysis by arguing that the cultural diversity of places and the occurrence of civil disturbance induce radical newness within the arts. Hence, notable artistic achievements are the product of cultural diversity, the openness of a particular society to new ideas, the strength of a community's desire to support culture and the appreciation of art by its supporters (Csikszentmihalyi 1996).

Another factor that relates to the city as a factor of innovation is the cluster. In principal, the argument behind clustering is that geographic proximity to other cultural/creative practices (mostly small and medium sized creative enterprises) generates more competitiveness within companies, which simultaneously compete and collaborate to gain economic advantages. Communication, competitiveness, exchange, complementarity, logistics, localization, branding, public perception is but a few advantages of clustering which have been discussed in the existing literature (Potts 2011).

Based on empirical research on urban policies and clustering within the US creative industries Wu (2005) concludes that educational structures play a key role. They serve as catalysts to innovation as they conduct cutting-edge research, stimulate proactive collaborations and they supply the needed human capital. The 'creative workforce' is the name that Cunningham (2011) attributes to the impact of education and training for (user-led) innovation in diverse settings. However, Robson and Jaaniste (2010) maintain that education alone cannot produce a more innovative society. Instead they suggest a cross-sector approach whereby formal and informal learning programs play a part in building innovation cultures and capacities. They suggest that schools generate 'best practice' learning interdisciplinary programs that encourage and promote innovation. Linking these programs with the practical work of contemporary

arts organizations could serve to generate new teachings and models for innovation. It is however not clear how these education systems can best serve the innovative dynamics within each specific knowledge domain.

New technologies and digitalisation

Developments in technology enable new ways of production, dissemination and consumptions within the creative industries (Baumol 2006). Digitalization proves to be an increasingly important factor of innovation. For example, research illustrates how digitalization fosters innovation within arts and creative organizations (Bakhshi & Throsby 2010). Digitalization affects both humdrum innovation and content creation through (a) new audience reach using online collections and social networking platforms; (2) development of new art forms (3) value creation (greater audience value); and (4) in business models (Bakhshi & Throsby 2010).

Despite the positive effects of digitalization, however, technological development has unclear consequences on long-term innovation. Some authors warrant that rapidly changing technologies can also create obstacles. Presenting findings on the innovation within the game industry, from a managerial point of view, Hotho and Champion (2011) indicate that rapid technological change requires rapid adaptation to new business models and as such creates organizational pressure between management bodies and workers.

National culture

Another important macro factor discussed in the literature is the role of national culture. Because of the difference of the culture, some societies can pursue change more successfully than others (Hofstede 1980, Schwartz 2014). According to Jaaniste (2009), "[i]nnovation is supported by a broader culture of 'atmosphere' of innovation" which is characterised by "a risk-taking, [that] promotes the value of experimenting, and rewards enterprise" (p. 215). This broader culture comprises, firstly, of 'the social imagining', which appears when both individuals and groups consider important innovation and change, and, secondly, of an education system that promotes innovation (Jaaniste 2009, p. 215). Through a more conventional understanding of culture, understood in terms of national traditions, values and societal norms, Morck (2001) purports that culture ultimately dictates work practices (defined in terms of economic relationships confined to relatives and close friends) and proves to be a barrier to entry for outsiders.

Policy

Frey (1999) suggests that the cultural policies and different political orientations of governments also impact on the creative output of the arts in countries[27]. A further notable study examining breakthroughs in the music industry within the 20th century (Tschmuck 2006) showed that different levels of novelty within the music industry were fostered by a host of institutional changes, namely, different mechanisms of market promotion, the emergence of independent music producers, the introduction of copyright laws, as well as the foundation of collecting societies.

From a policy perspective, as it was discussed in the previous chapter, there is a tendency to broaden the focus of innovation policy based on scientific knowledge and manufactured technologies toward overarching policy encompassing cultural, social and educational, policies, where technology still remain at the core (Jaaniste 2009, Potts 2011). In respect to this, the broader conversation about creative industries brings a new dimention to the policy realm, namely the discourse on creative sector innovation policy (Jaaniste 2009, Potts 2011). Public interventions that consider factors such as digital participation, communications, infrastructure capabilities, intellectual property frameworks and R&D, as well as interventions that target collaboration among various stakeholders (universities, research institutes, business, collections and media agencies, schools, undergraduate university and vocational training centers, etc.) can foster innovation (Department for Culture, Media and Sport and Department for Business, Innovation and Skills 2009, Jaaniste 2009). However, the policies as factor of innovation also can have downside effects on innovation. For example, Doyle and Paterson (2008) study the negative impact of policy intervention in UK broadcasting sector where public policy hamper innovativeness and creativity because of "industrial fragmentation, changing organizational structures and the advent of a predominantly freelance labor market" (p. 12).

Different claims have been made in terms innovation is thriving within markets either under protectionism or competition. Schumpeter (1942/1975) argues that the market structure that provides temporal protection to new organizations and products is more supportive to innovation. However, if this protection remains in long term, it can lead to monopoly, which in turn hampers innovation. While promoting innovation through content creation, Handke (2012) shows that copyright holders in the German record industry experienced copyright protection as an obstacle to humdrum innovation. The analysis suggests that smaller firms with weaker copyright

[27] How exactly this occurs in practice is discussed below in the sub-section on financing.

establishment experience lower benefits than larger firms. However, the author also suggests that this might shift with the introduction of technological changes in the record industry.

3.2.2. Meso-level factors of creativity and innovation

Much of the literature examining the effects of financial support on innovation within the arts and culture highlights the importance of the roles played by financing (public and private) and intermediaries.

Financing

The allocation of public or private financial resources is considered to be another means through which to overcome uncertainty in cultural products and the process of innovation. Economists have argued that effective financial systems allow for risk-sharing, which respectively reducing (partially) the risk bias of innovation (Handke 2010).

Following this line of reasoning, institutional theory studies brought empirical evidences that for example, in the American theater sector, innovation flourishes in the face of public finance, because it allows art organisations to take higher risks and perform with a higher level of innovativeness (DiMaggio & Stenberg 1985). However, in the field of cultural economics, there is understanding that the way cultural good is financed matter to its valuation and its functioning (Frey 1999, Klamer & Zuidhof 1998, Throsby 2001, Klamer 2002, Klamer & Petrova 2007). Similarly, in a critical review of the state of cultural policy research, Ellis suggests that attention to such studies should focus on "the impact of changing funding criteria on the patterns of arts activity" (2004, p. 3). The argument here is that the mode of financing has bearing on the organisation of cultural institutions and especially affects the appraisal of cultural goods and their valorization.

In line with this, cultural economists argue that direct public subsidies crowd-out artists' intrinsic motivations and the production of innovative work, respectively (Frey 1999, 2002). Furthermore, research[28] proves that publicly funded museums have less incentive to embrace technological and organisational innovations in contrast to privately funded organisations which are more flexible with respect to embracing such changes (Camarero, Garrido & Vicente 2011). However, this research also demonstrates that both excessive public or private support can diminish innovation, and, resultantly, the authors recommend a mixed funding scheme. Another aspect of

[28] These results are based on a survey conducted among 491 museums in the UK, France, Italy and Spain.

this discussion is that the different stages of the innovation and production processes require distinct financial mechanisms (Jaaniste 2009). For example, highly innovative R&D research requires lump-sum direct support, whereas partial subsidies suffice for commercial R&D. Yet, the lack of rigorous empirical evidence on both the type and precise allocation of financial resources (how long, how often, how much, etc.) creates a difficult dilemma for policy-makers to negotiate. The solutions suggest by those studies is that of mixed funding where governmental support is completed with venture capital or bank loans or that governments re-allocate financing to the arts indirectly through promoting tax incentives in order to attract private supporters.

Intermediaries

As discussed earlier, the specific nature of the arts means that the allocation of resources is invariably connected with intermediaries. Their role is especially vital in the case of radical innovations generated from content creation (Becker 1982, Wijnberg & Gemser 2000, Bonus & Ronte 1997, Abbing 2002, Velthuis 2005). According to Wijnberg and Gemser (2000), the establishment of Impressionism as a new movement required a profound transformation of the existing selection system, which allowed Impressionism to enter the arts scene and subsequently receive private support. This change was driven by close cooperation between dealers, collectors, curators and peers. Similarly, Csikszentmihalyi (1996) argues that the conditions of emergence for the Renaissance derived from "a calculated conscious policy on the part of those who had wealth and power" (p.8). In another study, Rantisi (2004) proposed that the institutionalisation of intermediaries (through trade journals, fashion magazines, retail shops, design schools, professional trade associations and unions) served to facilitate the shift towards radical innovation in the New York fashion design industry.

3.2.3. Micro - level factors of creativity and innovation

Meso and micro factors are closely related to each other in the sense that they account for the resources and operational capacity of the sector as a whole, as well as the resources and organisation of each individual actor (group, network, individual organisation) separately. From a micro-level perspective, extant research has shown how various characteristics of formal organisation (age, internal structure, working environment and the role of entrepreneurs, managers and creative workers), informal social networks (the extent of collaboration) and individual artists affect innovation (Castañer & Campos 2002).

Organizations

The general literature on innovation is altogether inconclusive with respect to the relationship between industry structure and innovation. It can be observed that large firms are better at incremental innovations, and innovations that are highly expensive to develop. Conversely, small firms and start-ups are better at radical innovations, and innovations that are cheap to develop (Morck 2001). One explanation for this could be that exploitation of innovations is typically related to large economies of scale due to the cost structure of high development costs and low or marginal costs of additional applications in other firms. Consequently, small firms are at a disadvantage, in that they cannot exploit economies of scale. According to Acs et al. (1997), the solution to this is an 'intermediated market entry', which involves small innovators selling or distributing through large firms.

Similarly, in the cultural sector, it has been shown that large companies tend to support predominantly incremental and rather humdrum forms of innovation, whereas small firms promote content creation, which, in turn, produces radical forms of innovation (Caves 2000). Whilst the former are organised as more stable and hierarchical firms, the latter operate within fragmented and flexible networks. For example, in their analysis of the film industry, Mezias and Mezias (2000) observed that the presence of smaller, less structured, and relatively specialised firms is often crucial to an industry's ability to generate innovation. However, when it comes to rigorous empirical evidence, the link between the size of an organisation and the level of innovation proves to be critical. In support to Schumpeter's (1942/1975) claim that large firms are the most innovative due to their need to maintain a competitive advantage, whilst Camarero, Garrido and Vicente's (2011) empirical findings demonstrate that larger museums are more technologically and organisationally innovative than smaller ones. Conversely, in their investigation of the impact of institutionalisation on theaters in the US, DiMaggio and Stenberg (1985) proposed that the larger the theater, the more negative the impact was on innovativeness.

Informal social networks

The level of collaboration among professionals and creative workers within small networks has also been proven to foster artistic innovation. Uzzi and Spiro (2005) identified that the degree of interconnectivity between small professional groups within one sector - a musical production on Broadway[29]- positively impacted on artistic

[29] The research is conducted on Broadway musical productions between the period 1945-1989.

creativity, both in financial and artistic terms. Further research by Currid (2007a) and Rantisi (2004) reported that close social interactions was a source of innovation within the loci of creativity and experimentation. Based on an analysis of the entertainment scene in New York[30], Currid (2007a) concluded that spontaneous social mechanisms and cross-fertilization among visual artists, musicians and designers serves to develop a sense of collective inspiration, closely followed by collaboration, which, in turn, culminates in the production of new goods.

Through an analysis of the creative careers of 41 major modern painters, Accominotti (2009) concluded that major artistic breakthroughs occur within the context of artistic movements, which is to say that personal interactions have a greater generative effect on innovation than an individual artistic career. In the same vein, Wijnberg and Gemser (2000) argued that Impressionists succeeded in entering the existing art world their radical mode of innovation, primarily due to collaborations between those artists who invented and practiced the new form, allied with their collaboration with a host of intermediaries. Further surveys of professional artists and their creative performances support this aforesaid historical evidence, concluding that support plays a decisive role when creativity and innovation are at stake (Montgomery & Robinson 1993, Throsby & Hollister 2003)[31].

Entrepreneurship

Research by Rantisi (2004) and Lazzeretti (2008) complements Schumpeter's (1942/1975) proposition that entrepreneurs play a critically important role when it comes to the transformation of novel ideas into innovation. This is because of their capacity to balance economic and artistic/creative values during the process of innovation. Mora (2006)[32] showed that in order to strike a balance between innovation and existing traditions within the fashion design industry in Italy, a mutual adjustment between loyal customers, gatekeepers, designers and market specialists had to take place. Similarly, Alexander (1995) suggests that due to the strong negotiation abilities of arts

[30] The analysis is based on 80 interviews conducted with New York agents within entertainment venues (cultural producers/managers, gatekeepers, and owners).

[31] Research on the behaviour patterns of artists in New York demonstrates that the most important environmental factor that facilitated artistic creativity and innovation are the support systems for art, including a peculiar set of peer networks and the small social groups of artists (Montgomery & Robinson 1993).

[32] These conclusions are based on a qualitative analysis of six fashion design companies, which differed in terms of size, turnover, organisation, product types and reference markets. The author identifies three human resource factors that determine the extent of creative production within Italian fashion design: (1) strategic, used primarily by managers; (2) technical, used by skilled employees; and (3) procedural, used by a specific type of manager that oversees the entire process of production.

managers and curators in British art museums, the programming of new, experimental exhibitions was not solely dependent on the imposed requirements, values and norms of external supporters (i.e. individual and corporate donors).

Individual artists

Building upon the analysis presented in chapter 2, below I refer to some of the conclusions drawn there. Based on their theoretical and empirical analysis, Bryant and Throsby (2006) define (1) talent, (2) family support and (3) peer-assessed grants received as the key factors involved in fostering individual artistic creativity and innovation. Based on their respective historical analyses of successful artists, Simonton (1977a) and Murray (2003) stress the importance of transferring knowledge from teacher to pupil, where the role-model structure functions as a driving force for creative breakthroughs to occur in the careers of individual artists. Galenson (2006) cites another example, highlighting the age and acquired experience of individual artists as being decisive factors for creative breakthroughs. Frey (1999) cites empirical evidence that artistic creativity and innovation are dependent on a degree of leeway between institutional factors and their effect upon artists' motivation.

3.3. CHANGING ENVIRONMENT AND CHANGING INSTITUTIONS

The analysis presented in the previous section aids my attempt to make sense of the types of environment that are conducive to creativity and innovation. It suggests that creative and innovative environments comprise various macro, meso and micro factors, which combine both the general national context and the highly specific context of the art sector. However, the Bulgarian context also raises questions about the impact of radical institutional change on artistic creativity and innovation. Specifically, in what ways, if at all even, did the shift from the planned state economy towards instantiating a free market economy affect (artistic) creativity and innovation in Bulgaria? That is to say, how did changes in the existing environment affect artistic practices during this period? And how should one make sense of the changes that these artistic breakthroughs generated – do they affect in some way the immediate environment of creativity and innovation?

To address these aforesaid questions, it is essential to understand how disparate institutional logics (market, governmental, third-sector) interrelate, while, simultaneously, the environment for creativity and innovation was changing, i.e. the radical shift from the planned market to the free market in Bulgaria.

3.3.1. Institutional change: the interrelation between structural and value change

The political shifts witnessed in the 1990s profoundly reconfigured the institutional landscape of the country; new laws were established, constitutional changes took effect, new procedures opened up for privatization, new public regulation mechanisms were designed and implemented. However, amidst the obvious importance of these aforesaid instrumental changes, an additional set of less obvious changes - changes in norms, values and traditions- also had a profound effect.

In an attempt to encompass both sets of changes, North (1990) explored the concept of institutional change as a result of the social conditions of the time, which depended upon the relationship between various actors, environmental conditions and existing or evolving institutions. Accordingly, institutions constitute a framework within which society operates via designing incentives which people and organisations either choose to accept or reject. However, institutions also take the forms of constraints that structure people's lives and interactions.

The theory of institutional change stresses the process of changes by explaining structural transformations that are embodied in systems of social relations and which are affected by radical changes, whereby individuals are culturally and institutionally determined (North 1990). As such, this approach places emphasis on both the social power that defines the behaviour of individuals and organisations and the process of learning as a means through which to explain the adaptations of people to change.

North (1990) distinguishes between three elements which determine the success of institutional change: *formal rules, informal constraints* (qua conventions), which are also referred to as formal and informal institutions, and the effectiveness of their *enforcement*. Both formal and informal institutions can either be created or evolve over time. *Formal constraints* or institutions can take the form of, for example, political or economic rules and contracts (constitutions, laws, individual contracts, etc.), which ultimately aim to facilitate in the most efficient way the exchange between the players involved, and, as such, can be said to induce economic growth. *Informal constraints* or institutions compel via their "reputations broadly accepted standards of conduct, and conventions that emerge from repetitive interactions" (North 1990, p. 36). Accordingly, they can be (1) extensions, elaborations and modifications of formal rules; (2) socially sanctioned norms of behaviour and (3) internally enforced standards of conduct. They are driven by culture in a broad sense and can be defined as the "transmission from one generation to the next, via teaching and imitation, of knowledge, values and the other factors that

influence behaviour" (Boyd and Richerson 1985, in North 1990, p. 37). The *enforcement of the rules* (formal and informal) is a mechanism by which agents engage in implementing the rules based on the dual-cost of information and expected gains. Here, North (1990) emphasises that rules can either be self-enforced or enforced by the "ruler". The former typically occurs among agents (organisations) where *interpersonal exchanges* are taking place, such as, for example, where members know each other well, interact regularly and, as such, can easily engage in cooperative behaviour. Conversely, the latter is more typical of situations where *impersonal exchanges* among actors take place, such as, for example, via application forms or other formal communication. This is most typical within governmental and/or market structures, where information is scarce and there is often a lack of repetitive interactions between the same actors. The combination of these factors serves to create serious difficulties for cooperative behaviour.

In economic terms, the successful enforcement of formal and informal institutions is realised when there is a low cost of transaction, i.e. low cost to securing the right information, which is more likely to occur with self-enforcement of informal constraints than with formal constraints. Next to this, transformative change to be realised, credible commitment is required "so that more efficient bargain can be struck" (North 1990, p. 52).

North proceeds to argue that institutional changes are incremental in character, because of both the cultural embeddedness of informal constraints and the dynamic nature of the process itself. The pervasive nature of informal constraints is dependent on whether a specific culture is based on strong traditions, as such cultures produce strong conventions. They serve to function as social ties which can be understood as a bulwark against environments characterised by change and uncertainty. In such instances,

> "[C]ulture filter provides continuity so that the informal solutions to exchange problems in the past carries over into the present and make those informal constraints important sources of continuity in long-run societal exchange" (North 1990, p. 37).

In this way, the process of institutional change is defined by adjustments to new rules that can be related to changes in incentives, preferences (taste) and behavioural norms, whose dynamic nature derives from the lock-in between institutions, agents and the feedback provided by human beings in response to the changes in constraints. When in this process institutional constraints play a greater role in the adjustment (or reaching consensus) process, then it inevitably involves a process of judgment. This relates to a range of sectors, including artistic and cultural ones. However, what is the specific meaning of this for the Bulgarian visual arts during the transition from a planned economy to a free market economy?

From an economic perspective, the art market is characterised by information bias, which makes the transactional costs incredibly high. Respectively, the agents who have the requisite information can influence these transactional costs by adopting different strategies, including maximizing profits, free riding, etc. In this respect, the role of intermediaries is of tremendous importance for regulating this information bias, and, in turn, the transactional costs. At the same time, as discussed in the previous section, the intermediaries are in different types of relationships with each other, with artists, as well as governmental and market institutions. Moreover, these relationships are created during a concrete socio-cultural context, which means that the process of engendering a public appreciation of newly emergent art forms is a highly uncertain one, because conventions are based on informal rules rooted in existing traditions and norms that shape the behaviour of the players in the art world. Furthermore, these rules are constantly being (re)negotiated, especially in light of pressures from external factors such as ideological/political revolutions, which requires time and the willingness of the involved actors to cooperate. As North (1990) argues:

> "The long run implication of the cultural processing of information that underlines informal constraints is that it plays an important role in the incremental way by which institutions evolve and hence is a source of path dependence" (p. 44).

The logic of path dependency suggests that existing systems are reproduced in the new one, albeit this often entails a change in the formal rules without necessarily affecting the nature of the 'new' system. There is also a need to change informal institutions, i.e. values, norms, traditions, which North (1990) explains as involving a process of learning, adaptation, and developing new coordination mechanisms. In markets with prevailing asymmetric information as art markets, path dependency can be a consequence of four self-reinforcing mechanisms: large initial sets of costs, learning effects, coordination effects and adaptive expectations.

3.3.2. Five-sphere model

Having established the role of formal and informal institutions, i.e. rules and values, during the process of institutional change, in this sub-section I turn my attention towards exploring the link between different formal structures, such as market, government and third-sector organisations, and the informal institutions or values that they can promote. To what extent do the latter differ across different formal institutions, and what are the consequences of this for the realization of artistic creativity and innovation during the shift from state regulated to the free market in Bulgaria?

In the field of cultural economics, Klamer (2017) introduces a five-sphere model[33] to explain how disparate institutional logics inherent to the market (M), government (G), so - called third sphere (S), as well the spheres of culture (C) and *oikos*[34] (O) affect the way economy operate (figure 4). This model is informed by so-called 'value - based approach' developed within cultural economics (Klamer 2017)[35]. Earlier version of this model, Klamer and Zuidhof (1998) apply to specifically to the art sector. To explore the nature of the interdependence between the different spheres, the authors consider the allocation of financial resources as a medium through which to influence artistic creativity and innovation, an argument that I have already discussed in the sub-section in this chapter on the meso factors of creativity and innovation. In doing so, they argue that the way in which an institutional environment is constructed and allocate its resources has consequences for how the art field realises value, respectively how it realises artistic creativity and innovation. This is so, because of the different set of values that the art (culture) sphere aims to realise and respectively different values aimed by the governmental, market and third-sector spheres. In a sense, each financial arrangement involves a distinctive social structure and, therefore, engages different values and norms. Therefore, each sphere provides a different context in which the value of an artwork is realised, and, moreover, the specific institutional logic inherent to the context may affect the values of that artwork. In other words, when an actor participates in one sphere rather than another, it realises a specific set of values altogether distinct from those in other spheres.

Zelizer's (1998) theory provides an additional dimension to the analysis, specifically with regards to her point that different monetary payments are conditioned by different social relations. The various type of payments[36] are conditions by both the meanings of the relation and its duration:

> "Money as compensation implies an equal exchange of values, and a certain distance contingency, bargaining, and accountability among the parties… Money as entitlement implies strong claims to power and autonomy by the recipient… Money as gift implies intimacy and/or inequality plus certain arbitrariness" (p. 330).

Following these arguments, the values attained during the exchange of art works differ because of the manifold possible ways of organising the financial arrangements.

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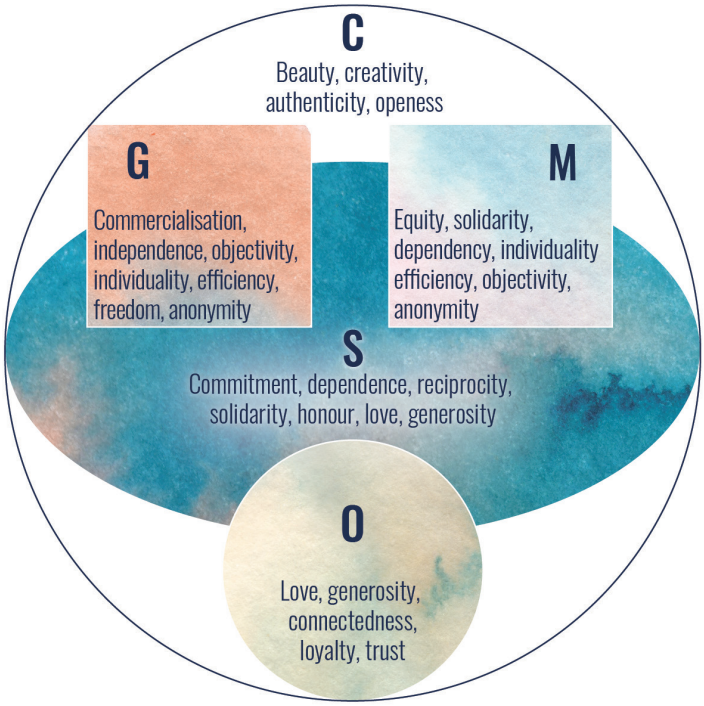
[33] Similar to Klamer (2017), Boltanski & Thévenot (2006) proposed that markets are structured by different 'orders of worth'.

[34] *Oikos* here translates as family.

[35] Further elaboration on this approach is presented in chapter 7.

[36] Zelizer (1998) distinguishes between compensation (direct exchange), entitlement (the right to a share), and gift (one person's voluntary bestowal upon another).

FIGURE 4 • Five-sphere model



Source: Klamer (2017).
Governmental sphere (G), Market sphere (M), Social sphere (S),
Oikos sphere (O), Cultural sphere (C)

Market sphere

From an economic perspective, the market is a place where the 'invisible hand' of the price mechanism ultimately determines the price of every good.

Whether cultural institutions and artists sell their work on the market or to companies in so-called sponsored deals, the instrument for financing is the price (economic value). In market type of arrangements, the economic value responds to principal of equality and often it is measured in terms of money. Because of the market principals of commercialisation, independence, objectivity, individuality and rationality market transactions generate values of efficiency, freedom, anonymity and accordingly markets "render personal and social relations irrelevant" (Kalmer & Zuidhof 1998, p. 7). Accordingly, cultural institutions have to supply something that the other party is willing to pay for. Needless to say, this type of financing requires an effort quite different from that necessary to apply for government funds.

Governmental sphere

Ordinarily in economic analyses, in instances in which the market fails, governmental support is the next course of action. The purpose of governmental interference within the art sector, on the demand side, is to reduce the high fixed-costs in the sector and ensure the democratic accessibility of the arts for individuals with different income provisions. On the supply side, the government provides public direct and indirect support in order to ensure the professional status of the artists and sustain their income from art to a sufficient level, whilst, simultaneously, preserving the quality of their art products[37]. Public direct support considers direct allocations of subsidies, awards and grants from the central, regional or local government or government related organisations (for example, arm's-length bodies). The indirect support refers to tax exemptions, tax deductions and special (lower) tax rates for art and cultural institutions. Fiscal laws can, for example, encourage or discourage donations, boost the bequeathing of valuables, foster the creation of foundations, or encourage the consumption of cultural products and services (Klamer, Petrova & Mignosa 2006).

To qualify for governmental support, cultural institutions and artists have to demonstrate that their activities meet qualitative and quantitative standards stipulated by politicians and government agencies. They also have to account for their activities. If the government is the major source of finance, cultural institutions are more or less compelled to operate in the governmental circuit. In supporting the arts and culture, the government also counts on principles of objectivity which rely on impersonal relationships combined with bureaucracy and political assessments. As such, governmental support is instrumental by nature. Therefore, its way of financing generates values of equity, solidarity and dependency. In addition, "artist[s] may appreciate this sphere as it allows them to avoid the negative values that they connect with the market sphere, such as commercialism, rationality, and anonymity" (Kalmer & Zuidhof 1998, p. 7).

Social sphere

While standard economists argue whether the market or the government is a better 'partner' to the arts, Klamer and Zuidhof (1998) and Klamer (2017) posit that the so-called third sphere or social sphere (S) could appropriately fulfil artists' needs.

[37] Abbing (2002) generates different conclusions about externalities. He examines the negative impact of governmental intervention in the art market. He discusses some aspects of this process in order to answer the question: Why are artists poor?

They describe it as an informal sphere that relies on contributions by individuals and organisations. Under this mode of financing, cultural institutions can generate funds by means of donations. These donations come in the form of money, work or time. In European history the maecenas provided a form of financing that was typical of the third sphere. Nowadays, foundations assume that role. Financing by means of the third sphere prevails in the Anglo–Saxon tradition and appears to be on the rise in Europe.

The complicity of all different participants and their relationships attach a wide range of values to artwork: commitment, dependence, connectedness and giving. These values are realised through the principals of personalising, socialising and reciprocity (Klamer and Zuidhof 1998, p.9). The principal instrument of financing within the third sphere is the gift, which involves values difficult to measure. In contradistinction to the other two spheres, here the financial arrangements realise through personal connectedness among people and groups which motivate various forms of gift (for example, donations, voluntary work, etc.). Consequently, the value of an art work is measured in personal terms, such as honour, love, generosity and so on. In line with this, third sphere is rooted in the principals of the of civil society. In a narrow sense S sphere is also the sphere where artists realise their works

Oikos sphere

Oikos sphere (O) is the sphere of the family and expresses in realization of family type of relationships based on love, generosity, connectedness, loyalty, trust, personalizing (Klamer 2017). Usually this sphere is a small with specific practices of mutual sharing, contributing and interdependencies. This sphere can be considered under the social sphere, but still recognising its specific characteristics.

Cultural sphere

Here culture is used in narrow and broad meanings. In the five-sphere model Klamer (2017) refers to the cultural sphere (C) as an overarching sphere, which encompasses the other four spheres and thus make sense of the realisation of specific other sphere values. In other words, the practices develop in each sphere become particular because of the specific culture of the concrete context, either geographically define, or by domain.

In the context of the arts, the cultural sphere reflects new ideas and content that artists create and share with others, and thus the meanings of the different art forms are valorized there. Klamer (2017) addresses this as C3 and connects to various artistic values. Cultural sphere refers also to the broader sense of culture considering for

example, the identity of a nation, city, region. Research on cultural value orientation of societies emphasise the importance of certain values which expresses the ideals of the society understood in terms of national traditions, values and societal norms (Hofstede 1980, Schwartz 2014). Culture is defined as a "normative value emphasis in the society" that persist in long time (Schwartz 2014, p. 259)[38]. This type of culture Klamer (2017) defines as C1.

If the domain of knowledge in the context of the arts invites us to consider artistic values and their realisation in different artistic practices related to new content, forms, etc. (C3), then the operation of the field is predominantly based on the realisation of social values, which are culturally embedded in the anthropological sense of the term (C1). In other words, comprising both types of culture, the practices of the artists in Bulgaria might be inform not only by the artistic values, such a beauty, creativity, authenticity, openness, etc. but also relate to the specific Bulgarian culture that shape national traditions and norms of behaviour.

Klamer (2017) also consider another cultural dimension of the C sphere that connects to culture as civilization (C2). It expresses the significant achievement in science, arts, policies, social development that shape in long term certain domain of knowledge, but also can relate to specific region or time period, for example thinking about the period of Renaissance that shape the European history in a different way than for example the American history. In a way C2 contains C3.

3.4. DRIVERS OF CULTURAL INNOVATION WITHIN A CHANGING INSTITUTIONAL ENVIRONMENT: CONCLUDING REMARKS

Can creativity exist outside of a specific context? As Florida (2004) states:

> "sustaining creativity over long periods is not automatic, but requires constant attention to and investment in the economic and social forms that feed the creative impulse" (p. 22).

In this respect, as aforementioned in chapter 2, to be complete, a creative act, especially one of outstanding quality, must be brought into the public domain and be acknowledged by others. Indeed, there is a well-established consensus among scholars from a range of different disciplines about the fact that creativity and innovation are only relevant to the extent that they are situated in a concrete context (Amabile 1983, Simonton 1984, DiMaggio & Stenberg 1985, Gardner 1993, Montgomery & Robinson 1993, Eynseck 1994, Alexander 1995, Csikszentmihalyi 1996, Collins 1998, Frey 1999,

[38] This is described as "the frequencies of particular primes, expectations, constraints, affordances, and taken-for-granted practices in a society" (Schwartz 2014, p. 549).

Caves 2000, Heilbrun & Gray 2001, Throsby 2001, Castaner & Campos 2002, Florida 2002, Murray 2003, Rantisi 2004, Ginsburgh & Weyers 2006, Klamer & Petrova 2007, Accominoti 2009).

This chapter has explored what precisely can be understood as environment that foster creativity and innovation, and discussed how to interpret and analyse them in the context of the radical institutional changes that Bulgaria experienced in the 1990s. Here, I have delineated that this environment comprises manifold factors that usually are studied independently of one another. *Inter alia*, non-artistic events like political revolutions, or the wealth, educational level and degree of competition within a given city, or the organisational structure of the sector, its field and domain or the informal networks and grouping of artists, are all factors that foster creativity and innovation.

Therefore, this chapter has provided a comprehensive framework through which to analyse the various factors that foster changes in artistic processes, by distinguishing between macro, meso and micro factors. Undoubtedly, it is difficult to prove straightforward causalities between specific factors and creativity, but nevertheless the review of literature suggests that there are some general trends which are important for analysing the Bulgarian context. This framework will advance the empirical analysis in the next chapter, when applied to the concrete context of the Bulgarian visual arts during the political transition.

The Bulgarian context is also illustrative of the dynamic nature of the changes in the institutional environment and their possible impact on artistic creativity and innovation. During the process of radical change, many aspects of the environment are simultaneously changing; to make sense of this I take recourse to North's (1990) theory of institutional change and Klamer's (2017) five-spheres model.

The analysis of a transition period, a moment of revolutionary change in society, such as the one that occurred in Bulgaria in the 1990s, must not only draw upon the analysis of formal institutions as drivers of change, because, as North suggests and Klamer illustrates in the art sector informal institutions, thus values might play an even greater role. Simply changing the formal rules via designing new ideological and economic rules during the transition from one political system to another does not suffice in bringing about transformative changes. North (1990) warns that the latter requires a credible commitment and that this holds for an entire economy and society, as well as for each constitutive sector.

Here, the cultural embeddedness of informal institutions is of especial importance. North (1990) purports that because of this, institutional change invariably takes a long time, and is thus incremental rather than revolutionary. This is especially the

case for those cultures predicated on strong traditions which have been practiced for a long time, as was the case with the Bulgarian art field before the political changes of the 1990s. Changing the informal institutions, i.e. values, norms, traditions, accordingly, involves the process of learning, new coordination mechanisms and adaptation.

In order to make sense of the changes in the creative environment and its relevance for the Bulgarian visual arts, I analysed what constitutes informal institution changes by arguing that the art world is embedded in broader institutional settings, which are underpinned by different logics - market, governmental, social, cultural and oikos - and, consequently, different value systems (Klamer & Zuidhoff 1998, Klamer 2017). Why was it important for Bulgarian artists to be cognisant of and act upon both macro changes in the political and economic spheres (i.e. the process of privatisation, new legal structures, the general structural reform in the arts sector, etc.), as well socio-cultural changes? Were these shifts associated with different values and distinct valuation practices? The main analysis was achieved by applying Klamer and Zuidhof's (1998) three-spheres, which was subsequently expanded by Klamer (2017) to a five-sphere model. According to the theoretical insights of the model, the different sources are restricted to the nature of monetary exchange in the market sphere, governmental sphere and third sphere, which through different financial transactions add different values to artwork. However, this does not only concern monetary exchange, but, rather, all other strategies undertaken in these spheres.

The central premise of the model is that each sphere operates in accordance with a specific set of values and norms. In the market sphere, a price is paid, the principle of equality prevails and is measured in terms of money. In the public sphere, the government provides subsidies based on criteria normally corresponding to bureaucratic and political assessments. While the M sphere stresses values such as independence, objectivity, individuality, rationality, and consumer sovereignty, the G sphere stresses equity, solidarity, accessibility, and national identity. The S and O sphere's intervention is based on principles such as trust, honour, love, and generosity and C sphere expresses in sense of artistic, intellectual, knowledge, creativity, openness, beauty. The complicity of these participants and their relationships thus serves to assign a wide range of values to artwork: commitment, dependence, connectedness, giving, and so on and so forth.

With respect to the Bulgarian situation, this model suggests that the artists were extensively supported by the government prior to political transformations, and that subsequent to political shifts they were required to adjust their value system to those associated with the market and third sphere. However, what did this value

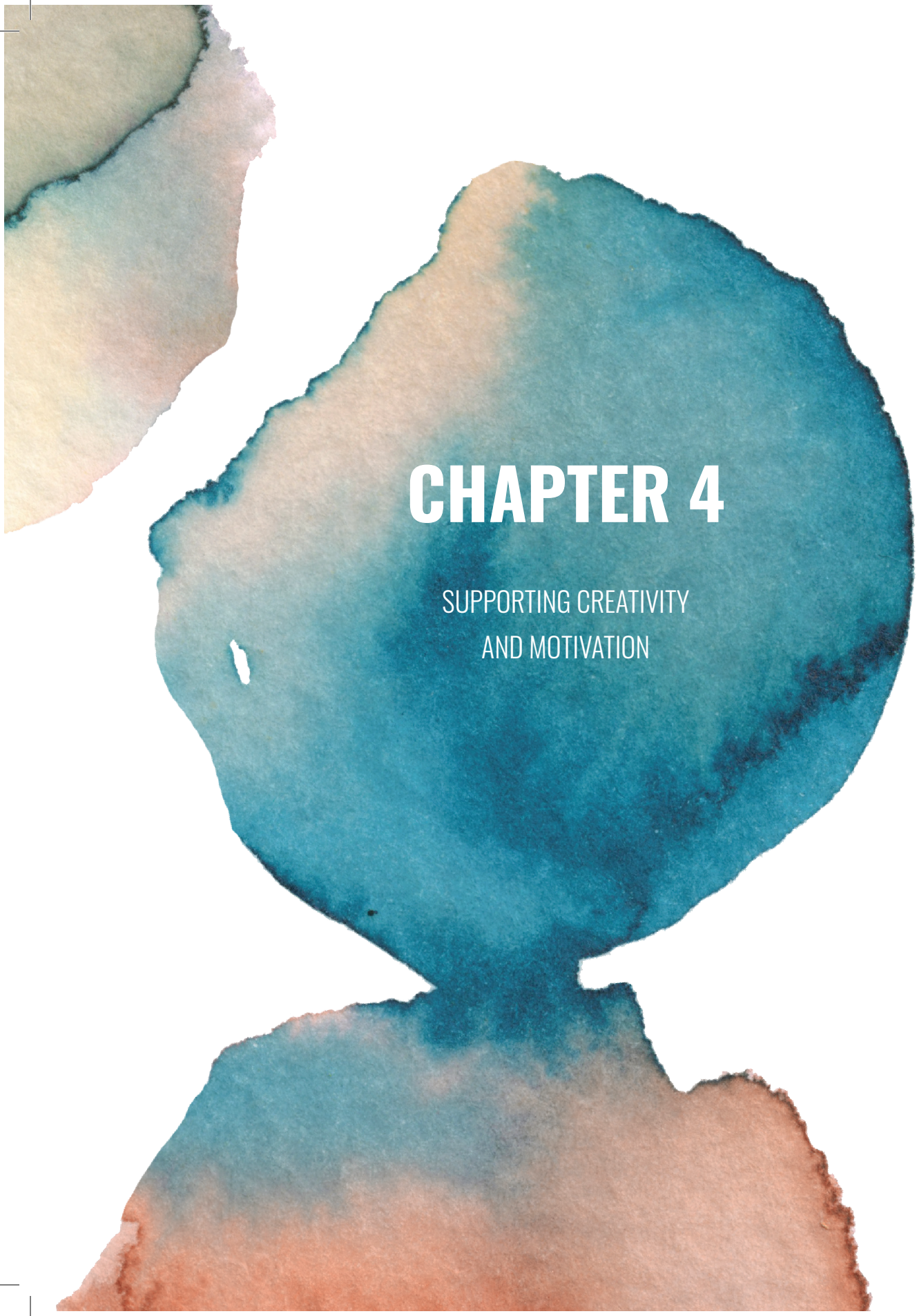
re-adjustment mean for the artists and their professional practices? How did artists perform in accordance with those environmental changes and emergent institutional logics? What were the mechanisms underlying their choices when performing within these changing institutions? This is especially important for understanding the complex interrelations between creative individuals and their environments, as well as how these interrelations produce transformations, an argument that the social theory of creativity (Amabile 1983, Eynseck 1994, Csikszentmihalyi 1996, Montuori & Purser 1996) brought as discussed in chapter 2.

Distinguishing between different spheres' logics and their potential impact on artistic creativity and innovation is a useful way to structure the analysis of the shifts in values stemming from institutional change. However, as aforesaid, the delineation of these spheres represents the ideal type, but in reality, there is strong empirical evidence to suggest that those spheres merge their activities and objectives rather than separate them, due to the way that artists perceive and act upon these objectives (Klamer & Petrova 2007). This requires investigating the mechanisms behind the interrelations between institutional change qua formal and informal institutions and individual artists. Or, as Frey (1999) suggests, the analysis here must count on leeway between institutional factors and their effects on artists' motivation.

In this regard, the next chapter explores this interrelation by considering the peculiarities of artistic creativity and innovation (discussed in chapter 2) and the motivation that trigger (artistic) creativity and innovation within changing environments. It aims to provide an understanding of the mechanisms underlying artists' and other stakeholders' choices and practices associated with performing within a changing environment. The principal question to be addressed pertains to whether the Bulgarian artists were cognisant of and adequately acted upon both macro political and economic changes (i.e. the process of privatisation, new legal structures, the general structural reform in the arts sector, etc.) and cultural shifts?

"My intention is to point out the relation between these two tendencies, inherent in art and creativity: the individual and the collective, the personal and the social, in their interaction and correspondingly in their counteraction…Artistic creativity, and indeed the human creative impulse generally, originate solely in the constructive harmonizing of this fundamental dualism of all life".

Otto Rank (1959)



CHAPTER 4

SUPPORTING CREATIVITY AND MOTIVATION

4.1 INTRODUCTION

Having established the importance of different environmental factors for fostering creativity and innovation, I argued in the previous chapter that each specific environment is constituted via five different (non)institutional spheres, each of which provides different forms of support to artists. These differences pertain to the way in which support arrangements are made, such as, for example, roles, nominations and financial modes.

When the hegemonic order within a given society changes to another, such as in the example of the shift from a state regulated economy to a free market economy in Bulgaria in the 1990s, the underlying logic of the hegemonic order, i.e. the values, norms and practices, must also be changed or, at the very least, be re-adjusted. Building on this insight, the present chapter analyses how this underlying shift in (institutional) logics motivates the practices of artists. That is to say, how do artists interact within a changing institutional environment? How is their motivation activated in a time of institutional change? What makes the difference for them, and, moreover, how does it affect their artistic choices?

In line with the previous chapter's insistence on the importance of adopting a more system-related approach, social psychologists argue that it is not simply the conditions that constitute a concrete environment, but rather the interplay between individuals' innate characteristics, cognitive capacities and their context, which ultimately determines whether creativity and innovation will take place or otherwise (Amabile 1983, Eynseck 1994, Csikszentmihalyi 1996, Montuori & Purser 1996). Gardner (1994) purports that artists require different kinds of support during different stages of their artistic development, including their moment of artistic breakthrough. In his view, artists need simultaneous cognitive and affective support. The cognitive aspect of the support requires an understanding of the originality and uniqueness of artists' achievements on the behalf of a group of experts or peers capable of recognising them. Affective support is provided via close friends and family insuring the emotional well-being of the artist. With respect to these social-psychological aspects of creativity, recognition has been found to be the principal mechanism of social support through which to motivate creative performances and inventions (Schweizer 2004). In the visual art it is granted by group of people who, in order to recognise an artist, create procedures by which judgements of originality and quality are rendered. Consequently, a peculiar feature of social support is that it involves interactions (communications) between the support provider and the support receiver.

Building on the conclusions of the previous two chapters, this chapter takes the social psychological argument one step further by considering the importance of the mode of support that the artist receives from the environment, as well as its potential impact on artistic creativity and innovation. The question here is when the environment radically changes from predominantly operating in the G sphere to subsequently operating in the M sphere how, and in what ways, does this shift in the mode of support affect artists' motivation to innovate?

Gaining insight into how artists interact with the changing environment and the shift in forms of support will advance current understanding into how artists realise the values of their work. The theories discussed in this chapter also assists the subsequent empirical analyses of these shifts in the Bulgarian context, which are presented in the empirical sections of the thesis, chapter 5 and 7, respectively.

In summary, this chapter first explores the different types of social support. Second, it discusses how different forms of support affect the process through which creativity qua trait is turned into creativity as a form of achievement. This question corresponds to the psychological aspect of receiving support and its impact on the creative processes.

4.2. DIFFERENT SOURCES OF SUPPORT

Along with Eysenck's (1994) argument that creativity is realised via the interplay between individual traits, talents and capacities and the external environment, as discussed in chapter 2, Schweizer (2004) suggests that sources of self-support are highly dependent on social support. For example, if the artists we are interested in receive funding from the government, operate in the market, or receive a family inheritance, then all these circumstances can be said to have psychological consequences for their artistic practices, which, in turn, impacts upon their artistic development.

Self-support is directed towards the personal characteristics of the artists, while social support relates to external resources within an artist's environment. They each relate to different forms of motivations: self-support is associated with intrinsic motivation, while social support is associated with extrinsic motivation (both modes are explained further). Both types of support provide conditions that either interfere with or facilitate the process through which creative people work (Schweizer 2004).

In the previous chapter I discussed this argument through recourse to an institutional point of view outlined by Klamer & Zuidhoff (1998) and Klamer (2017), while in this chapter I explore the psychological mechanisms associated with receiving

support from different spheres, before proceeding to examine how this affects artists' motivation to innovate.

Psychologists differentiate between four types of social support: emotional, validational, informational and instrumental (Schweizer 2004). Emotional support provides "satisfaction of esteem needs and needs of intimacy", validational support "satisf[ies] the need of affirmation, feedback and social comparison", informational support refers to "advice of any kind", while instrumental support pertains to "any material or financial aid" and relates to power and dependence issue (House, Stroebe & Stroebe, in Schweizer 2004, p.78). Each type of social support carries different norms and values, and depending on the way these values, norms and goals are rendered there is a differentiation between interpersonal and impersonal forms of support.

Interpersonal social support is directed to the forms of professional or/and private judgment directed towards individuals, which is personal in character. With regards to the example of artists on the cusp of a breakthrough, they ultimately require recognition from their peers and colleagues who understand the meaning of this breakthrough. In other words, artists need *professional interpersonal support*, in addition to the encouragement provided by family and friends, that is, *private interpersonal support*. In an artist's realm, private and professional support is often provided by the same people, such as in the case of an artist's friend who is also an expert in the field of art.

Impersonal social support is provided by a wider social circle, including public institutions, government and the market. Here, values and goals are objectified through different procedures of judgement which, in turn, stimulate creativity and production in manifold ways. As such, impersonal support has a strong validational and instrumental character. For example, the government, either by subsidies and grants or by regulations and tax exemptions, lends aid to the artists. Impersonal support within the market is connected to interventions via monetary payments. On the one hand, this concerns the price of art itself, which has mainly financial or instrumental motivations, while, on the other hand, there are also many grant competitions which provide strong validational incentives. What matters, ultimately, is the choice that creative individuals make between seeking out and accepting impersonal or interpersonal sources of support, which has psychological consequences for the individual artist (Schweizer 2004).

Contemporary visual art is a complex system comprising many types of art, as well as a host of players and sophisticated interdependencies. In this respect, it is essential to understand how the art world organises social support.

4.3. SOCIAL SUPPORT ALLOCATION IN THE ARTS

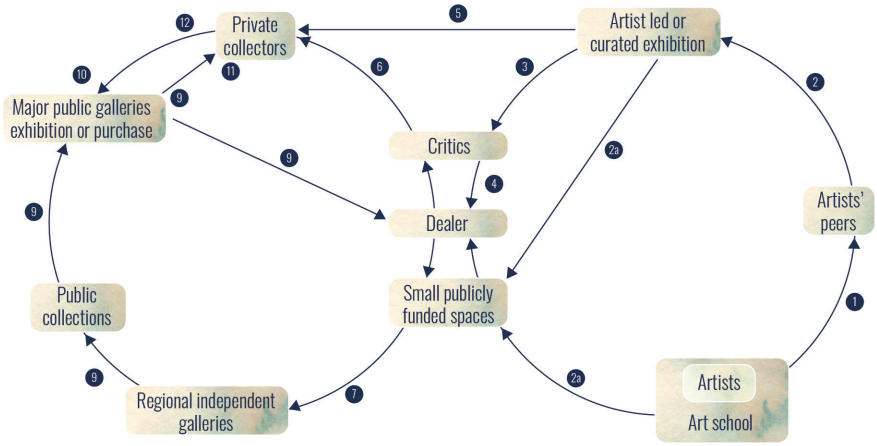
As aforementioned, recognition is an important form of social support in the visual arts, which is dependent on the procedures by which different groups make judgements about the quality of artwork. In so doing, they form the criteria about recognition, which is not equal to the creativity itself. These criteria are defined according to the way the domain works. As discussed in chapter 3, a domain is defined by the shared knowledge and practices, while the field comprises judgments provided by those individuals and institutions who have the knowledge to judge (Gardner 1994, Csikszentmihalyi 1996). In other words, a domain provides general paradigms and norms for acknowledgment and judgment. And the field applies these norms according to the particular approaches that it is pursuing. If a domain is defined by more or less objective criteria, such as theories, conceptualisations, methodologies (formal knowledge), then the field judges according to these objective criteria, but its practice it is also dependent on the highly subjective nature of different relationships and how hierarchical and powerful they are (Csikszentmihalyi 1996).

With respect to the specific characteristic of the art domain, and more specifically the visual arts, social support is accompanied by valuation based on cultural and economic judgments, and in many cases positively correlate to a well-developed network of experts (Becker 1982, Bourdieu 1993, DiMaggio 1997, Bonus & Ronte 1997, Winberg & Gemser 2000, Abbing 2002, Velthuis 2005). These in turn generate a system of valuation guided by specific criteria and selection procedures. The history of art bears witness to the fact that radical changes, qua artistic innovation, only occur when artists succeed in changing the selection process. Becker (1982) speaks of the need for experts, which he refers to as intermediaries, who "provide [a] distribution system which integrate[s] artists into their society's economy" (p. 93) and, as such, provides them with financial support and sustain continuity in their work. However, they also render credibility to the artists which, in turn, affects their financial and artistic development (Bonus & Ronte 1997). One way to look at these networks is to examine how they interrelate while being part of different spheres.

While the five-sphere model is predicated on strict boundaries between the M, G and S spheres (see the discussion in the previous chapter), in consideration of the diverse relationships that characterise the art support system, Klamer and Petrova (2007) argue that, in practice, while different spheres promote different values, the sharp edges of the market and governmental spheres might be softened by aspects belonging to the social sphere. As Velthuis (2005) has shown, the social aspects of the art market are

paramount, while Abbing (2002) argues that governmental officials can behave as if they are Mecenas. To a great extent, the complexity inherent to valuation in the arts is closely related to the social interactions and interdependences between artists and different intermediaries. Mclntyre (2004) proposes the art eco-system model to illustrate the different interdependencies between artists and where different actors simultaneously are taking part in different valuation practices (figure 5).

FIGURE 5 • Artists' interrelations with different intermediaries



Source: Mclntyre (2004)

According to Rengers and Velthuis (2002), often the criteria for pricing on the primary market[39] is not explicitly distinguished, and thus the economic value of an artwork often is not directly related to the market logic, i.e. the absolute validation of market objectives can be restricted. The authors also argue that though economic theory suggests that art dealers are mainly driven by economic interests, this is not their sole motivation. Indeed, many dealers start out as artists, have a passion for art and regard it as their role to manage their artists' careers and support artists despite their own economic benefit (Velthuis 2005). In this situation, it is possible to realise their activities by using institutional support (government or companies) or private support (their own donations or from other people) in order to reduce the financial losses incurred in producing and promoting non-commercial art.

[39] The market for visual art is organised in a primary market, which includes galleries (either public or artist-led independent galleries), art fairs, and direct sales by artist themselves (open studios) and the secondary market (auctions). Most artwork realises its economic value on the primary market, while a limited number appears on the secondary market.

Frey and Eichenberger (1995) also invites us to distinguish between "pure collectors" and "pure speculators"[40] on the secondary art market[41], whose behaviour changes all existing relations between price variables. For example, they show that many private collectors are not profit-orientated and that their behaviour is instead strongly subject to: "the endowment effect (the art object owned is valued higher than the one not owned); the opportunity cost effect (most collectors isolate themselves from considering the returns of alternative uses of their funds); and the sunk cost effect (past efforts of building up a collection play a large role); … and bequest value (heritage for their children)" (Frey & Eichenberger 1995, p. 212).

Considering the diverse relationships within the art world, Klamer and Petrova (2007) argue that, in general different types of social support have manifold effects on artists' behaviour. Based on study of artists practices in relation to different support forms in the Netherlands, they concluded that reasons for this are three-fold: first, each artist may perceive the provided support differently; second, it is greatly dependent on the prevailing art expressions and artists' method of working; and third, it depends on how social support is provided. They proceed to argue that whether artists experience the provided support as supportive or controlling depends to a great extent on their prior experience, the main direction of their artistic development, the stage of their career (are they established, mid-career, or emerging artists), their technical and communicative skills, their personality characteristics, their openness to new fields and their financial stability.

In this respect, it is important to distinguish between why different individuals favour one form of support over others. More specifically, next the chapter addresses the mechanism behind the different artistic choices.

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[40] Frey & Eichenberger (1995) identify the following differences between a) "pure collectors" (includes owners of galleries) and b) "pure speculators"

1. Change in risk: a) are sensitive; b) not (unpredictable financial risk, uncertain attribution) The more that pure collectors dominate the market, then the lower the financial return in equilibrium; the major part of the return is made up of physical benefits
2. Change in cost – increase in costs, or government restrictions tends to drive out b)
3. Unexpected change in taxed transactions, which are taxed more heavily, b) move to other market; when the taxes are generally increased, b) are attracted, then the b) dominate on the market and equilibrium financial net return equals that of the other market.
4. Change in genres and taste – social determinants affect the psychic benefits to owning particular genres
5. An art object yields for a) additional benefits if it is owned, because of its aura

[41] Their analysis is based on auction data.

4.4. HOW DOES SOCIAL SUPPORT MOTIVATE ARTISTIC CREATIVITY AND INNOVATION?

Artists are continually provided with different forms of support – either by their families and friends, or by their colleagues, gallerists, collectors, or, indeed, anyone else for that matter that helps them to produce their work. When choosing to accept one or another form of support, each artist is driven by different motivations. In the Bulgarian case, it is interesting to examine whether the new conditions emerging out of a radically changed environment – changes in financing, instruments, procedures, structures – differentially motivate of artists to innovate.

4.4.1. On creative motivation

In contradistinction to the assumption in economics that individuals primarily respond to economic incentives, there is mounting empirical evidence that a rational-choice model has limited value if we want to truly understand artists' creative process and motivations (Csikszentmihalyi 1996, Amabile 1983).

Only a relative handful of (cultural) economists are going beyond the limits of the rational-choice model to account for combination of economic and artistic factors of creative motivation (Frey 1997, Throsby 2001, Bryan & Throsby 2007). For Throsby (2001), the difference corresponds to artists' incomes in three dimensions: income as constraints, income as joint maximand, and income as sole maximand. Income as constraints concerns the fact that even if artists stand for "pure" artistic creativity, they nevertheless must deal with economic issues during the creative process, which can impose limitations on their intrinsic artistic creativity. Income as joint-maximand suggests artist realises cultural and economic value with his/her work, while incomes as sole maximand count only in terms of the maximization of economic value.

The key question concerns whether Throsby's theoretical model accounts for the complexity of artistic creativity. First, it considers artistic creativity in terms of the production of specific artwork, which are usually determined in time. In other words, creativity in terms of Throsby's model has a short-life (i.e., it only considers the production period). However, is it not the case that artists often develop their creative ideas over a period of time before achieving what can be classified as an artistic breakthrough? That is to say, at different stages of their creative development artists produce artwork that partially express their creative exploration. Second, Throsby's model presumes that artists make their decision in advance about their intention (economical or cultural) with a specific artwork. Is it not the case however, that even

in those instances when artists do evaluate the cultural and economic value of their work in advance of creating them, during the process of creation itself may multiple motivations emerge that may, in fact, deviate from their original intentions? Indeed, Frey (1997) talk about the crowding-in and crowding-out of artistic motivation.

4.4.2. Crowding-in and crowding-out of creative motivation

With respect to the question of monetary payments, how they serve as incentives, their influence as a form of social support (extrinsic motivation), and its interaction with self-support (intrinsic motivation), Frey's approach (1997) appears to be expedient.

In Frey's (1997) research on the influence of financial rewards on individuals' motivations, he argues that we cannot take motivation for granted because it might shift over time, and, thus, different levels of creativity (qua artistic value) can be achieved. Through recourse to psychological research on creative motivation, he draws attention to several important findings which impact on individuals' economic behaviour. First, he distinguishes between two types of external support: monetary payments and commands. Second, he distinguishes between desirable (crowding-in) and undesirable (crowding-out) effects on intrinsic motivation, by external rewards and their spill-over in different areas. Third, he emphasises the importance of "The Hidden Costs of Rewards".

Frey's "crowding theory" (1997) broadens the economic understanding of artists' creativity by highlighting the conjunction of intrinsic motivations and external interventions, such as monetary payments, and the possible crowding – in and crowding - out of each other. According to Deci (1972), intrinsic motivation is driven by the activity itself. Conversely, extrinsic motivation depends on external rewards. Crowding-in occurs when the cultural and other non-economic values of a good or activity are enhanced by a financial transaction; crowding-out occurs when those values are diminished. Frey describes two possibilities. In the artistic realm, for example, when an artist only makes commissioned portraits (especially in the beginning of their careers), then their inner artistic impulses are affected by their obligations to their customer's wishes and conditions. This situation has been termed as the crowding - out effect, whereby intrinsic motivation is mitigated by external conditions, which cause negative consequences. For example, if some artists are compelled to create in order to earn money, then it could signal the end of their career as an artist. Crowding - in effect pertains to those situations in which individuals are surrounded by other creative people, which encourages them to share the same interests. This is caused by the creative impulses they have gained in relation to these creative people and

their attitudes. In the case of crowding-out, artists perceive external interventions as controlling, while in the case of crowding-in, they deem them to be supportive. When one's support is perceived as controlling or supportive, then it is a highly subjective decision and also depends on the receiver's needs.

In addition to crowding effects, Frey (1997) distinguishes between the "spill-over effect," which occurs when "the application of external interventions not only crowds out intrinsic motivation in a specific area but spreads beyond" (p. 35). For example, when artists work for a long time under market or government conditions, then the latter's norms can spill-over into artists' intrinsic motivation; artists may then subsequently adopt either commercial or governmental incentives that potentially affects their work. These effects also influence an individual's norms over time. For example, an artist's intrinsic motivation to create could decrease not only when the external interventions takes place, but also after (creation of path dependency). Further in his analysis, Frey explores "The Hidden Costs of Rewards", which answers the question as to why in some cases receiving support in the form of monetary payment can suppress intrinsic motivation and the creative process, respectively.

There are three psychological processes underlying "The Hidden Costs of Rewards": *Impaired Self-Determination, Impaired Self-Esteem and Impaired Expression Possibility.* In relation to *Impaired Self-Determination* there is external regulation, which substitutes for intrinsic motivation and leads to "the persons concerned no longer feel[ing] themselves to be responsible, but rather the person or institution undertaking the interference from outside" (Frey 1997, p.17). For example, relying for a long period on a certain income that may ensure an artist's position within a certain group can create a situation whereby an artist loses interest in developing beyond their position in that group. *Impaired Self-Esteem* means that an "actor's intrinsic motivation is not acknowledged, [therefore] his or her intrinsic motivation is effectively rejected" (Frey 1997, p. 17), which explains why some artists become demotivated to work as an artist in the future. This stems from the fact that this procedure has pushed them into doing something solely according to, and in response to, someone else's criteria. *Impaired Expression Possibility* refers to the complete impossibility of individuals acknowledging their intrinsic motivation at all, therefore they act only according to external incentives. Furthermore, what Frey makes very clear in relation to financial rewards is the fact that any external interaction is possible only insofar as the receiver's interests are affected.

4.4.3. Formation of artistic style

Throsby's (2001) aforementioned model is limited by some of the economic assumptions that it makes, i.e. fixed preferences, limited time span for creative production, etc. Fray's (1997) theory provides another dimension, via its suggestion that an artist's motivation is not fixed but rather shifts over time, i.e. being crowded in or crowded out, and, moreover, that this manifests in the decision to adopt one style, genre, way of working and so on.

While cultural economics focuses its analytical gaze on the psychological dimensions of creativity and innovation, Otto Rank (1959) suggests that we should approach the question by considering the psychological, social and artistic dimensions of the process. His theoretical insights allow researchers to make sense of the process of value realisation during the process of innovation. More specifically, Rank observed and analysed artists' behaviour vis-à-vis their choice to adopt one style over another, which he designates as an "artistic ideology"[42]. What is it that underpins an artist's preference for one "artistic ideology" or prevailing mode of art expression rather than another?

The starting point for the analysis presented here concerns how the concrete content and style of an artwork by any given artist is central to its artistic value. Through recourse to the Viennese art-historian, Alois Riegl (1893), Rank provides an in-depth analysis of the peculiarities of different styles across historical periods apropos the main "collective ideologies" that prevailed during that juncture and in relation to the individual "will-to-form" of the artist. Rejecting the traditional viewpoint of regarding art as a matter of objects and iconography, the author, conversely, ascribed it to the "will-to-form". What he contributes to extant knowledge about artists is the fact

> "that any choice of collective ideology contains in its very name a strong psychological element which absolutely demands the inclusion of the personality of the creative artist" (p.111).

His work was predominantly buttressed by psychological and sociological theories, as well as drawing on artistic perspectives. With respect to the psychological perspective, the concept of "art' will-to-form" has its origins in the psychological notion of individual will. Sociologically speaking, the "will-to-form" is related to the "ideological art will-to-form", which presents the prevailing collective art ideologies. Both find their expression in artwork. He presumes that any existing style (as a prevailing movement

[42] "Artistic ideologies" in Rank's sense of the term refers to the prevailing styles/genre at a certain period in the art history.

at a specific historical juncture) in the arts could motivate artists to produce their own work with a peculiar form and content. Echoing other creativity researchers, Rank (1959) purports that it is not enough for the work to be novel, but rather it must also be useful or appropriate with respect to existing genres.

During the process of creating, Rank posits, what counts is how the existing psychological, sociological and artistic dimensions adjust to each other and redefine each other. At this point, he proceeds to question whether it is occurring as a form of mutual adjustment between individual "will-to-form" (intrinsic motivation) and "collective ideologies" (extrinsic motivation), or whether in fact it occurs as a consequence of them compromising each other. In order to accomplish this goal, Rank resolves the conflict between the individual artist and the "collective ideologies" of art by analysing them not in isolation but rather as a whole. He argues that the unifying element is the creative process, which presents itself as the integral factor connecting the "ideology" of the art and the style and creative personality of artists. As Rank asserts:

> "The artist creates essentially by reason of an inward urge which we may describe as the individual will-to-form, and whether he objectifies this in picture, a statue, or a symphony is rather a technical and formal matter than an individual problem" (p.174).

Consequently, an artist's style is not given per se, but rather acquired during the course of their development. From the very beginning of their career as artists they must choose to reflect an ideology (express themselves in a specific style). Doing so, on the one hand, allows artists to situate themselves within a group or community that is built upon these ideas, while, on the other hand, it enables artists to experience a sense of relief from their inner conflicts. In the later stages of their career, the creator must seek to solve the conflict between the collective ideologies and their own ideologies, which either marks the struggle of the artist against art, or of the individual against the collective. In this respect, collective ideology may evoke self-negation, while the creative impulse can facilitate the polar opposite tendency of self-assertion. This opposition, Rank warns, is not absolute and can be reversed at different periods of an artist's career development.

What Rank highlighted in his research is the fact that the conflict between artist and art is of critical importance for the understanding of creativity, due to the fact that:

> "[T]he ideological art-will to form and the human art willing of the artist stand in opposition, and the work of art, which results from this conflict, differs in the different periods of cultural development according to the strength of the personal or that of the collective will (p.184).

This dual-attitude of the artists operating as individuals within prevailing "art-ideologies", which they use to justify their individual creativity whilst, simultaneously, opposing it with all the power of their personalities, depends on both what stage of artistic development the artists are at and how strong their personality traits are. Insofar as artists establish a peculiar style, then they have stronger consistence with the process of self-assertion. Resultantly, it is artists' ability to adjust aspects of inner consciousness with external consciousness, and then transmit this new kind of "truth" in a form of art that is valued by others, that becomes their special task.

4.5. CONCLUDING REMARKS

This chapter has addressed the consequences for artistic creativity and innovation when social support is either provided by the government, the market and the third sector. More specifically, it discusses how this support is rendered and perceived by artists themselves.

In the previous chapter I proposed explaining the art world through applying Klamer's (2017) five-sphere model. Whilst these spheres can be understood as representing ideal types, in reality there is strong empirical evidence that suggests that those spheres merge their activities and objectives as opposed to separating them, which is especially dependent on the way in which artists perceive and act upon those objectives (Klamer & Petrova 2007). This is especially the case when artists receive one or another form of social support from those spheres. This requires investigating the mechanisms underpinning artists' choices, while being supported by those spheres. Or, alternatively, as Frey (1999) suggests, the analysis presented here must take into consideration the leeway between institutional factors and their effects on artists' motivation.

This chapter argues that social support provided by different spheres carries different values, goals and norms, as well as generating processes of giving and receiving from the social environment that psychologically impacts on an individual's behaviour. This stems from the fact that: first, each artist perceives the provided support differently from one another; second, it very much depends on the prevailing art expressions and artists' method of working; and third, how social support is provided (Klamer & Petrova 2007). Here, an important argument is that the different values that artwork and practices yield are not fixed, but rather are shaped in a concrete context, which is contradistinction to some economists claims that values are always fixed (expressed in preferences, taste, etc.). Instead, developing Klamer's perspective outlined in the

previous chapter, we should see creativity as a value that is formed in a dynamic process, which, according to the social-psychology study of creativity, is defined by the dynamic interplay between an individual and his/her environment.

Klamer's (2017) argument finds support in Rank's (1959) study of the formation of an artistic style formation, where it is important the combination of what Rank calls "collective art ideology" and "will-to form". In the case of an emergent new style, such as the Bulgarian case analysed in this thesis, the meaning of the compromise between the existing "collective" ideology by the "will-to form" can be something completely different. This suggests a conflict between individual artists and the "collective ideologies" of the art world. How this conflict can be resolved and a positive path towards creation developed is highly dependent on artists' motivation.

Can one say that artists and, more specifically, Bulgarian artists are more motivated to create under the new environment emerging out of political change – when new players enter the scene, new financing schemes occurred, new possibilities emerged? Here, the notions of intrinsic and extrinsic motivation and crowding-in and -out are expedient for making sense of how Bulgarian artists decide to create. When, for example, artists work for a long time under market or government conditions, then the latter's norms can spill-over into artists' intrinsic motivations; artists may then adopt commercial or governmental incentives that may affect their work. These effects also influence an individual's norms over time.

The state of intrinsic motivation within visual artists is always in question when there are external interventions, as the provided social supports may have instrumental (financial) and/or an emotional character. Schweizer's (2004) model clarifies that the realisation of an artistic achievement makes artists engage in interpersonal and impersonal interactions which affect their work. This is closely connected to the fact that artists cannot have an artistic career in his/her domain if they are not recognised and selected. In different instances, different actors are involved in these processes– friends, families, curators, peers, dealers, gallery owners and art organisations- who facilitate the art world. Referring to Klamer's five-sphere model, those actors are operating within different value systems – the governmental, the market, the social, the cultural and the oikos. Although Klamer's model (2017) suggests that there are sharp boundaries between the respective logical spheres, from a social-psychological perspective, this chapters purports that this might not be the case in the visual arts.

CHAPTER 5

INSTITUTIONAL CHANGE IN THE BULGARIAN VISUAL ARTS DURING THE POLITICAL TRANSITION

5.1. INTRODUCTION

In the final decade of the 20th century, Eastern European societies underwent a political revolution that signaled profound social, economic and cultural changes. This period also saw revolutionary changes occurring in the art sector. In many respects, the revolutionary developments that occurred in the arts in Eastern European countries during this period were intimately connected to those occurring in the socio-economic environment.

The literature discussed in the previous chapter suggests, on the one hand, that artistic creativity and innovation qua new movements, styles and genres flourish under freedom of action (Murray 2003) and dramatic changes within the environment, such as civil disturbances (Simonton 1977a) or, alternatively, "extra-artistic events" (Elster 2000). On the other hand, running parallel to such macro factors, studies of emerging styles and genres have directed their analysis towards another set of factors that facilitate the process of artistic innovation, specifically, structural factors within the art world itself (White & White 1965/1993, Becker 1982, Bourdieu 1993, DiMaggio 1997, Bonus & Ronte 1997, Winberg & Gemser 2000, Abbing 2002, Velthuis 2005).

These studies direct attention to the network of art professionals – including artists, intermediaries, peers and cultural organisations – who interact and provide advocacy and endorsement for artists' work. In this respect, the emphasis here is on the: importance of the forms of validation provided by gatekeepers and certifiers (Caves 2000); the interactions among and between artists/peer groups (Collins 1998); role models and previous education (Simonton 1988); the role of cultural organizations (Castaner & Campos 2002); the levels of competition (Gardner 1993, Simonton 1984) and provisions of financial support (Alexander 1995). All these factors are embedded in different institutional settings, such as the market, government and third-sector, and involves interactions between different stakeholders.

Considering both set of factors, the aim of this chapter is to explore the complexity of the environment that framed the development of the Bulgarian visual arts both prior to and after the radical political changes of 1989. The existing literature and research focus primarily on defining the changes in artistic conventions and expressions qua new forms, new movements, new genres, but yet little is known about the environment which fosters or hampers these changes.

Following the conceptual framework developed in chapter 3, here the analysis explores the relevance of the specific institutional environment of the Bulgarian visual arts , more specifically, the ways it changed in-line with the radical political changes of 1989.

The analysis aims to detect which combination of macro, meso and micro factors underpins the emergence of creative achievements in this specific context. More specifically, through recourse to the conceptual framework outlined in the previous chapters, the purpose in this section is to (1) analyse the institutional changes that occurred during the period of transition in Bulgaria and (2) to distinguish between institutional players in the market, governmental and social spheres while, simultaneously, identifying the shift in objectives, instruments, including financial arrangement, and organization.

The analysis presented here follows the proposed in chapter 3 delineation of factors in three groups: macro, meso and micro and it is based on a review of extant literature and policy documents and identifies the main discourses about the relationship between environmental changes and the operation of the visual art sector in the context of the Bulgarian transition to a market economy. The period of analysis is between 1980s and 2002[43].

The analysis also reflects the results from the interviews I have conducted with 10 Bulgarian experts on the transition of Bulgarian visual arts[44]. The purpose of these interviews was to identify the important environmental factors which impacted the artistic innovation in the sector during the transition period.

5.2. ANALYSIS OF MACRO - LEVEL FACTORS OF CREATIVITY AND INNOVATION

The following section provides an understanding of the institutional changes in the macro environment of the Bulgarian art scene, along with outlining the major characteristics of the (formal) institutional development of art and culture in general both prior to and after the political changes in 1989. The changes in the institutional environment takes into consideration (1) the role of political and economic changes in the shift in the demand and supply of cultural goods and (2) the role of the state in cultural governance. The analysis of these changes aims to highlight those shifts which may have directly impacted on how artists and institutions were organized and functioned.

[43] 2002 is considered the year when the Bulgarian transition towards market economy is concluded by the European Commission.

[44] The interviews were conducted in November 2011, in Sofia, based on semi-structured questionnaire (see Appendix 1). The list with respondents' names and expertise is presented in Appendix 1. The interviews durations was between 90 and 120 minutes.

5.2.1. General socio-economic changes

Prior to 1989, the extensive development of totalitarian cultural institutions encompassed all spheres of cultural life during the totalitarian period when cultural policy was centralised and ideologically influenced by the Party. At that period the main objectives of the arts were education and enlightenment and, hence, their responsibility was solely to the exclusive domain of the state. The state needed the arts to promote its ideology, and it respectively "advocated and practised political and cultural protectionism" (Council of Europe/ERICarts 2005).

During the two decades immediately prior to the political changes in 1989, there was an enormous growth in the cultural sphere, both in terms of production and consumption. Whilst statistics for this period are scarce, a study conducted in 1988 indicates that Bulgaria had around 230 museums, 720 museum collections, 58 theaters, 3500 cinemas, 9680 libraries, 250 houses of culture and 5000 art schools (Dzhurova 1989). Based on these estimates, Bulgaria had some of the highest numbers of museums and theaters per capita among Socialist countries, whilst it ranked second in terms of attendance of performances and visits to exhibitions. Alongside this, Bulgaria also had a reputation for having the highest rate of amateur arts participation. Some sectors had higher figures than others. While 68 per 1000 inhabitants attended the opera and 95 per 1000 inhabitants attended musical performances, participation and consumption in the visual arts sector were significantly lower. For example, the results of a representative survey done in 1988 show that the interest of Bulgarians in the visual arts was ranked much lower (0.4 percent) in comparison to other art forms (music 2.2 percent, opera 1.8 percent). One of the reasons for this was that the visual arts were associated with the socio-economic elites (Dzhurova 1989).

The period after 1989 was characterised by profoundly unstable economic and social processes. For example, inflation in the country during the period 1990-1998 increased by 1200 times, whilst salaries increased by only 500 times. The annual GDP per capita in 1996 was 25 percent lower than in 1990, with only a positive increase occurring in 1998 (plus 3.5 percent). During the same period, unemployment grew from 15 percent to between 19-23 percent (Tomova 2004).

This transition also proved to be a long and difficult process with respect to the social dimension of everyday life. The impoverishment of a large part of the population escalated quickly, with a 40 percent reduction in real annual income (1990) and changes in consumption, where the largest share of income going on food and energy (66 percent) and significantly less on education and leisure time activities. This occurred alongside the demographic crisis of an aging population (by 1998, 25 percent

were retired), a negative demographic growth of 6.4 percent in 1998 and high-levels of immigration among highly-educated people (during the transition about 700,000 people left the country) (Tomova 2004).

The impoverishment of the middle-class and the demographic crisis dramatically changed how people spent their leisure time. Shrinking incomes were critical for the middle-class, who dramatically shifted their consumption by reducing their expenditure on culture-based activities. During the period 1990-2000, the general trend was a considerable decrease in the demand for different forms of art. For example, theatre performances decreased three-fold, the number of cinemas decreased by about 6 times, audience levels decreased by 3 times, while museum visits decreased by 10 percent (Tomova 2004). A study[45] looking at audience attitudes towards various forms of art concluded that only 1.4 percent of the population regularly visited the cinema, theaters, concerts, exhibitions. However, the potential customer-base for the arts was estimated as being 10 percent of the total population. It is interesting to observe that economic factors limited the frequency of visits to cultural activities for 14 percent of the population, but that the largest reason for non-attendance was a lack of interest in the existing forms of art, either because of the lack of a role model (32 percent) or because they did not feel prepared (17 percent). Other studies[46] shows that for the period 2000-2006, the consumptions of cultural goods decreased – about 61 percent of the Bulgarians did not visit any cultural event in the last year.

These dramatic shifts in both the consumption and production of cultural artefacts raises serious questions about cultural governance during this historical juncture.

5.2.2. The role of the state and its governance of culture

In this sub-section, I address shifts in the role of state governance of the arts and cultural sphere by examining (cultural) policy objectives and organizational administration.

Cultural policy objectives and administrative organization

In the 45 years period preceding 1989, the Bulgarian state took sole responsibility for the arts and culture, in terms of their organization, governance and financing. This period was characterised by a distinct direction in the development of art and culture as far as governmental policy was concerned. Until the 1980s, the main objectives of art and culture were education and enlightenment. The policy goals aimed towards the

[45] National Centre for Research on Public Opinion (2005).
[46] Studies conducted in 1999 and in 2005 by the University of Economics, Sofia (in Tomova 2007)

expansion of the cultural sector in terms of cultural infrastructure and activities, along with homogeneity in cultural expression (Council of Europe/ERICarts 2005).

The sector operated under a highly centralized, hierarchical model of governance, characterised by a strong bureaucratic administration and planned financing. The governmental responsibility for culture came under the jurisdiction of the Committee of Culture and was led by the State Secretary of Culture. The central governmental structure was reproduced at the regional and local levels. During this period, a very broad cultural infrastructure and a strong hierarchical governance was created. Along with the various cultural organizations in the larger cities, every town had its cultural centre and the attendant administration to run it. The aim of the system was to operate efficiently and effectively facilitate the broad dissemination of cultural values. The central government took the lead in designing the national cultural policy, but also in terms of defining the priorities within each local/regional level. The public administration of culture defined both the legislative framework and the financial support provided to all national cultural institutions (Dzhurova 1989).

To operate efficiently and facilitate the widespread dissemination of culture, employment in the cultural sector increased exponentially during this period. For example, between 1976 and 1985, the number of people employed in the cultural sector increased by 35 percent (for every 1000 people in the general population, 7 worked in the cultural sphere), while the number of managers increased by 85 percent. Although the initial intention of the government was to recruit well-qualified employees and leaders to implement and manage their cultural policy, this was not necessarily the case in practice. In fact, statistics show that only 38.4 percent of all employees in the cultural sector had a higher education (Dzhurova 1989).

Resultantly, decisions about culture were invariably made across all levels simultaneously: at the central level by the Committee of Culture; at the regional level by the regional Councils of culture; and by the leader of the regional party, by Union leaders and by leaders of the local cultural institutions (directors of galleries, theaters, etc.).

The process of (ideological) liberalization of the art sector began after the "April Plenum" of the party in 1956. The state administration was replaced by a more liberal and so-called public-state mode of governance. The state government withdrew from its direct interference in culture and instead allowed creative structures, such as the professional independent unions, to organize the creative life of different art sectors, such as the visual arts, performing arts, literature and film[47].

[47] The analysis goes into greater detail on Union structure and financing later in this chapter when discussing meso factors.

The aftermath of the economic, social and political changes in Bulgaria after 1989 there was defined by major shifts in the existing models of state governance of culture. There was new legislation in the cultural sector, focused on the decentralization of cultural administration, the democratization of artistic production, the reconstruction of the cultural infrastructure, and the encouragement of market models to aid the development of the arts.

Coinciding with Bulgaria's transition to democracy and a market economy, the cultural policy objectives were aimed towards (1) decentralisation of the administration and financing of culture; (2) freedom of action and instilling of market-oriented attitudes within both cultural institutions and artists; (3) amendments to cultural legislation designed to meet the new socio-economic challenges; (4) harmonisation with EU legislation; (5) the establishment of an administrative environment facilitating cultural development and European integration; (6) equality of state, municipal and private cultural institutions; and (7) a stronger role for the non-governmental sector (Klamer, Petrova & Mignosa 2006).

The organization of the administration of the public cultural sector includes the Ministry of Culture, other ministries, local municipalities and public cultural funds (table 1).

TABLE 1 • Organisation of the Bulgarian public administration responsible for arts and culture during the transition period

CENTRALISED/ DECENTRALISED SYSTEM	CENTRAL MINISTRY WITH CULTURAL COMPETENCE	LOCAL LEVEL OF GOVERNMENT	OTHER MINISTRIES	ARMS LENGTH BODIES/ NATIONAL CULTURAL FUNDS OR FOUNDATIONS	REPRESENTATIVES OF DIFFERENT LEVELS OF GOVERNMENT
Centralised structure moving towards decentralisation	Ministry of Culture	Councils on culture (municipal level)	Ministry of Finance	National Culture Fund (2000)	Inter-departmental commissions

The central executive body that introduces legislation and formulates policy in the sphere of culture is the Ministry of Culture. The Ministry applies sector-specific policies through national centres, which were established in the mid-1990s. They operate as arm's-length bodies with an autonomous legal status and budget: the Executive Agency, National Film Centre, the National Music and Dance Centre, the National Centre of Museums, Galleries and Visual Arts, National Book Centre and the National Theatre Centre (Klamer, Petrova & Mignosa 2006).

At the municipal level, the governance of culture is executed by the local Councils of Culture. By the end of 2002, the government approved different measures to decentralise the financial distributions of funds to arts and culture with the purpose to maximize local autonomy and as such to increase municipalities' income. In recent years, joint (local and state) financing of theatres, opera houses and orchestras has undoubtedly been successful. However, the development of local cultural policies and strategies is hitherto characterised by good intentions as opposed to good results. The level of centralised financing remains high to this day (Klamer, Petrova & Mignosa 2006).

In 2000, the Ministry of Culture took another step to decentralise the financing to the arts and culture by establishing the National Culture Fund (NCF) as an arm's-length body. Its goal is to support the development of culture in accordance with policies outlined in state programmes. Its governing board is chaired by the Minister of Culture; board members are distinguished cultural figures, representatives of artists' unions, representatives from each municipality, the Ministry of Culture and the Ministry of Finance. Priority areas for support are formulated at the beginning of each year. The Fund allocates budgets on competitive basis to projects run by either individuals or independent cultural institutions and in accordance to their cultural, economic and social impacts (Klamer, Petrova & Mignosa 2006). Following the same logic of operation, a few municipalities established "Culture Programme" as part of their local policy to finance projects selected by public competition. All these points towards radical shift in the attitude of the local government to recognize the role of the independent art scene in Bulgaria (Petrova 2008).

Legislation related to the cultural sector

During the transition period, new cultural legislation[48] took place in an attempt to meet the challenges in the new context and achieve harmonisation with EU legislation. This allowed for the emergence of new private (for-profit and non-profit) organisations, as well as new governance practices within private and public organisations.

In 1999, the government amended a Law for the development and protection of the cultural sector which aimed to set the main principals of regulation in the sector. After the mid-1990s, in search of alternative sources of support for the arts and culture, the national government started to introduce legislation that support the development of the private sector. Indirect intervention for culture has been taking place in Bulgaria by implementing laws on sponsorship and corporate donations, tax

[48] See Appendix 2, tables 10, 11 and 12.

exemptions for individual donations, and laws on the establishment of foundations as well as on donations to foundations. The first serious achievements are related to several amendments to different tax laws concerning donations and public benefit NGOs in 2002 (Panov 2003). This tax legislation into force, allows companies (Law on Corporate Income Taxation) and individuals (Tax Law on Natural Persons' Income) to deduct up to 10 percent of donations for cultural purposes, conservation and restoration of historical and cultural monuments, or for grants.

Much later in 2005 the Law on Maecenas was introduced. Under its terms and provisions, it is possible to deduct up to 15 percent of the donation made from the taxable profit is deductible before taxation. The Ministry of Culture is in charge of the implementation of this Act. Both individuals and companies can allocate their donations to non-profit organizations registered in the Central Registry for public benefit organizations; and to organization not listed in the Central Registry, which are not commercial enterprises, having charity, social, environmental, healthcare, scientific-research, educational, cultural and sport goals (Goto, Mignosa & Petrova 2008).

Positive examples of legislative acts notwithstanding, the implementation of the existing legislation still needs to be fine-tuned. Lack of clear rules and information remain the main barrier to private support. For example, the new law on Maecenas is strongly criticised for its highly centralized administrative structure, which allows bureaucratic control over private donations. Furthermore, some experts (A.A.V.V. 2004) claim that there is strong lack of economic transparency; thirdly there is no media campaign to inform about the possibilities offered by the Law on Maecenas. The recommendations made by the same experts on the implementation of the law highlighted the need to introduce a minimum amount of donations and to distinguish between ad-hoc and long-term donations; to create regional offices of the Maecenas Council of the Ministry.

Despite the good intention, the new legislation begun 10 years after the reform started. Such a long period without sustainable market and third sector regulation and legislation about to protect the sector was critical and allowed a chaotic process of change. The lack of good regulation also left the sector without any, or a little financial support which brought the sector to an institutional crisis until the beginning of the 2000 (Tomova 2007). On the other end, according to a study on philanthropy in Bulgaria (Bulgarian Charities Aid Foundation 2005), there is very low awareness of individuals about the legislation connected with philanthropy. There is lack of simple and clear mechanism to distinguish donations from other forms of support (e.g. sponsorship). There is higher awareness among companies, but this is a fact only for the big companies and not for the smaller ones.

5.2.3 Summary of the main shifts at the macro - level factors

At the macro level, the transition period was marked by the following profound changes: (1) the abdication of the state as the central governance body of culture; (2) decrease in demand for cultural products; (2) emergence of free market models (based on changes in legislation) for the arts, characterised by changes in the demand and supply of cultural goods; (3) involvement of the third sphere (civil society) in the organization and financing of the arts sector (based on changes in legislation) (table 2).

TABLE 2 • Main institutional (structural) changes at the macro level in Bulgarian arts and culture during the transition period

BEFORE 1989	AFTER 1989
POLITICAL/ECONOMICAL/SOCIAL	
Totalitarian system; Ideological openness (after 70s); Planned economy; Collective society.	Democracy; Freedom of expression; Transition to market economy; Emerging civil society.
DEMAND AND SUPPLY OF CULTURAL GOODS	
Significant growth in artistic consumption and production;	Considerable decrease in the demand for different forms of art;
Well organized (cultural infrastructure) throughout the country;	The number of governmental cultural institutions decreased;
	Emergence of both for-profit and non-profit cultural organizations;
Highest rate in amateur arts participation.	Remains a high-rate in amateur arts participation.
CULTURAL POLICY OBJECTIVES AND ADMINISTRATION	
Objectives: education, enlightenment;	Objectives: democratisation and decentralisation of artistic production and encouraging of market models;
Administrative organization: Highly centralised, hierarchical, bureaucratic, expanded cultural administration on local level.	Administrative organization: Remains centralised, hierarchical, bureaucratic; Limited autonomy at the local level; Establishment of Cultural funds.
	Legislation: New laws to regulate the sector; New laws to stimulate the private sector; Tax provisions to stimulate donations; New laws to support the organisation of the third sector.

5.3. ANALYSIS OF MESO - AND MICRO-LEVELS FACTORS OF CREATIVITY AND INNOVATION

Following Popov (2003), the analysis of the organization of the Bulgarian visual art sector reveals an inner infrastructure comprising a professional community of groups, specialized forms of contact with the public and a system of investment and financial support. More specifically, this sub-section focuses on (1) the reorganization of the UBA (2) the existing and new role of the intermediaries and (3) the financial arrangements for the visual arts. In addition to reflecting on micro factors, this section also outlines some of the organizational and managerial issues which emerged during the transition period.

5.3.1. Shifts in the organizational structure of the Union of Bulgarian visual artists

As aforementioned, the liberalization of the art sector in the 1960s led to the professional independent unions taking responsibility for art governance, which according to Dzhurova constitutes one of the "indisputable achievements of socialist culture" (1989, p.30).

Between 1945 and 1989, the Union of Bulgarian (Visual) artists (UBA) was the central institution that organized the visual arts sector. The general idea was that the state would withdraw its direct governance and instead leave it to the discretion of the members of the UBA, i.e. Bulgarian artists. The role of the UBA was two-fold: (1) to consolidate the artists and secure the creative process, while, simultaneously, providing facilities, such as exhibition spaces, working and living spaces, materials and financial support and (2) to legitimize the artists and their art alongside defining the aesthetic conventions and norms in the arts by organizing various activities, such as the thematic General Exhibitions (GE) (Dzhurova 1989, Popov 2003, Lardeva 2009). In other words, the organization of the entire value-chain of production, dissemination and consumption of the art works was thus under the jurisdiction of the UBA.

The structure of the UBA was hierarchical and highly centralized. It was led by a board of directors and a chairman. The Union was one of the strongest in the country with around 3000 members, including artists and art critics. The organization had 16 specialized sections in fine painting, graphic arts and illustration, sculpture, etc., and applied arts (design, wood-carving, ceramics, restoration, etc.). Representational offices were set up in the country on a regional basis. This structure was maintained

by an extended administrative apparatus, which grew considerably over time. The management of such an organization became difficult in light of the expansion of the UBA and its offices. It adopted a bureaucratic principal of management, whilst at the same time having ineffective management practices (Dzhurova 1989). In the absence of a rotation of managers, this situation created the conditions for the rapid formation of the fragmented groups that operated on the behalf of the entire Union (Dzhurova 1989). However, according to some of the respondents during the leadership of prof. Svetlin Rusev (1976 - 1983), the Union had its strongest period, characterised by its highest level of financial and organizational independence from the Ministry of Culture (Int1).

Immediately proceeding 1989, UBA changed its legal status to a non-profit artistic association with its governing bodies being the General Assembly, the Board of Managers, the Executive Board and the President. The organization retained the formal divisions between its various visual arts sections (16 in total) whilst, simultaneously, opening up a space for interdisciplinary and experimental artistic methods of production to emerge. In the beginning this role was played by the "Young Artists Club", which was reorganized in 1993 and subsequently designated as "Section 13". During this period of transition, the experts I have interviewed agreed that the Union also retained its legitmization role.

Accessibility to the UBA was increased due to the abolishment of its previously imperative norms. Subsequently, artists could apply by following an application procedure based on professional and artistic criteria.

5.3.2. Artists' groups

The transition period was marked by the emergence of manifold new, small groups (Grozdanov 1994, Vasileva 1994, Dvoryanov 2003, Ivanov 2003, Stefanov 2003, Lardeva 2009, Popova 2014, Nozharova 2018). The artistic groups that emerged, such as "Cuckov Den", "DE", "The city", etc., were based on shared artistic ideals that were in contradistinction to those held in traditional art circles in the mid 1980's (Dvoryanov 2003). Although these ideals and forms of expression can be traced back to the late 1970's and first half of the 1980's, at that time they were somewhat sporadic and isolated (Grozdanov 1994, Vasileva 1994). As aforementioned, the appearance and visibility of these informal groups only emerged as a truly social phenomenon between 1985-1986 (Vasileva 1994).

The new groups gave rise to new artistic and organizational relationships based on a horizontal model and new strategies for connecting to audiences and the art market. In parallel with this, the new situation necessitated groups to develop their own ideologies and new management practices so as to explain their credo, to communicate it and to educate a new audience. In this respect, they began to exercise curatorial practices and specialize in terms of both topic and ideology (Nozharova 2018).

In respect to the "unconventional" art forms of especial importance was the establishment of the arts association "Art today" in 1997 and the Institute for contemporary arts in 1995. Both are created by group of artists, curators and art critics, and focus on the development of the contemporary art and its connection to the world art scene[49].

5.3.3. The role of the intermediaries

Prior to 1989, the practice of art criticism was also organized by the UBA. Art critics emerged rather late in the Bulgarian visual arts scene. The need for professional critics in Bulgaria was only something that was acknowledged towards the end of the 1960s and the beginning of the 1970s. This role was largely filled by the generation who had just graduated as art critics (izkustvovedi) in foreign universities in Chehoslovakia, Poland and USSR. Because of the hierarchical system and the evident priorities of "official" art, critics had to strike a balance between the "taste of the state" and valuation based on artistic criteria (Dzhurova 1989).

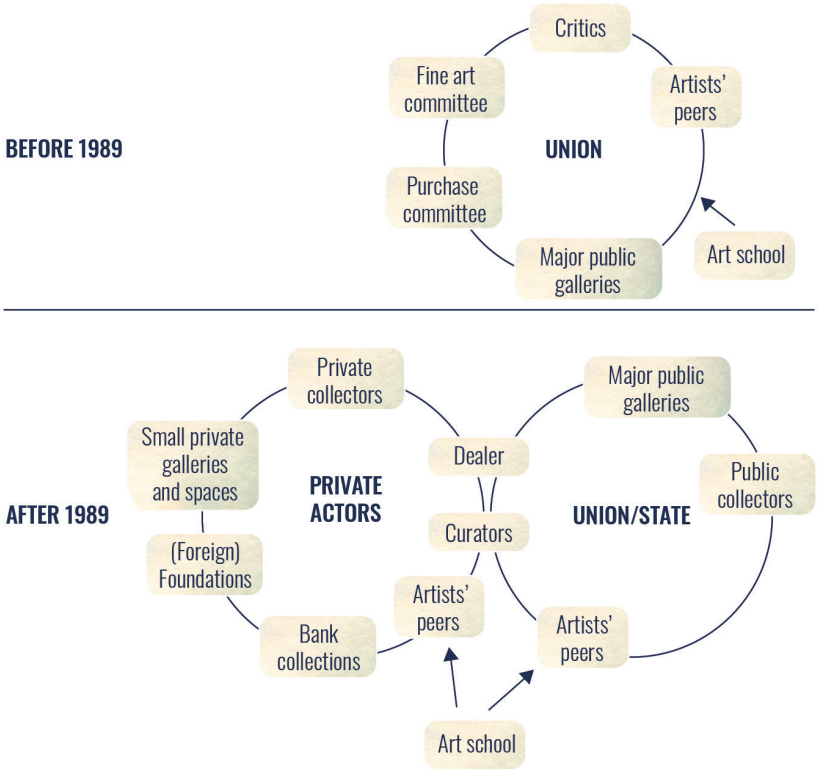
The critics occupied a strong position before 1989 for two reasons: (1) there was a legitimizing institution as the UBA and (2) there was a theoretically developed platform for the arts within the Institute of Art Critics ("Izkustvoznanie"). UBA provided a well-established critical tribune, whose content was defined by the role of specialized magazines and newspapers: Plamuk newspaper, Narodna Kultura, Art, Problemi na Izkustvoto, Puls newspaper, Literaturen front, Impuls newspaper. National TV also dedicated space to specialized cultural programs. The exhibition was perhaps the most major form of artistic expression. In 1984, 402 exhibitions were organized in the country, comprising 31,969 works from 8182 authors (Dzhurova 1989). The UBA had the largest exhibition complex in the country. The exhibition halls at the "Shipka" 6 art gallery were home to various projects and prestigious international events. After each exhibition, the works were sold to many different actors – the biggest buyers were the

[49] More about their activities is presented in chapter 7.

offices of state companies and plants, the offices of the state and local administration, the offices of the party, schools, and so on. The purchases were defined and realized by the State Purchasing Committee (Pokupatelna Komicia), which ultimately set the prices for each work. For this purpose, a special law was amended.

While before the changes, only UBA organised the production and dissemination of the visual arts, during the period of transition post-1989, many different actors and a range of new intermediary practices entered the sector (figure 6).

FIGURE 6 • The selection system of the Bulgarian visual arts during the transition period



With the disappearance of the artistic publicity that characterised the previous system, there were scarce periodicals to foster genuine debate (Lardeva 2009, Nozharova 2018). This led to the disappearance of the public tribune, which formerly had steered discussions and reflected on recent developments within the arts. Only two specialized magazines remained active: "Problems of Art", which retained its niche academic audience and "Art in Bulgaria", which was soon after privatized and forced to adjust

to the new economic environment in which "private publishing stimulated sincere individual preferences and openly subjective positions" (Int2). The only specialized art newspaper "Kultura" retained its main focus only on the existing contemporary art and rather ignore the newly emerging "unconventional" forms.

Galleries and collectors

As discussed in chapter 3, gatekeepers are essential for the art market to emerge, respectfully to innovate. Whilst the lack of official statistics and comprehensive studies on private art sector activities makes it difficult to draw clear conclusions, some tendencies can nevertheless be observed based on the interviews I conducted with various experts.

Immediately prior to 1989 and thereafter rapid changes in Bulgaria began to occur. In 1987, there emerged several open studios, where artists were free to propose their own works and to set their prices (Int9). The first private gallery, Gallery 8 in Varna, opened in 1988 (Lardeva 2009). After 1989, with the emergence of the accumulation of private financial capital, many private galleries, collectors and business organizations supplanted the role played by the existing network of government run galleries in representing, collecting and exposing Bulgarian art (Ivanova & Busheva 2004, Klimukova 2007). Some of the groups of like-minded people founded galleries or registered NGOs. In the beginning of the 1990s, the number of galleries in Sofia alone exceeded 100 (Klimukova 2007). They played an important role in the beginning of the transition representing about 80 percent of the total exhibition activities in the sector while most of them focused on well-established Bulgarian artists (Klimukova 2007).

Most of these galleries were run by artists themselves and did not necessarily meet the professional criteria for galleries. Rather, they were organized as a cross between craft shops and exhibition spaces. Relatively few galleries emerged and operated with a specific concept, created their clients, used marketing mechanisms and specialized in certain genres and/or artists. For the rest, many of those small galleries disappeared after their first economic challenges (Klimukova 2007, Velev 2007).

The situation for conceptual art or so called "unconventional" art was even more difficult during this period, in that only a few galleries emerged. The Ata Raj Gallery was considered to be the most successful (Nozharova 2018). Its success was linked to the personality of its owner, who managed to attract the interest of gallery clients (mostly foreign diplomats, who were working in Bulgaria) to new Bulgarian conceptual art.

Next to the newly emerged private galleries, the existing regional and national galleries from the previous political system continue to work. Despite the changed socio economic situation, they remain in their previous format, with intact permanent expositions (Velev 2007). The national art museums and galleries did not have the necessary resources, whilst for the last 30 years the state did not purchase any Bulgarian contemporary works of art, with the exception of the Sofia City Gallery which made some isolated efforts to showcase collections of contemporary Bulgarian art (Int). The fact that the national art museums and galleries did not invest in renewing their collections led also to less or lack of interest of the general public to their activities. A study[50] about the reform in the national and regional art museums and galleries proves that there is a strong collerelation between the number of objects purchased from the art galleries and the number of visitors during the period 1985 – 2002 (Trifonova 2003).

The boom of private collections of visual arts began in the early 1990s, when some banks began to create their own corporate collections. Some other collections were organized by the Ministry of Foreign Affairs, whose acquisitions provided opportunities for contemporary artists. There were scarce collections organised showcasing contemporary arts. The first conceptual artwork was sold in 1995 to the Swedish ambassador in Sofia, Ruf Gaudenz. He subsequently built his own collection and established a prize for Bulgarian contemporary art. A few other Bulgarian collectors build contemporary art collections (Nojarowa 2018).

Foundations

At the onset of the 1990s, several substantial foreign non-profit foundations entered the art scene in Bulgaria, first through allocating grants, but not only. Foundations such as Soros, Pro Helvetia, KulturKontakt among other foreign NGOs developed and introduced special programs focused on contemporary art. Through foundations' efforts to create and promote generative spaces for innovative art forms, the community of contemporary visual artists grew substantially in following years and created their own public. Those foundations also provided legitimisation to the new art forms, while, simultaneously, supporting them institutionally and financially (more about the foundations financing see the next section). For example, the Soros foundation created a special department entitled the "Program for visual arts", whose aim was to support

[50] The study comprises data collection about number of visitors, own income, acquisitions, donations, restoration and conversation, exhibitions, publications for two national art museums and six city galleries for the period 1985-2002 (Trifonova 2003).

experimental, "unconventional" art practices and generate discussions around them in accordance with the new democratic spirit of the period (Council of Europe/ERICarts 2005, Nozharova 2018). The programme existed until 2003.

5.3.4. Changes in financial support

Following Klamer, Petrova and Mignosa (2006), the analysis here distinguishes between financing by means of government (G), market (M) and third sphere (S)[51] during the period under study in Bulgaria. As argued in chapter 3, the distinction is important here, because when receiving G, M or S support, cultural institutions and artists must demonstrate that their activities meet the qualitative and quantitative standards set by politicians and governmental agencies, or by private for-profit and non-profit actors. More specifically here I examine the different forms of governmental support by looking at direct financing (subsidies, awards, grants) and indirect financing (regulations, tax exemptions, etc); the different forms of market and third spheres support by looking at private financing by individuals and companies.

Financing by means of government

In the 45 years prior to 1989, the Bulgarian state took sole responsibility for the financing of art and culture. The direct funding allocated to arts and culture far outweighed the size of the country and the state of art development in the country. The presence of the professional art unions allowed for the allocation of income to the artists to be made based on the criteria and principals of the Union (which were often approved by the state)[52]. In parallel with this, the regional and local cultural structures financed the arts through their respective budgets, without being coordinated via the central government. In this way, planning over their financing budgets and spending was not necessarily linked to their compliance. On the one hand, financing was strictly planned, while, on the other, the fact that different levels of governance existed allowed for ad hoc financing to also occur. Hence, financing outside of mainstream financial support was invariably irregular and unpredictable, which, in turn, meant that it was difficult to estimate the exact level of investment in art and culture (Dzhurova 1989).

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[51] These different modes of financing are explained in details in chapter 3. The lack of any data on the earnings of the individual artists, or on the support they receive from their families, doesn't allow to study the financing by the means of O sphere.

[52] The peculiarities of the Union financing mechanism are discussed in greater detail in the section dedicated to the UBA.

Though the financial support to the visual art sector was allocated via the UBA, the situation with the visual arts was different from other art sectors. The UBA had economic autonomy as a consequence of the income it received from the various production and trade companies it operated. The UBA had established its Creative Fund, which collected turnover from 7 companies in total (factories for various crafts and plastic arts; for monumental arts; for art materials; publishing houses, etc.) and redistributed a percentage of the profits to support the operation and activities of the Union. Most of the plants had a complete monopoly over their respective planned markets, which meant that they could retain high prices, strong profits, with a percentage being re-allocated to the Creative Fund. According to one statistic, in 1984 the Creative Fund annual budget only in 1984 was 2.3 million BGN (Dzhurova 1989). The incomes of individual artists were ensured by their contractually paid participation in organized exhibitions at the national and regional levels, as well as by receiving grants and awards (table 3). On the national level, the UBA organized an average of 15-20 annual exhibitions, 10-15 of which were in Sofia. Ordinarily, the most talented fine artists would participate in 3-4 exhibitions annually and, in so doing, secure their annual income. Sculptors and interior designers were among the highest earners. Indeed, according to one of the respondents I have interviewed an artist could be paid upwards of 70,000 BGN for a monumental work (just for comparison, an apartment could cost around 20,000 BGN) (Int).

TABLE 3 • Allocation of financial support to the Bulgarian visual artists by the Creative Fund, 1982 – 1984

TYPE	NUMBER OF ARTISTS	AMOUNT PER INDIVIDUAL/BGN
Contracts for exhibitions	403	93 247
Grants	298	62 530
Awards	166	135 452

Source: Dzhurova (1989)

Post-1989, the situation in the visual art sector in terms of the support it had received during the previous political system changed dramatically (Dzhurova 1989, Tomova 2004, Klamer, Petrova & Mignosa 2006). The most notable change that affected the overall functioning of the UBA during this period of transition pertained to the considerable budget cuts in the Creative Fund. Most of the companies owned by the UBA were privatized, while the rest were not prepared to compete in the free market. The average operating budget of the union dropped by from about 3mln BGN to about 200 000 BGN. Consequently, employment decreased by about 30 percent during the first years of the transition period. In light of these circumstances, the sector came to rely solely on the new forms of support provided by the government, the market and the third sphere.

In the wake of the political shifts, the government developed different mechanisms through which to support the cultural sector. For the purposes of this thesis, two forms are considered: direct financing, which comprises subsidies, grants and awards; and indirect financing, which involves tax incentives.

The total direct subsidies to the cultural sector represent a long period of steady decline in levels of direct public cultural expenditure, ending at a post-1989 record low in 1996-97 (which also witnessed a record low level of GDP) (table 4). However, for the entire period of the transition, cultural expenditure were remaining below their level of 1990. The relative growth and structural reorientation of support for creative projects was nonetheless of paramount importance. Cultural expenditure, as a percentage of Bulgaria's consolidated budget, increased for the first time in 1998, at which point it almost matched its 1990 level of 1.84 percent, whilst during the period 2000-2004 this share decreased to 1.3 percent. Despite this, the GDP percentage of cultural expenditure tended to grow, albeit hesitantly so. This growth was significant in 1996-99, ranging between 0.44-0.78 percent, or around 73 percent. Regrettably, the GDP percentage of cultural expenditure stabilised at around 0.65 percent during the period 2000-2004 (table 4).

With respect to the period between 2001 and 2004, municipalities' direct cultural expenditure remained lower than the central government expenditure (table 4). One of reasons is that they couldn't themselves take decisions about allocations of local income (Klamer, Petrova & Mignosa, 2006).

TABLE 4 • Public expenditure for culture in Bulgaria as a percentage of GDP and state expenditure as percentage of total state budget and total public expenditure for culture, 1990-2004

YEAR	PUBLIC SPENDING FOR CULTURE AS % OF GDP	STATE SPENDING FOR CULTURE AS % OF TOTAL STATE BUDGET	STATE SPENDING FOR CULTURE AS % OF TOTAL PUBLIC SPENDING OF CULTURE
1990	1,09	1,84	
1992	0,85	1,79	
1997-99	0,3-0,4	0,6-0,7	
1997	0,44	0,87	
1998	0,7	1,81	
1999	0,78		63,7
2000	0,6		
2001	0,7	1,6	50,7
2002	0,75	1,6	57
2003	0,66	1,5	74,7
2004	0,67	1,3	79,5

Source: Council of Europe/ERICarts (2005), Klamer, Petrova & Mignosa (2006), Tomova (2004)

With respect to the state allocation of financing by sector during the transition period in Bulgaria, the largest share of central government expenditure is directed to Bulgarian National Radio/Television (44.2 percent), the Performing Arts (15-16 percent), whilst considerably less is dedicated to museums and archives (3.8-4.5 percent) (Klamer, Petrova & Mignosa 2006). Subsidies to museums declined during the transition period, which has been understood to be "an indicator of stagnation in the sector" (Tomova 2004, p. 38). There were no radical changes in the costs overall, which is also indicative of a lack of new trends. This situation can also be interpreted as signalling a lack of strategic prioritising in national cultural policy (Tomova 2004).

As part of the policy towards decentralisation of the cultural sector, the government also allocates funding to cultural projects through the national lottery and The National Cultural Fund (Klamer, Petrova & Mignosa 2006). The National Cultural Fund was established in 2000 with the purpose to allocate funds to cultural organizations and individual artists on the basis of project driven competition. The

Fund is heavily subsidised (up to 85 percent of its budget) by state earmarked taxes, which in 2004 represented 2 percent of the state budget for culture. For the period 2001-2003, the Fund doubled its budget but then decreased by 30 percent in 2004, mainly due to difficulties collecting the taxes (table 5). The share of the lottery funds allocated to culture was invariably unstable and irregular. One-quarter of its net profit was dedicated to the health, culture and social sectors. One-quarter of that amount, or 5 percent (2000) and 8 percent (2001) of total government expenditure, was allocated to culture activities. Lottery revenues were distributed as an "aim resource", which differed from the distribution of general tax revenues to the arts and culture.

TABLE 5 • Funding by the National Cultural Fund, 2000-2004, in USD

	2000	2001	2002	2003	2004
NATIONAL CULTURAL FUND	19 931	216 764	562 479	507 691	387 141

Source: Nation Cultural Fund (2000-2004)

Financing by means of market

Due to lack of any data on private sales of art work during the transition period, this section provides a general analysis of trends in financial allocations by businesses to the arts and culture.

The interest of private businesses to support the development of culture and arts in Bulgaria began to gain momentum much later (around the end of the 1990s). Some estimates suggest that private business support has increased since 2000 in parallel with the general economic development of the country (Goto, Mignosa & Perova 2008). According to a study, in 2000 out of 100 companies 65 percent provided organisational support for arts and culture, mostly in form of sponsorship to performing arts (music and theatre), literature and festivals which promote national value (Soros Center for the Arts 2001).

Although the aforesaid study suggests that the number of sponsoring companies increased after 2000, in fact, sponsorship was a rather new concept and support was invariably provided on an ad hoc basis (Petrova 2008). There remained a limited number of long-term partnerships, with support mainly being allocated to well-established cultural institutions and festivals taking place in large cities. Indeed, the contemporary, independent art sector was given scarce attention. Moreover, sponsorship was seldom

part of companies' marketing strategy and its correlation with existing tax schemes is considerably weak. A survey on corporate donations indicates that only 34 percent of the interviewed companies considered tax relief to be an important stimulus for their decision to donate or otherwise. Further, 20 percent of them were not even aware of the existing opportunities (Bulgarian Donor's Forum 2008).

Financing by means of the third sector

The introduction of tax benefits schemes is a pre-condition for private donations. However, this has not necessarily been the case in Bulgaria. the contribution of the third sector to the Bulgarian arts during the period 1996-2002 has been estimated to be 2 percent of the total public expenditure for the arts (Petrova 2008).

Another form of financing of the third sector is the support in the forms of grants and awards provided by the foundations. During the transition period, the main third sector source of financing to culture has come from foreign foundations such as the Open Society Foundation, Pro Helvetia, KulturKontakt, etc. Their support was directed to individual artists and allocated on competitive base in various forms: to talented artists for participation in exhibitions; for building capacity of the sector and grants for education or special training abroad (Petrova 2008).

The major supporter of culture during the period 1996-2004 was the Open Society Foundation (table 6). The Foundation created different sector related programmes (Soros Centre for the Arts), with specific focus on performing arts, visual arts, cultural heritage and literature (table 7). The Soros Center for the Arts is particularly large – to the sum of five times the amount of the project subsidies provided by the Ministry of Culture for 1999- whilst the Pro Helvetia Foundation is the second largest donor with a sum total of about 66 percent of the project subsidies provided by the Ministry of Culture for the year 2000 (Tomova 2004).

TABLE 6 • NGO funding to culture in Bulgaria, 1996 - 2005, in USD

OPEN SOCIETY TOTAL	**4 850 322**	**3 073 708**	**1 867 773**	-	**9 791 803**
• *Culture*	-	1 982 129	646 563	-	
• *Media*	-	666 111	305 000	-	
• *Libraries*	-	625 468	-	-	
• *Women's Programme*	-	-	224 000	-	
• *Roma Programme*	-	-	398 000	-	
FUTURE FOR BULGARIA	427 530	-	-	-	**427 530**
PHARE PROGRAMME	1 605 000	-	-	-	**1 605 000**
13 CENTURIES BULGARIA	49 636				**49 636**
NATIONAL CULTURE FUND		236 695	1 457 311	-	**1 694 006**
TOTAL	**6 932 488**	**3 310 403**	**3 325 084**	-	**13 567 975**
SWISS CULTURAL PROGRAMME IN BULGARIA (PRO HELVETIA)		100 000 CHF	300 000 CHF	300 000 CHF	930 000 CHF

Source: Council of Europe/ERICarts (2015)

TABLE 7 • Funding provided for the Bulgarian arts by the Soros Centre, 1995-2004, in USD

ORGANISATION	1995	1996	1997	1997	1999	2000	2001	2002	2003	2004
OPEN SOCIETY FOUNDATION	n/a	1 326 818	1 050 504	2 473 000	1 311 000	785 000	749 401	1 347 479	790 210	265 563
• *Incl. Soros Arts Center*	298 334	862 058	686 344	801 295	767 000	565 325	n/a	508 108	84 000	79 000

Source: Open Society Foundation (1995-2004)

Another two foundations that granted support to visual artists are The American Foundation in Bulgaria, established in 2004 and the Bulgarian Donor's Forum, established in 2003. The Bulgarian Donor's Forum raised in 2004 support for projects in the cultural area to the amount of 300,000 BGL. Its role as an advocate for the partnership between private organisations and artists or art organisations has generated a reciprocal acknowledgment of both parties' values and stimulated considerable fundraising for the arts. Donors include the Swiss Cultural Programme Pro Helvetia, the European Cultural Foundation, business companies (ING Bank, Post Bank) and charity business networks (Rotary Club). The majority of these grants were directed towards modern art, with the next biggest beneficiary being support for the exploration and preservation of cultural heritage (Council of Europe/ERICarts 2007).

5.3.4. Summary of the main changes at the meso - and micro-levels factors

Institutional changes at the meso level are characterised by: (1) structural reform within the UBA and national galleries and museums; (2) the emergence of new private art organizations; (3) the emergence new intermediaries; (3) strengthening of the non-profit sector and the legitimizing power of international foundations; (4) major shifts in governmental financial allocations, allied with the emergence of new forms of private financial support (for-profit and non- profit).

TABLE 8 • Main institutional (structural) changes at the meso and micro levels in the Bulgarian visual arts during the transition period

1) THE ORGANIZATIONAL STRUCTURE OF THE UBA

BEFORE 1989	AFTER 1989
Part of the state administration with strong and independent organizational and financial status;	Non-profit private artistic association with weak organizational and financial status;
A highly centralised, hierarchical and bureaucratic administrative structure with a strong presence in the big cities across the country;	A highly centralised and hierarchical administrative structure which bean to open more to interdisciplinary and experimental art;
Growth in informal interdisciplinary groups, which turned into a social phenomenon (1985-1987);	The informal interdisciplinary groups first remained part of the UBA (section 13, for example), but later chose for their own horizontal organizational models and marketing strategies;
Access to UBA was limited based on clear selection criteria.	UBA had a greater access and retained high membership.

2) THE ROLE OF THE INTERMEDIARIES

BEFORE 1989	AFTER 1989
Critics were of the UBA structure;	Critics organized and operated within and outside the UBA structure;
A well-established critical tribune defined by the role of specialized magazines, newspapers and TV programs;	Significant decrease of the existing tribune that previously steered discussions and reflected on recent developments in the arts;
The UBA is the main organizer of the official exhibitions in the country;	New intermediaries appear outside of the UBA circle;
Limited number of private collections;	NGOs, dealers, collectors, gallery owners;
Great importance of national art museums and galleries.	Reduced importance of public art museums and galleries;
	Emergence of new curatorial practices.

3) FINANCIAL SUPPORT

BEFORE 1989

By means of the government

Centralised, abundant financing from the state via the UBA and its regional structures:

- secured high incomes for individual artists through participation in exhibitions;
- an abundance of awards and commissioned works.

The UBA had financial independence from the state due to its own production (Creative Fund).

By means of the market

There were limited practices of "free" market exchange through the organisation of "open" studios in 1987 and opening of the first private gallery in 1988.

AFTER 1989

By means of the government

Scarce financing:

- symbolic subsidies on national and local levels;
- extremely limited subsidies to individual artists and projects via arm's length bodies (Public Cultural Funds);
- tax incentives for private donations (2000).

By means of the market

Emergence of private galleries, collectors and business organisations in the visual art market:

- small size of purchases in the visual art market;
- low level of investment in the art market;
- the secondary art market (auction) did not develop;
- bank collection started to develop in the 1990s mostly via the purchasing of "old" art which;
- other collections were organized by the Ministry of Foreign Affairs, whose acquisitions gave opportunities to contemporary artists,
- the national galleries and museums were unable to purchase (contemporary) artworks for a long time.

By means of the third sector

Private donations:

- the fiscal arrangements gave possibilities, but still, the contributions to the arts remained very low.

Foreign foundations (investments):

- provided greatest financial support to the arts: mainly supported individual artists and projects.

5.4. THE ENVIRONMENTAL FACTORS UNDERPINNING ARTISTIC CREATIVITY AND INNOVATION DISCUSSION AND CONCLUSIONS

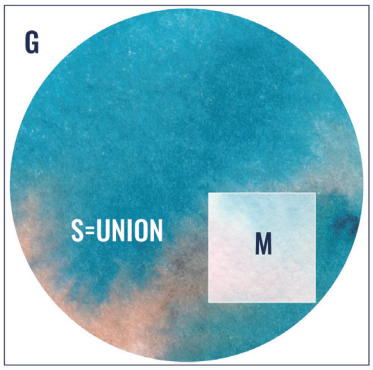
In this chapter, the analysis has focused on the complexity of the (institutional) environment that characterised the Bulgarian visual arts during the transition period. More specifically, it has traced the changes in macro, meso and micro institutional settings from the pre-1980s to the post-1989 setting. The key question addressed here concerned to what extent the profound economic and political changes supported the emergence of artistic innovation within the Bulgarian visual arts.

Following the changes in the institutional setting and the corresponding financial arrangements, it is possible to distinguish between two stages: firstly, high institutionalization (1980s to the beginning of the 1990s); and secondly, reform towards de- and re- institutionalization (beginning of the 1990s to the beginning of 2000). Whilst the mid-1990s saw some elements of a re-institutionalization of the visual art world, according to the interviewed experts this process is still not completed.

5.4.1. The high institutionalisation stage of the Bulgarian visual art sector

Through recourse to the different spheres model of Klamer and Zuidhoff (1998) and Klamer (2017), explored in chapter 3 and based on the analysis in this chapter, it can be observed that the governmental sphere overlapped with the social and market sphere during the era of Socialism in the Bulgarian visual art sector. This was realized through the governance of the UBA (figure 7).

FIGURE 7 • Five - sphere model of the visual art sector before 1989



Governmental sphere (G), Market sphere (M), Social sphere (S)

This period was based on a highly centralized, hierarchical model of governance, allied with a strong bureaucratic administration and planned financing. The governance of culture was politically motivated, with the strong degree of control designed to produce uniformity in artistic expression. The policy focused on expanding the cultural infrastructure, with an especial focus on the quantities of production that required institutions to administrate these cultural processes. This process led to significant growth in the administrative apparatus, characterised by a frequent doubling of governmental functions at the national, regional and local levels.

Governance of the visual arts was centered around the monopoly held by the UBA, who was responsible for the organization of the production, dissemination and consumption of artistic production, alongside facilitating the development of the professional life of around 3000 Bulgarian visual artists. It also provided financial stability to its members by purchasing their art works as well as awarding individuals grants. The Union became financially independent from the state direct subsidies due to the income it generated via its own craft production and trade companies.

Despite the fact that the Union was directly associated with the totalitarian system and all of its limitations, the findings of the analysis presented here suggests that some artistic experiments and innovations occurred, albeit sporadically. Three factors contributed to these aforesaid innovations. First, the liberalization of the political system and the processes within the UBA in the 1970s led to a decline in state control on the artistic production and artists practices. Second, due to strong leadership by one of the Union presidents, the organization gained considerable financial and artistic independence. Third, the existence of a strong and well-defined center of UBA created conditions for some art events to take place in the periphery of UBA. Informal groups began to emerge and engage in activities that were simply not taken seriously by the official management of UBA, such as, for example, the "Club of the Young Artists" and their exhibitions (established within UBA), especially in terms of their plenaries on wood-carving which were organized in the countryside, or their symposiums of sculpture. It is a fact that the first "unconventional" works of art appeared during these gatherings. In the beginning the activities of these informal groups were isolated, but from 1985 onwards they turned into a social phenomenon.

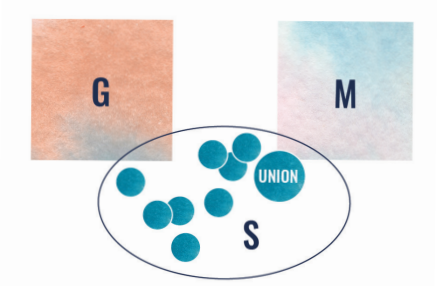
5.4.2. The de-and re-institutionalisation stage of the Bulgarian visual arts

The period of de-institutionalization began with the radical political volte-face from a totalitarian system to a democratic one. The process brought significant changes for all the art sectors in terms of production, distribution and consumption. This process

not only challenged the prevailing artistic conventions, but also the way in which artists and institutions were organized and functioned, i.e. their social conventions. It also changed the way in which art was consumed, as a consequence of the fact that cultural participation in its traditional forms was obviously in decline. The reasons for this were twofold: firstly, economic decline, and, secondly, the shift towards new forms of culture dissemination and consumption via television and video/cable channels.

While during the previous model all the sector practices were centered around the government, during the transition distinct logics of the government, market, and third sector (Klamer & Zuidhoff 1998, Klamer 2017) clearly began to diverge and create their own institutions, both formal and informal (figure 8).

FIGURE 8 • Five - sphere model of the visual art sector after 1989



Governmental sphere (G), Market sphere (M), Social sphere (S)

The beginning of these institutional changes was characterised by the need for a break from the hierarchical model of the UBA and the search for alternative exhibition spaces, cultural centers and other institutions. This process was highly complex and driven by conflicts between new and older institutional models, new and old ideologies, new art and old art, and emerging and established artists. Moreover, during this period the economic and social status of individual artists themselves also changed dramatically.

The cultural objectives of the government frequently changed in the 1990s as a result of changes in leading political groups, allied with there being lack of good coordination among the different levels of administration. Responsibilities for financing the cultural sector were decentralised and then recentralised, whilst the private business sector had little interest in supporting cultural activities. There emerged some clarity towards the beginning of the new millennium, as new regulations sought to demarcate the individual responsibilities of the different administrative levels of government. Considerable steps were taken by the third sector, while the businesses slowly show interests to build long – lasting partnership with the cultural sector.

Within the governmental sphere, culture was one of the key priorities of the state prior to 1989, and, as such, it was a well-defined, organized and financed sector, whereas in the post-1989 political milieu, the state's priority shifted to stabilizing the country economically and politically, which served to leave cultural sector in a state of inertia. Although this transition saw major modifications to the existing organizational models of culture, this did not lead to the strategic implementation of new cultural models. Whilst this was originally the intention, in reality it turned out to be more of a theoretical stance than leading to any real concrete action

Notwithstanding the intention to engender change, in reality the process of privatisation and decentralisation of the sector remained somewhat chaotic and ineffective in the transition period due to frequent governmental turnovers, the concomitant lack of continuity in the cultural policy framework, and the lack of professional ability of the existing administrative staff to successfully conduct and manage the restructuring process. The stabilisation of the cultural sector only truly began in earnest via a series of cultural reforms in the late-1990s, where thereafter the government became more proactive in terms of harmonising with the cultural policy principles of the EU and accessing EU structural funds. Accordingly, the state began to implement more effectively the manifold administrative and financial changes that were required in the cultural sector. The most evident of these changes was that within the management structure of the national art institutions. In addition to this, the state began to delegate decision-making responsibilities and funds to cultural institutions at the local level, in conjunction with stimulating greater involvement from the private sector via either legislative and fiscal means (tax measures) or through the introduction of programmes promoting public-private partnership. It also began to introduce market principals in the allocation of state subsidies by introducing competition for project subsidies (market principals) based on public funds via the National Fund "Culture" and the Municipal Fund "Culture".

Despite positive steps towards decentralisation of state support towards the arts and culture, not to mention the introduction of different mechanisms of project support based on competition, during the transition period state direct support (subsidies) nevertheless remained the most important source of funding. But still, in the final decade of the twentieth century, the government's support of the visual arts sector in Bulgaria remained primarily symbolic. The lion's share of funding was allocated to museums and national galleries to cover their operational expenditure.

Within the market and third spheres, allied with the general reform in the art sector and the processes of privatization, greater opportunities for private individuals,

companies and (for-profit) organisations to take an active part in the governance of the cultural sector emerged. The first private, market-orientated and non-profit, cultural organisations were established (mainly in the publishing and film industry). In the visual arts, new galleries were established. This process aimed to liberate the processes of cultural production and its dissemination and to substitute the government financial withdrawal, while also involving private stakeholders in the cultural sector.

Despite the newly introduced regulations and laws that supported the operation of market organisations and processes, very few non-governmental for-profit (and partly non-profit) organisations were established mainly in the area of media and cultural industries for which a free market model was already known. Here the lack of clear reform framework in the arts and culture remained a serious obstacle for many private enterprises to enter the sector.

The tax relief scheme introduced by the government also opened up possibilities for sponsorship and additional public-private partnerships within the cultural sector. However, their respective share of the total support provided to culture remained relatively small.

In this sense, the findings here do not lend credence to the theory that purports that when the state withdraws from the financing of culture, this vacuum is occupied by businesses.

In the third sphere, spontaneous events by individual artists and groups emerged, which gave rise to new artistic and organizational relationships based on a horizontal model and new strategies for connecting to the audience and to the art market. These shifts had an impact on the reform of the UBA, as well as on the establishment of new artistic groups and institutions, the practices of critics and curators, the functioning of the art market, and on the models of financing adopted by the new patrons.

This process led to the de-institutionalization of the sector, whereby the most important credo became those established by art groups and/or individual artists (Popov 2003). This trend was especially strong in the immediate wake of the political changes, when a veritable host of groups established themselves and stood for their own expressions. Manifold spontaneous initiatives arose and artists themselves took initiatives to popularize their movements and modes of artistic expression. Subsequently, some of those initiatives were systematised into organized practices, operating under formal structures as NGOs, with their own credo, management, critics, galleries, festivals and patrons. However, the artists' urge to innovate was not always sustained in the long-term, because of the underdeveloped art market and the lack of a basic cultural infrastructure. In many cases, the innovative art initiatives failed

to last beyond one ad hoc act. The first attempts to legitimize the new art began in the mid-1990s via the special support of international foundations, such as Soros, Pro Helvetia and KulturKontakt, and a few private galleries which supported the individual efforts of artists to organize exhibitions, catalogues and debates on the new trends in contemporary art culture.

5.4.3. Concluding remarks

The aim of this thesis is to investigate the interrelation between radically changing environmental factors and the occurrence of artistic innovation that sustain in long-term.

The analysis presented in this chapter demonstrates how the entire sector operated in an extremely difficult economic and social environment during the transition period. One of the key questions here concerns to what extent these factors are either supportive of or restrictive towards artistic innovation (chapter 4). That is to say, did these changes in structures within the governmental, market and third spheres stimulate and sustain artistic innovation within the sector and, thus, engender a paradigm shift (in the Kuhnian sense of the term).

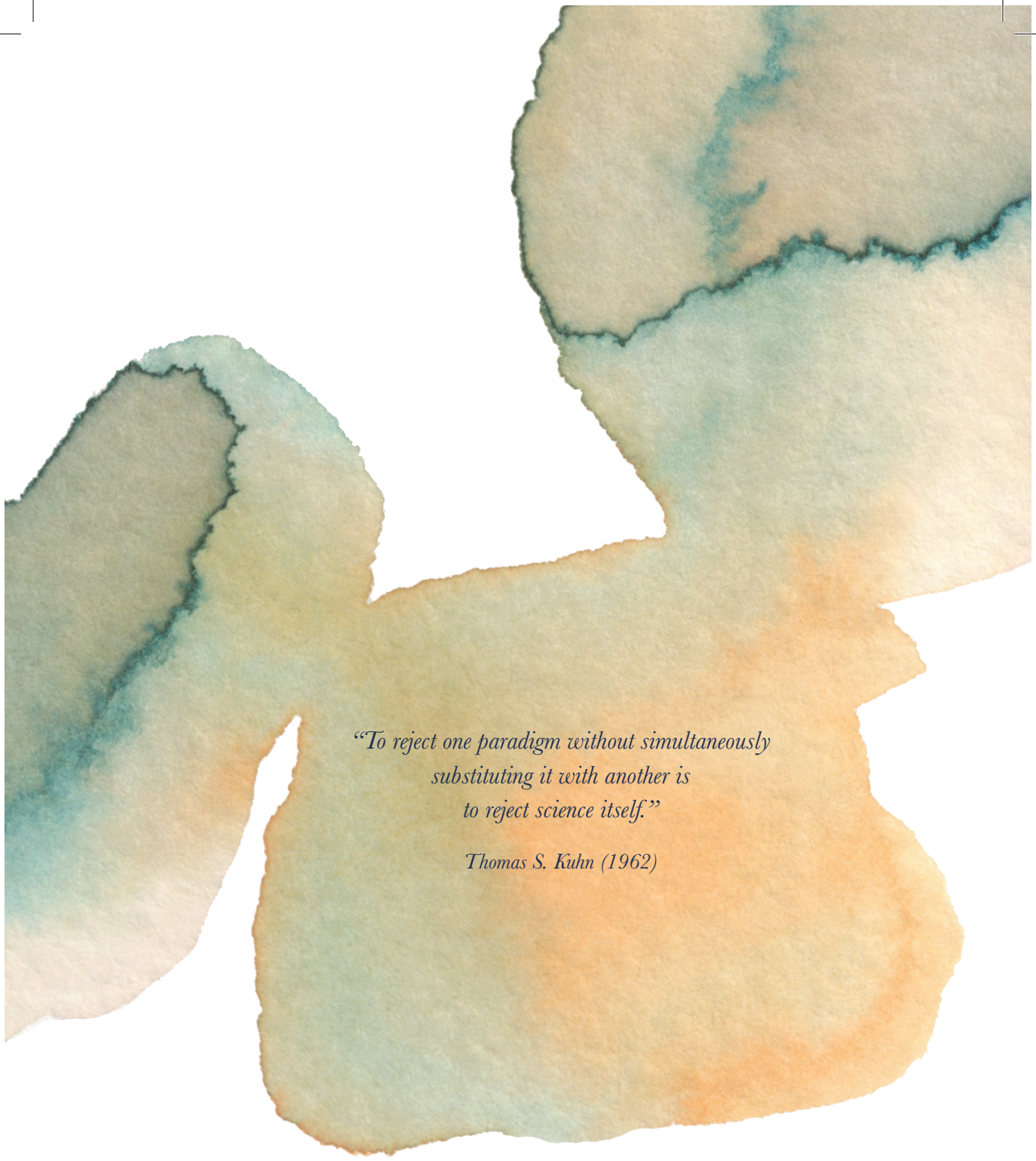
Though the analysis here points to disruption in the institutional environment of the visual arts in Bulgaria in terms of organisation and resources of the governmental, market and third spheres, which might be a condition for newness in art practices to emerge, based on the analysis only of changing structures here it is difficult to draw conclusion whether these new conditions performed as controlling or supporting and respectively whether the spheres stimulate and sustain artistic innovation within the sector in long run. In other words, the question is whether the structural breaks in the existing structure of the sector which was govern by the state through the Union, motivated not only the emergence of the newness, but also support it to turn into innovation.

What does motivate a paradigm shift? The economic literature stresses the economic conditions and dimensions of the changes as a condition for innovation, however, Kuhn raise the question of the role of knowledge during the innovation.

The analysis here shows that despite the emergence of new market structure for the arts still the sector as a whole remain strictly dependent on the pre-existing governmental support. It is another question whether the government and the other actors have the capacity to operated and allocate the resources according to efficiency and in respect to long-term strategies for the development of the sector. In other words,

not only lack of economic resources, but also lack of knowledge, competence and willingness for change by all actors in the sector are factors that need further analysis. These factors were pointed by the interviewees as barriers for the innovation to sustain in long term. With respect to this, the literature points to the social and cultural capital of the actors involve in the change which can help them to understand and act upon the new possibilities that the changes create (Kuhn 1962/1996, Frey 1997, Klamer 2017, Tomova 2007, Komarova & Velthuis 2018).

All these direct my attention to the analysis of social and cultural values that are involved in the realization of a change. The next two chapters take these questions a step further, firstly theoretically through recourse to paradigm shift theory (chapter 6) and, secondly, through an empirical analysis of the cultural transformation within the Bulgarian visual art sector (chapter 7).



"To reject one paradigm without simultaneously substituting it with another is to reject science itself."

Thomas S. Kuhn (1962)

CHAPTER 6

THE PROCESS OF PARADIGM
SHIFTS IN THE ARTS:
A VALUE - BASED APPROACH
TOWARDS CULTURAL INNOVATION

6.1. INTRODUCTION

This thesis is about transformative change. As individuals, we are always changing; and, mutatis mutandis, organisations change, communities change, sectors change, and economies and societies are continually in a state of flux. Given this aforesaid point, the critical questions concern where change derives from and what are the consequences of such change. Is it that individuals first go through a process of change and then subsequently advocate for and engender change in other spheres, or, inversely, is it structures that initiate change and inculcate shifts in the values, behaviour, traditions, practices of individuals?

Of course, causality is difficult to establish, especially when a multitude of radical new events are occurring simultaneously, as was the case with the change in governmental structure and emergence of "unconventional" art during the political revolution in Bulgaria in the 1990s. The key question pertains to how newness qua radical innovation relates to environments undergoing radical changes. This is undoubtedly a complex question, one which raises issues around causality and/or the interplay between different structures, agents and values.

Through a historical analysis of different periods of art history, authors on creativity argues that there is a direct causality between radical changes in the environment and artistic innovation (Simonton 1977a, Elster 2000), an argument I have addressed in chapter 3. However, this connection is not always a straightforward one. The example of the Russian avant-garde art movement during the October Revolution in 1917 serves to illustrate the complexity of causality. Despite initial encouragement by the state towards Malevitch's new style of Suprematism, in the long-term there was notable disagreement between the state and the artist in terms of promoting a new artistic genre. Indeed, only a few years after the Revolution Malevitch was suspended from the positions he held due to a clear conflict of values between himself and the state (represented by Stalin). This stemmed from the fact that Malevitch and his followers saw the revolution as providing a possibility through which to articulate a new artistic language, one that enabled them to free themselves from existing conventions and, ultimately, pursue an alternative development in the arts. However, from the state's perspective (led by Stalin), the values that the artist conveyed were not the values that the state would like to promote.

Similarly, in the Bulgarian case of introducing "unconventional" art as a form of artistic innovation, one cannot straightforwardly claim that it was change in the governmental structure that directly led to artistic changes in the art practices.

To begin with, it is difficult to establish what precisely constitutes (radical) innovation in the arts and what it results in. For instance, is it merely a new product and/or process that the market demands as economists would argue? As I suggest in chapter 2, this point raises additional questions about what constitutes new and for whom? Moreover, if the market is the only arbiter of what counts as innovation, then how can we account for such artistic breakthroughs that were only acknowledged by the market much later?

In chapter 3, I argued that creativity (with a capital C) is only meaningful and can lead to radical innovation when it is situated in a specific context and defined by social, economic and political factors, which are ultimately translated in the sector organization and allocation of resources.

Building on the system approach towards innovation addressed in chapter 2 and the importance of five - sphere model perspectives as discussed in chapter 3, in this chapter I propose to examine radical innovation in the arts through recourse to Kuhn's conceptualisation of paradigm shifts. Although Kuhn's theory refers to the scientific domain, I found it to be highly relevant for understanding radical innovations in art practice, where, similarly to science, the social and cultural dimensions are of critical importance.

The key issue apropos paradigm shifts as conceptualized by Kuhn concerns the issue of incommensurability, as it is applied to a paradigm (theory) and its practice (valorization). He suggests that real transformations occur across all different aspects of a domain and field of knowledge; hence, changes do not occur solely in organizational structures, rather, language changes, values change and practices change. In a sense, what worked in the old setting cannot work in the new setting. For example, in the field of physics, Newton's theory of relativity meant that the entire domain of knowledge underwent a process of reconstruction, whilst the advent of neoclassical economics meant that the concept of utility maximization outlined in classical economics was incomprehensible. In both examples, new practices of conducting science evolved as a result of the sense that emerged out of the process of the deliberate valorization (Klamer 2003) of new values and beliefs.

By paying close attention to these processes, the question I aim to address in this chapter concerns whether the changes in (institutional) structures brought about by the shift to the free market economy engendered or otherwise the realization of new aesthetic, cultural and social values in the Bulgarian visual arts scene? Moreover, where these changes in structures able to sustain artistic creativity and innovation within the sector and, in turn, support the paradigm shift that the new "unconventional"

promised to realize? Or, to put it in Kuhn's terms, was the new-born "unconventional" art able to establish its new values, norms and practices and thus sustain them in the long-term amidst structural shifts in the government (G logic) and market (M logic)?

From the perspective of standard economics, one could argue that the shift from a totalitarian governmental structure with a planned economy to a free market one is indicative of the so-called "invisible hand" of the market, whereby, via the forces of supply and demand, the contemporary art market stabilise and flourish. This, in turn, would eventually create favourable conditions for aesthetic-intellectual innovation, which can transform the entire sector. However, in the Bulgarian context, as illustrated in the analysis in chapter 5, over the last decades this development took another direction. Despite the establishment of new formal institutions (new legislation, privatization, new regulations, tax incentives, etc.) that were expected to elicit a paradigm shift, they ultimately failed to engender innovation in the visual art sector.

6.2. BRIDGING THE GAP: A NEW FRAMEWORK TOWARDS SYSTEMIC QUALITATIVE CHANGES IN THE ARTS

To make sense of radical innovation that occurs during radical changes in the environment, I am proposing a framework through which to interpret radical changes qua innovation in the arts. This framework requires going beyond standard economics, because what is important in science and art is meaning and social practices, both of which are largely overlooked by economists (see chapter 2). In this respect, changes occur only when values are truly changing, which is expressed in changes in meaning and practices (Klamer 2017). I also recognise that qualitative changes come through social (S) and cultural (C) spheres, as illustrated by the aforesaid example about Malevich. The C sphere reflects new ideas and content that artists create and share with others, and thus the meanings of the different art forms are valorized there. The S sphere relates to the way artists are working; by socializing, conversing, interacting, engaging with others (artists and supporters); new practices are valorized there. Here, cultural dimensions are also of especial relevance, but only in the anthropological sense, such as norms of behaviour, for example. Focusing on C and S logics also allows to connect the individual and environmental perspectives, and to analyse radical innovation in terms of the changes that occur as a result of the interplay between both – an important point developed in chapter 4.

In this chapter the framework makes use of (1) the theory of a paradigm shift,

which is used to explain the development of new cultural and social practices and (2) the value-based approach, which emphasises the importance of values and spheres through different logics introduced in chapter 3.

The previous chapter clearly documented that there were substantial institutional changes in governmental structure, which found expression in different practices, rules, regulations and authorities in G logic. Along with changes in the political system in the 1990's, the democratization of the government and establishment of the free market, new opportunities arose for the emergent "unconventional"[53] artistic genre. A further important factor was the notable emergence of the non-profit (third) sector and private individuals and organisations that played an active part in the governance and financing of contemporary Bulgarian visual art. In conjunction with this, reform within the UBA occurred which also, albeit to a lesser extent, affected the new practices of artists, critics and curators. As such, the new "unconventional" art began to both expand its influence and form its own boundaries within the existing Bulgarian visual arts. Hence, one could argue that it began to evolve as a new paradigm (Kuhn 1962/1996).

This chapter studies how do shifts in governmental (G) logic correspond to shifts in cultural (C) logic and social (S) logic. More specifically, in this chapter I argue that radical innovative practices in the arts occur in parallel with shifts in S and C logics.

6.2.1. Change versus paradigm shift

The conceptualisation of change within standard economics is limited to a scenario in which either the government redistributes its incentives (in terms of new regulations, subsidies, tax incentives, etc.) differently, withdraws through the reduction of incentives, or, alternatively, the market takes the lead by promoting its incentives and likely better rewarding artists and helping new art to flourish (chapter 3). Within this perspective, change is reduced to changes in instruments or parameters (incentives), to the exclusion of shifts in values and practices. Thus, the role of cultural and social changes is simply not seriously considered. Moreover, following this standard economic reasoning, change is expected to occur solely on the supply side, whereby foster the art production by providing a new set of incentives. However, it is also important to acknowledge the importance of the process of change in terms of values and practices (preferences) on the demand side. Here, the assumption is that while one (institutional) environment changes, a set of cultural characteristics connected to values, norms, traditions and rules is also changing and being

[53] There is an extended discussion about the etymology of the term "unconventional" as applied to the new art Bulgarian forms/expressions from this period in chapter 7.

expressed differently via a range of actors' actions and experiences (North 1990).

The notion of institutional change as outlined by North (1990) and discussed in chapter 3 invites us in the Bulgarian case to study institutional change not only by looking at shifts in formal institutions (thus instruments), but also to understand the way different stakeholders – artists, organizations, intermediaries, funders, etc. – realise the new values while pursuing artistic changes. Having said this, it is also important to pay close attention to the specificities of concrete domains of knowledge, such as science and art, where meanings and social dynamics are of critical importance. Close examination of paradigmatic changes in science led Kuhn (1962/1996) to conclude that paradigm shifts rely upon purposeful and coordinated actions on the behalf of various actors, who in one or another way negotiate meanings as part of their theories, while, simultaneously, considering shifts in values. The realisation of new values expressed in new practices is what Klamer (2003) designates as a process of deliberate (cultural) valorization[54]. Consequently, the criteria for transformative change or radical innovation is its degree of incommensurability, which on its own can be a consequence of both changes in meaning and changes in values that express in new social practices.

6.2.2. Incommensurability

The notion of incommensurability originates from Greek mathematics. The Merriam-Webster dictionary defines incommensurability as being "not able to be judged by the same standards" and as "having no common standard of measurement".

Kuhn (1962/1996) applied the term within the philosophy of science in order to address the challenge of cumulativeness in science, arguing that the development of science

> "does not change toward some fixed goal according to some fixed rules, methods or standards, but rather it changes away from the pressures exerted by anomalies on the reigning theory" (p. 170–173).

Accordingly, incommensurability stems from the failure of the different individuals (scientists) who discover new theories to communicate the different problems and solutions that their discoveries identify/resolve, i.e. failure in the language they use to interpret their theories. This different interpretation is based on the application of

[54] The actual term used by Klamer (2003) is "deliberate valorization". Despite the fact that Klamer did not explicitly use the term cultural, he nevertheless implicitly suggests that this process is cultural due to the fact that it reflects on certain values – a point developed further in this chapter.

different concepts and methods to the same phenomenon, but which ultimately address different problems. In this sense, Newton's theory of relativism is incommensurable with previous theories in physics.

The most important feature of incommensurability noted by Kuhn is that it does not imply incomparability, which is to say that, although the different paradigms can be compared, Kuhn purports that this is dependent on the language used by scientists to interpret both paradigms. From this perspective, language is thus not fixed, but, rather, an interpretive device, in that the same meaning can have different interpretations in different contexts. Kuhn cites the example of how the term "motion" was used during the period he was writing and how it was used in the Aristotelian tradition. The former connects with the translation from Greek where it means 'position change', whereas Aristotle used the term to explain a much wider variety of changes (Oberheim & Hoyningen-Huene 2018). This inconsistency in meanings alerted Kuhn to the fact that it is not merely a matter of translation, but rather it is a question of understanding the concrete scientific contexts in which the term is used. Moreover, he argues that this supposes development of different concepts which is also mediated by the development of different discursive formations or conversations, to use Klamer's (2003) term.

Kuhn further develops[55] the idea of incommensurability by highlighting the interrelation between changes in problems, concepts and contexts that define the domain of knowledge (Kuhn 1962/1996). Consequently, accurate translation can nevertheless fail due to the fact that at different historical junctures scientists may apply different values/qualities to the same notion, such as in the aforesaid example of "motion". The point here is that when fundamental theories change, there is an attendant change in meaning and, hence, the concept itself changes. The notion of incommensurability in Kuhn's interpretation also suggests that a theory can use the same terms, but with altogether different meanings which address different things. This development thus requires replacing old concepts with new concepts (Oberheim & Hoyningen-Huene 2018). Therefore, Kuhn (1962/1996) argues that it is not simply a matter of better translation, but instead a question of developing new languages to explain the newly created concepts and methods, which only make sense in historical context and in relation to the concrete knowledge that is shaped by that paradigm at that moment. Hence, it is not a matter of knowing it, but rather a matter of learning it.

[55] During the course of his work on incommensurability, he edited his interpretation on several occasions, which some critics considered to be a major reconfiguration of the concept, whilst others saw it as "a more specific characterisation of the original core insight" (Oberheim & Hoyningen-Huene, 2018).

Here, Kuhn emphasises the importance of experience or tacit knowledge in the process of developing new paradigms. In this sense, the scientist must master incompatible concepts, that is, to learn how to apply the conceptual apparatus of a theory to solve exemplary problems that determine a scientist's experience or practice (Oberheim & Hoyningen-Huene 2018). With this, Kuhn is not positing that science is irrational, which is a commonly misunderstood and criticized aspect of his work (Oberheim & Hoyningen-Huene 2018); rather, he is arguing that the fundamental changes in science are holistic in nature, i.e. the whole is more than the mere sum of its parts.

If we were to apply this logic to art sector, then this would mean that paradigm shifts would alter the very definition of art itself through the process of defining a new problem and providing new solutions. Given that revolutionary change engenders changes in language (pre-existing terms) which are incoherent in terms of the lexicon of the previous theory/development, in that they abandon previous concepts and develop new ones, the new terms must be learned together through experience. For example, with the introduction of Duchamp's work *Fountain*[56], which completely challenged the pre-existing definition of what constituted an art work within his concrete context, the artist, along with his followers, needed to learn what an art work meant in the new context. In a certain respect, the old understanding of art was redundant, incoherent even, in the new context, and thus the new understanding of conceptual artwork would have to completely replace, rather than complement, the existing understanding of artwork. How does this translate for the purpose of our question here?

6.2.3. The Value-based approach and the process of cultural valorization

To begin with, it is instructive to refer to McCloskey's (2010) argument that important changes are culturally embedded and derive from ideas and rhetoric. Then in relation to this thesis, the question is what does take to realise a new paradigm while an institutional change is taking place?

North (1990) purports that it is not only changes in formal institutional constraints (laws procedures, regulations) that matter in the context of institutional change, but also informal constraints (value shifts). To comprehend North's position, it is necessary to take recourse to another conceptual framework which extends the

[56] The work was part of an exhibition by the Society of Independent Artists, in 1917 in New York. The exhibition committee dealt with this contradiction by hiding it behind a screen (Cabanne 1997).

narrow-focused standard economic perspective.

One of the key elements of the framework I will outline here builds upon Klamer's (2017) value - based approach. As already developed in chapter 3, Klamer's contention is that that values are generated in a cultural context, derive meaning from that context[57] (Klamer 1996, 2002, 2003, 2004, 2017), and, hence, changes in values occur hand-in-hand with changes in culture (i.e. norms, beliefs, practices). Consequently, we need a new perspective in order to explain both the structural and cultural changes in the Bulgarian visual arts sector in the 1990's.

The core contribution of the Value - based Approach (VBA)[58] is that it underscores the importance of values and communities (including different stakeholders), who through a range of different strategies generate and realise those values. According to Klamer (2003), the latter is indicative of interdependencies between various actors and their mutual adjustments of beliefs or ideals and practices to realize those ideals. As such, the application of the VBA to the Bulgarian context offers a conceptual framework through which the different value shifts in the five sphere logics of the art sector – market, governmental, social, cultural and oikos – can be analysed in-depth, with due consideration given to shifts in values and practices. Whilst it is one thing to examine how an individual artist creates a context (builds relationships, networks, etc.) for his/her new work, it is another question altogether with regards to how an entire system/sector embraces this newness and changes its practices accordingly. In both cases, my proposition is that the processes of valorization may differ. Here, it is important to clarify that this process of realising new values is not automatic, but instead requires effort. More specifically, it is made up of a process of generation, enhancement and strengthening of certain values, which Klamer defines as a practice of "deliberate valorization" (2003, p. 200).

Before proceeding further, for the purpose of clarity in the discussion it is necessary first to distinguish between valuation as evaluation and valuation as valorization. Vatin (2013) explicates that both processes are different in nature. *Valuation* can be designated as evaluation when it takes the form of an assessment or judgment against certain criteria. This process does not create value in and of itself, but instead either reaffirms or rejects pre-existing values. Conversely, valuation as *valorization* is a process of value production through which a cultural artefact gains its worth, while its value is under construction. This makes the process deeply uncertain and dynamic, and, moreover,

[57] This is also position shared by social psychologists, and advanced in chapter 2 of this thesis.
[58] The rationale and stages of the VBA are introduced in greater detail later in this chapter.

requires a considerable degree of reasoning and contestation. Klamer (2003) points out that the defining characteristic of such a process lays in the process of deliberation to persuade others, which is a deeply socially and culturally mediated process that stands in direct contradistinction to standard economic doxa that understands our choices as being determined by given preferences. Furthermore, valorization is not an automatic consequence of a state of equilibrium between demand and supply. Rather, it sheds light on the underlying processes of creating and negotiating meanings, which are underpinned by the moral choices that people make to attain certain goods (Klamer 2017). This suggests that cultural valorization not only take places at the level of the individual, i.e. individuals valorizing through different practices, but also takes place on the organizational or institutional level via the strategies adopted by those entities to realise their goals and purposes. In the art world, for example, cultural valorization has been explored as a mechanism of canon formation, where changes in the institutional and organizational environment have also been considered (Corse & Griffin 1997). In some sense, the cultural valorization undertaken by individuals and via organizations display different logics (M, G, S or C), whilst each sphere valorizes their values through different practices. The market lays the point to the process of price formation (market logic) and the government launches regulation procedures, whilst for artists it is the process of socializing (social logic) and creating of meanings or sense-making (cultural logic).

Utilising a framework that combines the idea of a paradigm shift and VBA allows not only for an analysis of changes in theory or meanings, which would constitute a change in C logic (more particularly C3), but rather also allows for an examination of cultural changes in social practices (C1) which are undertaken by individuals and organizations while interacting within the G and M spheres.

6.3. OUTLINE OF THE NEW FRAMEWORK

With respect to the aforesaid discussion, I would like to elaborate further on the proposed framework through an anecdote from the Bulgarian visual art scene in the late 1980's. It is a personal story from the artist Nedko Solakov.

Box 1

"One day I walked into the gallery hosting "The City?" exhibition and saw a tag "Purchased by Dimitrovgrad City Art Gallery" on the card index box. I thought it was a prank. It turned out they really wanted to buy the chest, but it had no price and without an official price no state gallery could buy it (and they were all owned by the state). So, I approached the chair of the Jury of "The City?". "You've got a nerve! We let you have your exhibition and now you want us to do a valuation!", the official snapped at me with a wink. "Go to the Fine Art Commission* (at the UBA) to have your work valued!", he advised me on my way out. I went to the commission carrying the box under my arms. They looked at it as if it was a warty toad. They quarrelled amongst themselves, firstly in my presence, then told me to wait in the corridor. It took this dozen bigwig artists about an hour (only two of them spoke in favour of the box – E.S. and R. G.), but they never got to do any "valuation". Listen, Nedko, this type of "art" does not generally lend itself to valuation. When I was in Paris, there were things like this…" and so on and so forth, the chairman told me. "You'd better go back to the jury of your exhibition and get them to do the valuation!", he concluded. […] But the Dimitrovgrad City Art Gallery wanted the box so much that I finally donated it to them through the "1300 years of Bulgarian Fund" on the condition that they purchase two small works of mine which already had (modest) prices. The deal was done…"

Sofia City Art Gallery (2009).

One could argue that Solakov's story is ultimately about how to estimate the price of a radically new artwork. However, this is also a story how his "unconventional" artwork challenged existing valuation practices. Hence, the story sheds light on the complex judgements involved in determining value, one's which extend beyond mere market evaluations – a point discussed earlier in this thesis. This is in accordance with the findings of Olav Velthuis' (2005) study, which showed that the social aspects of the art market are paramount, where a well-developed network of art professionals engage in economic, social and cultural processes of valuation. Hence, the criteria for pricing are invariably not explicitly distinguished, and, in fact, the economic value of the artwork is not necessary expressed by economic reasoning motivated by the forces of the market (Velthuis 2005).

Translating this in Klamer's (2017) five-sphere model, this posits that changes in market logic (pricing) requires changes in social practices or social logic (presumably

people will change their mind and express this in different social practices). If governmental practices are defined by bureaucratic principals (which prevailed in Bulgaria prior to 1989), and the market promotes transaction and exchange (introduced to Bulgaria after 1989), then, as discussed in chapters 2 and 4, artistic practices are expressed though interaction and sharing of ideas and feelings between artists and their supporters[59], these practices have to change significantly.

Here, to remind us, the question is what is happening in C and S spheres while artists are innovating during periods in which G and M are undergoing radical institutional changes. Or, alternatively, what is the nature of the interaction between S and C spheres where art practices are taking place and G and M spheres during the period of transition? Moreover, what does it take for artists and/or other actors engaged in the process to change the existing practices in the existing art world?

The above story illustrates not only that the pricing of a new artwork is ultimately a socially constructed process, but also that when the actors involved in valuations encounter a precedent in their practice, i.e. the appearance of a radically new artwork, they may go as far as to deny its economic value (price) due to a lack of social and artistic agreement about its worth. In other words, when there is no agreement reached about the cultural values[60] of a work, there is no price (despite the fact that there may be a potential buyer, and thus there is demand for the good). Such a scenario creates tension between the existing valuation practices of the Jury members and the new artistic practice of the artist. In the case of Nedko Slovakov, the Jury members of the Fine Art Committee, the Jury of the exhibition, the director of the Dimitrovgrad City Gallery and the artist himself needed to negotiate artwork meanings and values, prior to being able to bestow a price upon the work. In economic terms, this process involves a coordination between many different actors who not only calculate costs and assign prices, but also need to acknowledge and agree upon (coordinate) the different qualities (values) of the work[61], as discussed in chapter 3 apropos the changes in the selection system of the Impressionists (White & White 1965/1993, Wijnberg & Gemser 2000). Here, the actors not only attempt to valuate qua determining a monetary, economic value, a price, but also must valorize qua acknowledging and assigning a new value to the new artwork.

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[59] In chapter 2, section 2.3, I have argued that creativity and innovation originate in the interplay between individual artist (his personality, talents, cognitive characteristics, etc.) and the environment. And in chapter 3, I have explored what does motivate this interplay.

[60] More specifically, cultural value refers here to artistic value. For more on the different kinds of cultural values, see chapter 2.

[61] About various different coordination mechanisms of cultural goods see Deker (2016).

Hence, on the one hand, Solakov's work is acknowledged as innovative, while, on the other hand, it is trying to enter a government regulated market that already has an established set of evaluation criteria. In both cases, Dekker (2016) argues that the operation of the market for such goods "rely on particular conceptualizations of the good" where it is of "crucial importance to understand what is actually being traded, for these markets to function" (p.2). This invites us to reconsider the process of (economic) valuation for a radically new artwork, i.e. a new paradigm in such a way that accounts for changes in values (qualities). With respect to the Bulgarian case study, the question then becomes whether we can account for the shifts in values in the Bulgarian visual arts as occurring in parallel with the political changes. And, if this is the case, how can we account for these shifts?

Applying the VBA in the Bulgarian case allows for an in-depth exploration of the shifts in values and instruments through an analysis of the different practices of valorization inherent to different logics of the market, the governmental, the cultural, the social and the oikos spheres. For example, with the old system for valorizing art, artists needed to articulate their artistic pursuits in an obvious fashion so that the UBA could promote them, sell them and disseminate them among its networks (the artist needed to convince the UBA). In the post-1989 political milieu, as evidenced in chapter 5, the process of valorization differed dramatically due to the fact that new actors became involved. In the place of the UBA who before 1989 performed the role of the field[62], artists now had to work with various stakeholders (curators, gallery owners, dealers, banks, foundations, etc.) with whom they may differ in values and need to adopt different strategies to persuade. To explore these various interrelations in a holistic way, I am combining the notion of paradigm shifts with a VBA. In this chapter I further develop the theoretical rationale about the valorization of new paradigms in the arts. First, it analyses the process of valorization for a new paradigm from the perspective of the individual artist. Second, it examines the process of valorization for new art at the institutional level by analysing how artistic changes evolve in successful (institutional) practices.

6.4. THE PROCESS OF VALORIZATION OF A NEW PARADIGM IN THE ARTS: ARTIST'S PERSPECTIVES

From an artist's perspective, the creation of a radical new artwork constitutes a moment of breakthrough, which is invariably complicated and uncomfortable, as delineated in

[62] Here, I refer to the way Csikszentmihalyi's (1996) defines it. For further details see chapter 2, section 2.3.

chapter 2. It is a moment that raises new questions and necessitates the search for new answers. It is a moment of discovery which intentionally or otherwise challenges the status quo of an artist. However, what if this is a radical new artwork which creates the conditions of emergence for a new art movement in the existing domain of practice and has the potential to reshape the sector? Examples of such artwork would be those from van Gogh, Monet, Duchamp, and so forth, whose work created the potential for a new paradigm shift in the existing art world.

Kuhn (1962/1996) argues that paradigms define the particularity of any domain, by virtue of defining its framework and bound its community. As discussed in chapter 2, creativity researchers refers to paradigm as a "significant", "hallmark" creativity or creativity with a capital C, which is defined as an interactive force between a creative individual, the prevailing domain of knowledge and the field of experts (Amabile 1983, Csikszentmihalyi 1996, Montuori & Purser 1996, Murray 2003). In Kuhn's terms, paradigms have the potential to engender a shift within the prevailing system of a domain of particular knowledge – either in science, art, or another domain. Invariably new paradigms occur at historical junctures in which the existing framework of how to do things is in question, whereby a new paradigm signals an awareness of an anomaly in the existing mode of practice within the existing domain. Does Nedko Solakov's case signal an anomaly in the Bulgarian visual art world in the late 1980's? One could speculate even further and posit that Solakov's "unconventional" artwork not only challenged each individual Jury member's attempt to value the work, but the selection system itself, as defined by Wijnberg and Gemser (2000)[63] or the field of experts, as defined by Csikszentmihalyi (1996). In the case of Solakov, the existing selection system or the field was not capable of dealing with a radically novel occurrence. This created tension between individuals and different institutional agents in the system, which heightened the actors' awareness of anomalies and necessitated a response.

According to Kuhn (1962/1996), a moment of discovery (or invention) is an indispensable condition for a new paradigm to take shape. The difficultly of resolving anomalies in the art world is that, in contradistinction to the scientific domain where paradigms can either be "disproved" by an invention or discovery[64], it can only be judged and legitimized[65] by the relevant actors or experts reaching an agreement. In Klamer's (2007, 2017) words this takes a new discourse or a new "conversation"

[63] Chapters 2 and 3 discus in details about the process of motivating the emergence of a new art work/style.
[64] According to Kuhn (19962/1996) discovery is marked by novelties of fact. By invention, Kuhn means that the novelty occurs as a result of a change in an existing theory.
[65] In this framework, legitimisation can be understood as a strategy to valorize, thus on its own it takes a process of valorization.

among the participants in the field, which can make sense of the radical new artwork in a specific context, which in the Bulgarian case is also characterised by a shift from one institutional logic to another. Klamer's metaphor of conversation reveals a fundamentally different process from that of merely supplying a new work. It is:

> "about practices, about people trying to make sense in a particular context with certain topics and in a certain mode of reasoning, with certain habits, customs and rules of conduct" (2017, p.19)[66].

Consequently, a new conversation (for example, about a new artwork) is only realized when different actors attempt to not simply valuate, in terms of giving a price to the work, but rather valorize by creating, affirming or enhancing the value of the new work. During this process, Velthuis (2005) and Klamer (1996, 2002, 2003, 2017) both underscore the relevance of communities characterised by specific social relations within which the values of art are realised. Take the impressionists or any other movement in the history of art. It originated with one or two core figures and only realised itself as a movement when other people became involved. In other words, the engagement in a new conversation was only truly realised when different actors contributed and, in so doing, attempted to valorize the new work, style and genre.

With respect to the emergence of the "unconventional" art in Bulgaria, the analysis underscores the importance of both a common good, as aforementioned in chapter 2, and the communities constituted by different actors/stakeholders that benefit from and contribute to the common good by practices of sharing and co-creating. In other words, people and/or communities align when they start to engage with one another based on shared values, and in order to realise these shared values they begin to valorize differently (Klamer 2003).

6.4.1. Valuing versus valorizing

An important aspect of this framework is the conceptualisation of value in such a way that goes beyond merely price[67] – and its connection to the notions of valuation and valorization.

The common idea is that valuation is a process through which we ascribe values to objects and experiences. In strict economic terms, valuation is the name for the process of defining a price of a good through rational decisions taken by individuals.

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[66] Klamer (2007) posits that the metaphor of conversation is an interpretation of Foucault's discourse and Habermas's communicative action.

[67] This point is discussed at length in chapter 2, section 2.2.2.

Mirowski (1990) is critical of such an assumption, arguing instead that

> "[Value], it is also about much more than prices. It analyses fundamental beliefs concerning why seemingly diverse objects and human endeavors are comparable; and even more outlandishly, how such a comparison can be reduced to a single common denominator of a number" (p.695).

In contradistinction to the instrumental economics approach of a monetary clear-cut valuation, he proposes that value is instead ascribed through social processes shaped within a concrete social environment. In so doing, Mirowski prescribes studying the processes by which "these curious conventions come about, and how they are enforced" (1990, p. 696). This interpretation of valuation resembles that from social psychology (Amabile 1983, Csikszentmihalyi 1996, Montuori & Purser 1996) and economic sociology (Zeliher 1998, Velthuis 2005), here social relations[68] are also deemed to be important to the valuation process - as per the argument delineated in chapters 3 and 4.

In chapter 2, I also discussed how cultural economists (Throsby 2001; Klamer 1996, 2002, 2017; Hutter & Throsby 2008) take this argument further by paying attention to the appropriation of various values, i.e. cultural and economic, when cultural goods are at stake. While economic value refers to monetary equivalent (price) whereas and entails non-use values such as aesthetic, symbolic and social, these values are different in nature, but in a concrete context they are often interdependent. For example, when buying an artwork, an art collector can praise a work's aesthetic merits when engaging in conversation with friends about the work, while subsequently hoping for a high rate of return on their investment.

Following Dewey (1939), Klamer argues that values evolve around the "way in which values function" and "the action that comes with experiencing a value" (2003, p. 198). The assumption here is that values are not fixed and that their meanings can vary when functioning within different contexts. Hence, the same values can take on different meanings when we are experiencing them within a changing environment. For example, Solakov's work would not have been of worth (financially or culturally) for the Dimitrovgrad gallerist, if it was not part of the concrete political context of the early 1990's in Bulgaria. With this in mind, a cultural economic perspective invites us to examine the values of a cultural good through the process of experience "without which the sorting through, evaluation, revaluation and devaluation processes have no basis" (Klamer 2003, p.194). Once again, each experience is bounded to a concrete

[68] See also Dolfsma (1997).

context, which cannot be reduced to the study of solely objective facts, such as prices. Rather, as Mirowski (1990) puts it:

> "[i]n any valuation what is personal and social are endlessly layered between acts of interpretations and signification" (p. 705).

In other words, any value is relative to its specific context and can only be analyzed in terms of the relationships it evokes within that context.

This point is exemplified by Nedko Solakov's story, which illustrates that while trying to determine an economic value of a new, "unconventional" art work, the Jury members who represented the older institutional system, engaged in a conversation about the importance of the cultural and social values of the work. All the participants in that conversation needed to deliberately engage in a negotiation of new (aesthetic) values and judge their relevance within the concrete context of the art sector in Bulgaria in the early 1990's. In so doing, they begun the process of shaping a new practice within which it is possible to study discrete stages.

6.4.2. The process of valorization of a new paradigm: stages

For argument's sake, if we could agree that the radically new work of Solakov had the potential to establish a new paradigm, then let us speculate further by envisioning what it would take for the artist to introduce a new paradigm in his domain of practice.

To capture the dynamics of this process and in accordance with Klamer's (2017) notion of valorization, the analysis here builds on the two stages of the VBA: (A) awareness and articulation of the goods/values the artist is striving for; (B) engaging others/persuading others in that the goods/values the artists are striving for are good for them.

Artist's awareness and articulation of values when a new paradigm is at stake

On the one hand, Slovakov's own artistic breakthrough created a situation of value crisis (in the Kuhnian sense of the term) between his peers and the judges. This could prove to be highly discomforting for an artist, in that it signals that he is moving beyond the existing boundaries of what constitutes good or bad art. It might also signal that he is losing the reference point for his own domain of knowledge and practice. According to Kuhn (1962/1996), however, this could be a positive sign which invites the artist to reconsider what is of importance for him to pursue in his work. For Klamer (2017), the pursuit of a new conversation (about a new paradigm, for example) might make artists immerse themselves in a series of moral choices. These choices compel an artist to ask

a different question: "what goods I am striving for?" instead of "what maximizes my utility?". The former signals values and virtues, whilst the latter pertains to costs and benefits. This process expresses various values and virtues and requires the definition of clear ideals and beliefs, as well as the means through which to articulate them. According to Klamer (2017), the latter requires a practice of *phronesis*, "which calls for thoughtfulness, awareness of the goods to strive for and of the relevant values" (p.13).

For Nedko Solakov, this might mean that in order to be capable of persuading the Jury and the members of the Fine Art Commission, he would have needed to first understand what was so important for him about this new work of art. Was it solely a question of the newness of the form, or were there other values involved? Moreover, how did this connect or not with the values of his peers, critics and other followers, or the field and domain of the visual arts overall? More often than not when we talk about our beliefs, we "deliberate, weigh up our values, take into account feelings including our own, and grope for the right thing to do" (Klamer 2017, p.15). In other words, by pursuing the goods that they are striving for, the artists discover the values underlying their interest, and, as such, become cognisant of values of which they were previously unaware. In this regard, it is important to articulate and analyse these values by distinguishing between the clusters of personal (relating to ourselves); social (relating to known others); societal (relating to communities at large); and transcendental (relating to that which transcends the personal, social or societal) (Klamer 2017). In terms of personal values, one can consider individual abilities such as creativity, craftsmanship, or inner peace. Their realization represents an important factor in someone's well-being, resulting in them feeling happy, satisfied, confident, and so on (Barcaccia 2013). Social values correspond to the process of sharing, interacting and co-creation between known people, such as friends, colleagues or peers; or, phrased otherwise, it pertains to the relationships we engage in. Societal values relate to the (positive) effects on society overall, such as sustainability, justice, equality, freedom, and civilization. Transcendental values refer to ideals like love, harmony, beauty and faith.

An important point that Klamer (2017) makes while distinguishing these categories of values from one another, is that, even if it looks like our actions are motivated by personal values (for example, our interest in creativity), there may be social, societal or even transcendental issues at stake, of which we are not aware. As discussed in chapter 4, artists primarily define their professional interests in the art arena. The artistic directions they choose, form, genre, style, etc., reflect their unique personal and cognitive characteristics, as well the prevailing expressions of the art scene during that time. According to Rank (1959), during the process of creating, what

counts is how the existing psychological, sociological and artistic dimensions adjust to each other and redefine each other. For example, at first Nedko Solakov could experience his radical work as a personal pursuit of newness, but it might also have served the interests of the artistic community which needed to find a reaffirmation of another point of view during this turbulent time of political transition. In the case of the latter, this could serve as an important catalyst for the artist to begin to deliberately interact, converse, engage with others and, in so doing, build a community of followers.

Engaging others

The process of an artist reflecting on his own values and learning how to articulate them is central to the valorization process of a radical new piece of art. As aforementioned, the pursuit of the right values necessitates engaging in a practice of *phronesis*, which involves "a clear understanding of what other people want and need, proven practice and strategies" (Klamer, 2017, p. 25). This process suggests an engagement with other stakeholders, or those who might care for the same goods that the artist strives for.

Art historians remind us that in many cases a radical new artwork emerges due to an individual discovery by artists, but only gains importance when it is shared and embraced by fellow artists, curators, and others. Similarly, Collins (1998) argues that creativity depends on cultural capital, personal interactions, the emotions that energies the exchange of ideas and knowledge. However, how does an artist make others care about their radical new artwork?

Extant literature underscores the importance of effort by artists to receive attention for their new artform and an openness on behalf of those who they would like to engage (Csikszentmihalyi 1996, Gardner 1993, Frey 1999, Caves 2000, Collins 1998, Wijngber & Gemser 2000, Throsby 2001, Murray 2003, Velthuis 2005, Klamer & Petrova 2007, Accominoti 2009). Cultural economists, such as Hutter (2015), invite researchers to look at different dimensions of the process of appraisal that artists can generate themselves. On the one hand, this process relies on the merits of the work (novelty, originality, uniqueness, etc.) which the artists must first share with others to receive their validation for the work, whilst, on the other hand, it requires the artist to engage with others (an audience), such as new peers, jury members, critics and other actors. In other words, the artist must articulate the community for whom the new artwork will be of worth (Klamer 2017). Is the artwork only of relevance for her colleagues, or does it have implications for a broader intellectual community or society more broadly? For example, the Impressionists succeeded because they were connected

to a group of dealers and gallery owners who were open to new ideas, developments and styles (Wijngber & Gemser 2000). This allowed artists to "get value attributed to the innovative aspects of their style of painting" (ibid., p. 325). As a group of artists, they managed to persuade their patrons, i.e. gallery owners and collectors, who were not only interested in making a profit from the new art, but also wanted to be among the first to promote it[69]. It was thus a matter of mutual adjustment between those who invented the art and those who supported the new form, when exchanging and sharing knowledge and information.

As demonstrated in Solakov's account, by making concrete choices the artist needs to deliberately valorize his work, while, simultaneously, articulating its worth for each different group of potential followers/collaborators. To secure attention artist can undertake different strategies, such as diffusing information, engaging in different conversations or building on their existing network of actors (Bourdieu 1993, Becker 1982). Invariably, as part of this process artists experience, negotiate and balance conflicting values, while pursuing their artistic career and seeking the attention and validation of others. This can take a considerable amount of persuasion, which builds on a particular knowledge about "the rhetorical and social characteristics of a particular conversation" (Klamer 2007, p. 108). It is in this way that the social capital of artists is of critical importance.

From a psychological point of view (as elucidated in chapter 4), the intrinsic motivation of visual artists is always in question when there are external interventions or forms of social support that may be financial and/or emotional in character. The highly personal character of the creative process allied with its uncertain nature makes visual artists look for a personal connection with those who they collaborate with. Therefore, when artists gain recognition (in the form of financial arrangements, reputation, encouragement, honour, etc.) they tend to communicate interpersonally with their support providers (Klamer & Petrova 2007). This process may impact upon the way artists work when we consider the scope of influence of external factors. As much as artists attain experience, they may also control or challenge the impact of external factors. When they are self-confident artists may persuade others and make commitments with others (for example, peers, gate keepers, experts, etc.) based on mutual adjustment (Klamer & Petrova 2007).

[69] Jensen (1994) introduced the concept of "ideological dealers" for whom the profit making was not the core motivation to build their collections, but rather to be ambassadors of new art, artists or artistic groups (in Wijngber & Gemser 2000, p. 326).

6.5. THE REALISATION OF A PARADIGM SHIFT: INSTITUTION'S PERSPECTIVES

If we assume that Solvakov is cognisant of why he is pursuing his radical new art, and that he has managed to engage others with his new art, then is it fair to assume that a paradigm shift has taken place? Whilst the engagement of an artist's peers and other stakeholders may well be a prerequisite for a paradigm shift, it is still not a paradigm shift from Kuhn's vantage point.

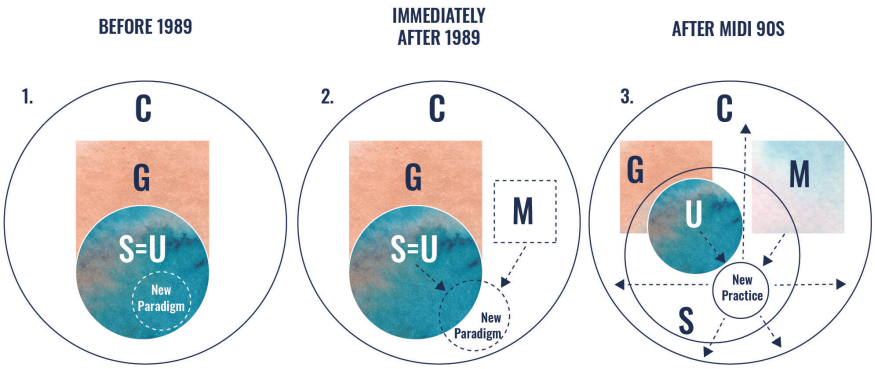
Through his analysis of scientific revolutions, Kuhn (1962/1996) argues that paradigm shifts occur only in a concrete context and are defined by concrete rules, frameworks and communities. Therefore, when a new paradigm surfaces within an existing domain, it involves a radical reconstruction of the domain itself qua its extant paradigms. Paradigms are foundational to the practices of a discipline. In science they represent "past scientific achievements, achievements that some particular scientific community acknowledges for a time as supplying the foundation for its further practice" (Kuhn 1962/1996, p. 11). Resultantly, they lay the foundation for professional practices based on achievements that by definition must be both unique and appropriate. As such, they help to transform a group into a profession and help professional communities to bind their discipline in what Csikszentmihalyi (1996) designates a domain of knowledge.

The question is in what way, if any, the new emerging art is capable of reconstructing the domain? And, indeed, what it takes to reconstruct a domain?

As aforesaid, a paradigm shift begins when a crisis occurs and blurs the prevailing rules and order of things. As this process develops, the anomaly comes to be more generally recognised and it is only then that the authorities in the domain and the field begin to pay more attention to it. Consequently, the domain of knowledge begins to look quite different: competing articulations of the paradigm rapidly increase, fragmentation among different groups occurs, and participants in the domain feel the urge to redefine/reaffirm the subject matter of their discipline. In this sense, Solakov's case indeed illustrates the beginning of an anomaly in the sector and a subsequent crisis. It begun with a value clash between an individual artist and his judges, but it also points to a clash between two different logics: government officials (a traditional establishment member of the state practice); and that held by a new established artistic circle (the artistic practice). The crisis was followed by the emergence of new groups, the entry of new actors and new ideas into the field, all of which challenged the existing institutional practices in the visual arts. In a way, this crisis was provoked by a tension between

the existing logic of G and the needs of the new paradigm (figure 9). This tension underscores the fact that the dominant governmental logic which had prevailed for five decades was incapable of coping with the new art through its pre-existing valorization process, logic and values. At the same time, the logic of the market also began to impact upon the new art. In certain respects, this moment of crisis raises profound questions about whether the G and M can in any sense support the development of new art, or whether instead there is a need for a new S logic, which can independently, to some extent, from G and M accommodate the radical new art within a new community that practices the new art (figure 9).

FIGURE 9 • Formation of new S logic that connect to new C logic during the transition period



Governmental sphere (G), Market sphere (M), Social sphere (S), Oikos sphere (O), Cultural sphere (C)

The shift of values or the predominant logic at the institutional level manifests in different strategies undertaken by the institutional actors in order to establish new practices. In so doing, the formation of a new practice requires artists to shape their new expressions and promote them and influence institutional actors to either bestow recognition on denying recognition of the new practices. To cite a further example from the Bulgarian context, I once again refer to an anecdote in order to illustrate how the shift in values and practices of individual artists incited change in existing institutional settings and the practices of the Bulgarian visual arts, respectively. Adopting this historical perspective is instructive in that it allows one to see things that are otherwise not so obvious.

Box 2:

Coincidently or otherwise, in November 1989, the month of the political revolution, an exhibition entitled "The land and the people" opened. For the first time in Bulgaria, a new genre, in the form of happenings, performances and installations, was officially introduced to the wider public. These unusual art forms were displayed within an unusual space - the roof of the State gallery for visual arts (on Shipka 6), the very same state gallery run by the UBA[70]. To put this in perspective, it is important to know that the latter was the "guardian" of the Bulgarian visual arts sector for at least 40 years, organizing the production, dissemination and consumption of Bulgarian visual arts. The exhibition gathered together for the first time around 30 artists who had been practicing so-called "unconventional"[71] visual art and had never met before. They came from all over the country to meet and share publicly their passion for the new art. The exhibition generated an energy which created followers of the genre, and laid the foundations for the development of the new movement. It also gave voice to the newly established club called "The Young Artists Club "[72], which later played a critical role in the development of contemporary Bulgarian visual art. This "unconventional" exhibition on the roof of the "conventional" state gallery raised controversy in several respects. Firstly, the exhibition broke with existing conventions established by UBA in terms of the exhibition space itself and the presentation of new art forms. Secondly, the organization of the exhibition signaled a departure, in that it was not directed by the UBA, but rather by an art critic, Diana Popova, and a contemporary visual artist, Georgi Gospodinov. They ran the exhibition on curatorial principals, a practice which was highly uncommon at that time.

[70] After the "April Plenum" of the party in 1956, the process of liberalization of the art sector begun in earnest. Subsequent to this, the state government withdrew from its direct interference in culture and allowed creative structures, such as the professional independent unions, to organize the creative life of the different art sectors (visual arts, performing arts, literature and so on).

[71] According to one of the respondents, the term "unconventional" was used in the beginning so as to avoid conflict with the already existing art genres, which could be considered to be contemporary art.

[72] The club was established under the UBA structure.

In a way, this exhibition, and those that followed and/or exceeded it, signaled the re-institutionalization of the new art, at the same time that it distanced itself from the existing institutional framework (the UBA) in the sector. As outlined in chapter 5, at this point a new world unquestionably began to take shape: a great number of artistic events followed, emerging groups brought different generations of artists together, new galleries and other market institutions emerged, the third sector supported by foreign foundations gained in prominence, while more conservative institutions like the UBA and the Art Academy were forced to acknowledge the importance of the new art practices. Notwithstanding these changes, the process of re-institutionalization which is a precondition for a paradigm shift was not so obvious with respect to sustaining these new practices.

If we look back to the aforementioned exhibition, it is evident that there were glimpses of the genesis of a new paradigm shared among people with new ideas, such as Nedko Solakov and his colleagues, who were interested in changing the existing "conversation" in Bulgarian visual arts, along with introducing new artistic narratives (new content) and new expressions (new form). At that historical juncture, they were only at the beginning of generating interest among a broader public or in terms of establishing a community of followers. Hence, while these events undoubtedly illustrate the acknowledgement of (artistic) anomalies, they could not yet be classified as a paradigm shift qua transformation of values and practices (cultural changes) at the institutional level. The analysis in chapter 5 suggests that due to the shifts in government (G logic), other institutions in the form of markets and foundations entered the artistic scene to either solidify or dissolve this process of paradigm transformation. Then, the question centres on whether the institutional practices of the market, government and the third sector were capable of supporting a paradigm shift in the artistic domain?

It is important to stress here that Kuhn (1962/1996) argues that paradigm shifts can only be said to truly occur if the broader community agrees upon the merits of the new paradigm and agrees to reconstruct the existing rules of the domain in such a way that makes space for the new rules. Furthermore, Kuhn notes that the reconstruction only makes sense as a response to the principals of incommensurability, which suggests that what worked in the old setting no longer works in the new setting. A paradigm shift can thus be said to be marked by radical transformations in all other different dimensions of the system.

Here, as posited in the beginning of the chapter, to make sense of the paradigm shift, I apply the five-sphere model of Klamer, in which each sphere follows its logic (which are defined by certain values, language, strategies). In a way these five spheres

representing different parts of the system of art world. Any shift in logic is indicative of a change in conversation/discourse not only among individuals, but also among institutional actors. It is first important to distinguish between the different roles and valorization practices of the institutional actors through which they assist the cultural transformation, and, in turn, the paradigm shift.

In the previous section, I suggested that paradigm shifts begin with the (cultural) *valorization* of a radically new practice undertaken by individual artists, first through an awareness of the values that motivates their work. Subsequent to this, the individual artist can generate support from other artists and supporters for their ideals. In this part of the analysis, it is important to understand what form the process of valorization of a new paradigm takes at the institutional level? Is it different from the process of valorization that occurs with individual artists or a group of artists? If so, how?

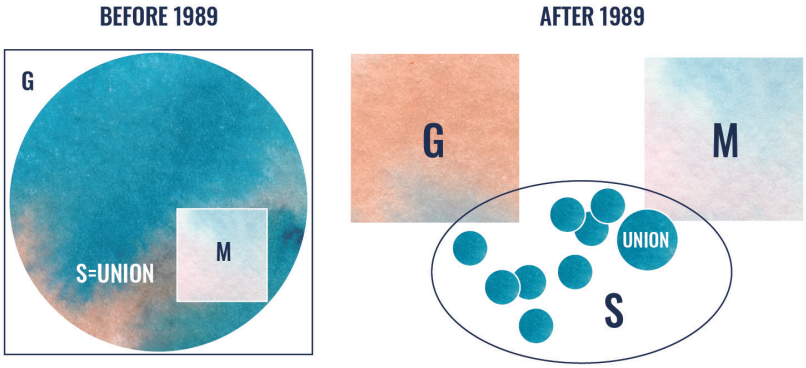
6.5.1. The formation of new institutional practices

As illustrated in the story in Box. 2, those artists who discovered for themselves the importance of innovation slowly began to form an artistic community. The consequence of this is that artistic communities began to realize that the existing institutions (selection procedures, exhibitions, etc.) had ceased to adequately meet their professional needs. Kuhn (1962/1996) suggests that this creates a conflict with the existing institutions and part of the artistic community. And when the crisis deepens, individuals undertake concrete strategies for reconstructing the sector through the establishment of a new institutional framework.

Indeed, in the Bulgarian context, different groups of artists began to co-exist. Similarly, as is well-known in art history, one part of the community seeks to defend the old institutional framework, while the other aims to establish a new one. The different groups thus believe in and practice different values, and in so doing start to fragment. Each group can be motivated by values that lie outside of the content (aesthetic- intellectual) of the new paradigm. For instance, they can be motivated by external factors that are of relevance to the societal values, such as democracy or any other ideological motif. This necessitates that each group attempts to draw in the masses, which, in turn, increases the strength and worth of the group's new paradigm (Kuhn 1962/1996).

The previous chapter concluded that the process of institutional (structural) change in Bulgarian visual art can be illustrated as in (figure 10). The figure captures the peculiarities of the art sector in a moment of historical change, in terms of the structural shift from one central governmental structure characterised by principals consistent with a planned economy towards a free market and new social sphere.

FIGURE 10 • Model of institutional (structural) changes in the Bulgarian visual arts



Governmental sphere (G), Market sphere (M), Social sphere (S).

If we understand the small circles as illustrating the various artistic groups included within the new paradigm of "unconventional" art, the next step is to make sense of the paradigm shift, i.e. the process of cultural transformation through shifts in values and practices within the entire sector. This means that the various dispersed dots begin to connect and form a community which proceeds to adopt highly concrete and distinctive practices out of the existing practices of the new art (figure 10). Only then will we have a clear picture of whether a paradigm shift has taken place or not.

In relation to the core values which motivate the new practices generated by a paradigm shift, the critical moment of this transformatory process[73] is the controversy between the growing importance of a paradigm, which might lead to a paradigm shift in the domain, and the need for the new movement's domain of knowledge to sustain its boundaries and remain distinct from other domains of knowledge (Kuhn 1962/1996). This raises the question of how to balance between the diverging forces in the process of paradigm change and the converging forces which provide the necessary stability within the domain? Or, alternatively, if we refer to the concept of innovation discussed in chapter 2, the issue concerns how to strike a balance between being new and being appropriate? Moreover, can these processes of changes in values and balance between the new and old values occur of their own accord, or do they require intermediation?

[73] The transformation is marked by shifts in values as opposed to the transition process which is marked by shifts in structures or instruments. For more details on the applications of different dimensions of systemic change see table 13, Appendix 3.

With respect to the institutional dimensions of a paradigm shift, chapter 3 posits that an institutional change requires adjusting to new rules, which are expressed in changes in incentives, preferences (taste) and behavioural norms (North 1990). Its dynamic nature derives from the lock-in between the institutions and the agents and the feedback that people provide in relation to the changes within the constraints. This translates in changes in structures and values. When considering values as an indispensable part of institutional change, Dolfsma and Verburg (2008) suggest that the process of change implies "legitimacy or sense-making and interpretation" of these values (p.1039). This is especially the case when institutional changes take place in a domain of knowledge with weak boundaries[74], such as arts (Csikszentmihalyi, 1996). This means that the process of validation takes on a specific inflection when realized within the arts, especially when a radically new forms occurs. In this sense, the subjective judgements of each actor involved can vary up until the point at which judges agree upon the merits of the new paradigm in respect to its importance for the entire community. More importantly, according to Kuhn, the "choice between competing paradigms proves to be a choice between fundamentally incompatible modes of community life" (1962/1996, p.92). This suggests that all the actors begin to redefine and reconstruct their existing relationships.

6.5.2. Process and agents of intermediation in the visual arts

The emergence of new paradigms within the arts and culture are characterised by high levels of uncertainty due to the idiosyncratic nature of art production (Caves 2000). The process of achieving a public appreciation/appraisal of newly emerged art forms can be highly uncertain, in that the conventions are based on informal rules (values) rooted in existing traditions and norms that shape the behaviour of social actors in their culture (in the anthropological sense). Moreover, these rules are constantly (re) negotiated, especially under pressure from external factors like ideological/political revolutions, which requires the time and willingness of the involved actors to cooperate.

Economists grant to intermediaries the role of reducing this uncertainty via performing the role of "gatekeepers" (curators, gallery owners) and/or operating as "certifiers" (critics) (Caves 2000). Both groups are indispensable to the establishment of innovation. In the case of the arts, it is widely accepted that critics act as a "medium

[74] Weak boundaries of a domain refer to the great diversity of paradigms and lack of well-define theoretical and/or methodological paradigms in a domain (Csikszentmihalyi 1996). In other words, the domain is less paradigmatic.

for research and development" and provide a "seal of approval" for artistic values (Cameron 1995, p. 324). Thus, experts are those who lend credibility to the uniqueness of the existence of new art products (Bonus & Ronte 1997). In so doing, they give signals for qualities of the work in the market. Respectively, their role is particularly vital in those instances where radical innovation emanates from content (artistic-intellectual) creation, because they are able to facilitate the shift from invention to innovation by creating the appropriate conditions, which, in turn, indicates the boundaries of the existing domain (Wijnberg & Gemser 2000). In a way, intermediaries' practices shape the institutional framework of the new paradigms by generating and/or influencing or changing the selection system (Wijnberg & Gemser 2000). While defining the nature and mechanisms of the selection system in the arts, the appropriability of the conditions established by the intermediaries determine not only the reputation of the individual artists and their success, but also the social aspects of the art world (Becker 1982). As Wijnberg (1995) puts it:

> "to a large extent, the appropriability conditions are the rules which allow the network to perpetuate its own existence as a social system" (p. 230).

For the sake of the discussion here, it is important to bring the discussion of chapters 3 and 4 and remind us what makes the visual arts sector a complex system characterised by a broad diversity of art paradigms, manifold players and a sophisticated level of interdependency between them. The recognition provided by the field of experts depends on the procedures by which different groups make judgements about the originality and quality of artwork. In this manner, they can be said to form the criteria apropos recognition, which is not equal to the artistic qualities of the work itself. Rather, these criteria are defined according to the way the domain itself works[75]. A domain can include a variety of stakeholders that operate in different fields, i. e. those who grant support through recognition. The important characteristics of these fields concern how hierarchical they are, as well as how they generate followers and promoters (Gardner 1994, Csikszentmihalyi 1996).

Kuhn also stressed that "the extent to which [the domains] are paradigmatic" is important (1962/1996, p.152). Taking into consideration the idiosyncrasies of the visual art sector, one could argue that it is less paradigmatic in two respects. First, there is a gap between the moment of creation and recognition of the work. Second,

[75] The domain provides general paradigms and norms for acknowledgment and judgment, while each field within any given domain applies the norms according to the particular approaches it is pursuing (Gardner 1994, Csikszentmihalyi 1996). See chapter 2 section 2.2.2.

there is a fairly broad delineation of its paradigms, which produces disagreements over paradigms and thus results in a lack of clear indicators about what constitutes art, what art is not, and, more problematically yet still, what is "good" or "bad" and new or old art. This ultimately makes it difficult to evaluate artwork apropos objective criteria, especially work which does not fall under the well-established criteria. Resultantly, the role of the intermediaries becomes a highly complex one, as they must become masters in constructing, disseminating and evaluating (thus mastering uncertainty) while the sector is radically changing (Caves 2000).

The role played by intermediaries in the process of cultural valorization

As discussed in chapter 2, artworks are complex goods, whose production, dissemination and consumption are loaded with different emotions which can be differentially experienced in different contexts. In economic terms, when values such as infinity, novelty, affection which suggest strong emotional involvement, operate as motivating factors in production and consumption, then transactions costs are invariably high (Bianchi, 2015). Transaction costs in economics relate to the "knowledge and time required to master and understand their variably complexity" and they can be reduced by making information more readily available, which, in turn, increases the "trustworthiness in the exchanging parties" (Bianchi 2015, p.139). The economic argument here is that knowledge is important in market coordination processes, especially with respect to cultural goods (Dekker 2016), then the intermediaries have a decisive role to play in compensating for the information asymmetry through sharing their knowledge.

At the same time, knowledge is integral to the process of paradigm shifts, in that it produces what Kuhn (1962/1996) refers to as an "adapted set of instruments" (p.168), whose successful outcomes increase articulation and specialization. Producing these sets of instruments for a new paradigm contains a complex process of valorizing (in terms of generating, affirmation and enhancement of values) by intermediaries, which process is highly influenced by their knowledge, i.e., cultural capital, as well as how they transfer this knowledge, i.e., their social capital. Klamer (2017) explicates that this process is not an automatic one, but instead requires deliberate valorization via appealing to others about what values to strive for.

The complexity derives, also from the types of knowledge intermediaries need. Intermediaries acquire their knowledge through time and experience, and thus has the

character of a "specific" knowledge (tacity) as opposed to "general" knowledge (Bonus & Ronte 1997, p. 110). Specific knowledge is defined as "knowledge that is costly to transfer among agents and general as knowledge that is inexpensive to transmit" (Jensen & Meckling 1992, p. 251). Whilst specific cultural knowledge can be factual, it is also of an intuitive nature and thus cannot be wholly formalized. Williamsons (1975) defined it as idiosyncratic and as being acquired "upon training and experience, that is incapable of translation into written form" (Bonus & Ronte 1997, p. 110). Kuhn (1962/1996) also emphasises that it requires experience to generate tacit knowledge over the course of a paradigm shift where he refers to the notion of incommensurability. He argues that conceptual development is tied to a concrete domain and is reflective of a particular language which must be learned through application and experience. This "specific" type of knowledge is not only difficult to acquire, it is also difficult to understand for those who are not active in the art world. Therefore, the essence of intermediaries work is to transfer their knowledge while building long-term trustful relationships (Bianchi 2015). Their trust gains them credibility, which is a prerequisite for being able to shape and re-shape relationships among the manifold players in the art world (Bonus & Ronte 1997). Kuhn (1962/1996) proceeds to argue that the success of a paradigm strengthens its credibility and those of its supporters. Hence, in the arts, a potential new paradigm can compete with other paradigms only to the extent that it attracts knowledgeable supporters and allows new relationships to shape.

Intermediaries thus lend credibility to the new paradigm by sharing and conveying their knowledge on subject matters (Bonus & Ronte 1997). Trust and credibility are attained via the mutual sharing of common knowledge among various actors in the art world (artists, critics, galleries, curators) and as a consequence of their cooperation (Bonus & Ronte 1997). Consequently, their capacity to build trust and credibility mark intermediaries out as being fundamental actors to the process of change. Accordingly, these capacities can assist in the process of adjustment between existing and new paradigms, existing and new knowledge, by ensuring the stability of the sector during the process of transformation.

In summary, we see the importance of social factors at play here, in that the mastering of personal interactions (ties) with other actors is seen to play a vital role in securing the appraisal of a new artwork. In this respect, in the arts, intermediaries assist in the process of building relationships, alongside mastering cultural and social capital[76].

[76] Here I refer to the Bourdieu's (1986/2010) concepts.

Different valorization practices of intermediaries

Although according to social psychologists the validation process within the arts is highly intuitive in nature (Amabile 1983), this thesis argues that intermediaries play a critical role in terms of deliberately re-constructing some of the key practices while valorizing a new art work. This process is accompanied by (cultural) transformation.

In accordance with the principals of the VBA, we can assume that a key role of intermediaries is to make sense of artwork, while operating in the S and C spheres. In order to achieve this aim, they apply different strategies to build different conversations (to use Klamer's term). Or, as Kuhn (1962/1996) argues, this involves the building of a new lexicon and taxonomy through which to classify new problems and reflect on the new worldview of the concrete "conversation". However, Kuhn (1962/1996) applies it to the natural sciences where discoveries are made by individuals but the agreements are collective, whilst in the arts the discoveries and communication are often collective and go beyond the artistic community to buyers, art lovers, and so on. Hence, this necessitates that we distinguish between different types of intermediation.

Returning to the metaphor of a "conversation", it is important to highlight that, it helps to explain on the one hand the specificity of each area of knowledge, and, on the other hand, how individuals can master different conversations. According to Klamer (2007), what ultimately matters is, firstly, "knowledge of the commonplaces, or topoi" (p. 6) and secondly, the communicative capacity to give and receive attention, both lay the basis of a specific rhetoric. In the art world, by mastering a specific rhetoric, intermediaries have the tools to participate and reshape existing and build new conversations[77], which also includes their capacity to communicate art-specific knowledge to people in the domain, but also articulate this knowledge to non-art related participants. Consequently, when considering the different stages of a paradigm shift, it is important to distinguish between the intermediation that utilises different strategies and eventually establishes new practices during the different stages, by reflecting on both cultural and economic value creation.

To comprehend these complex cultural processes involved in a paradigm shift and the valorization practices that it involves, I found it instructive to take recourse to De Propris & Mwaura's (2013) typology of intermediation. In their attempt to reconceptualize the role of intermediaries through their application of a value-chain

[77] As illustrated by their mid position in figure 5 (chapter 4).

approach, the authors distinguish between creative intermediaries, commodifying intermediaries and consumption intermediaries (table 9). Ultimately, what distinguishes these intermediaries is their practices.

TABLE 9 • Typology of intermediation

	CULTURAL INTERMEDIATION	COMMODIFYING INTERMEDIATION	CONSUMING INTERMEDIATION
PROCESS	Creation of new content.	Creation of new validation towards the field.	Creation of new consuming practices towards the broader public.
SENSE-MAKING PRACTICES	Input to the symbolic meanings, incl.: • theories; • methodologies.	Input to the social cultivation within the field, incl.: • education; • critics reviews; • exhibitions; • new language.	Input to the social cultivation within the broader public, incl.: • the same as in the commodifying intermediation, but using different channesl targeting wider public.

Source: Adaptation of De Propris & Mwaura (2013).

De Propris and Mwaura (2013) build on the role of critics in shaping symbolic meanings, by expanding its application to the creative and commodifying aspects of the process. Creative types of intermediations deals with cultural content, symbolic meanings and beliefs about the good, which make possible the production of art work, whereas the commodifying intermediation "ensure that the cultural product is consumed properly" (p.12). These different types of intermediation differentially impact on how goods are perceived and practiced and, hence, they also influence taste formation of a broader audience.

To summarize the role of the intermediaries, we can say that they are empowered because of their knowledge, which, in turn, helps them to articulate their values or those of the artists they represent. Most importantly, while they are creating the language for a new artwork and publishing the work of its critics, they are able to master the tools through which to disseminate the knowledge in such a way that negotiates the meaning of the new work along with others. In so doing, they acquire and share reputational status and valuation, but also educate others to master the specific conversation/discourse.

6.6. CONCLUDING REMARKS

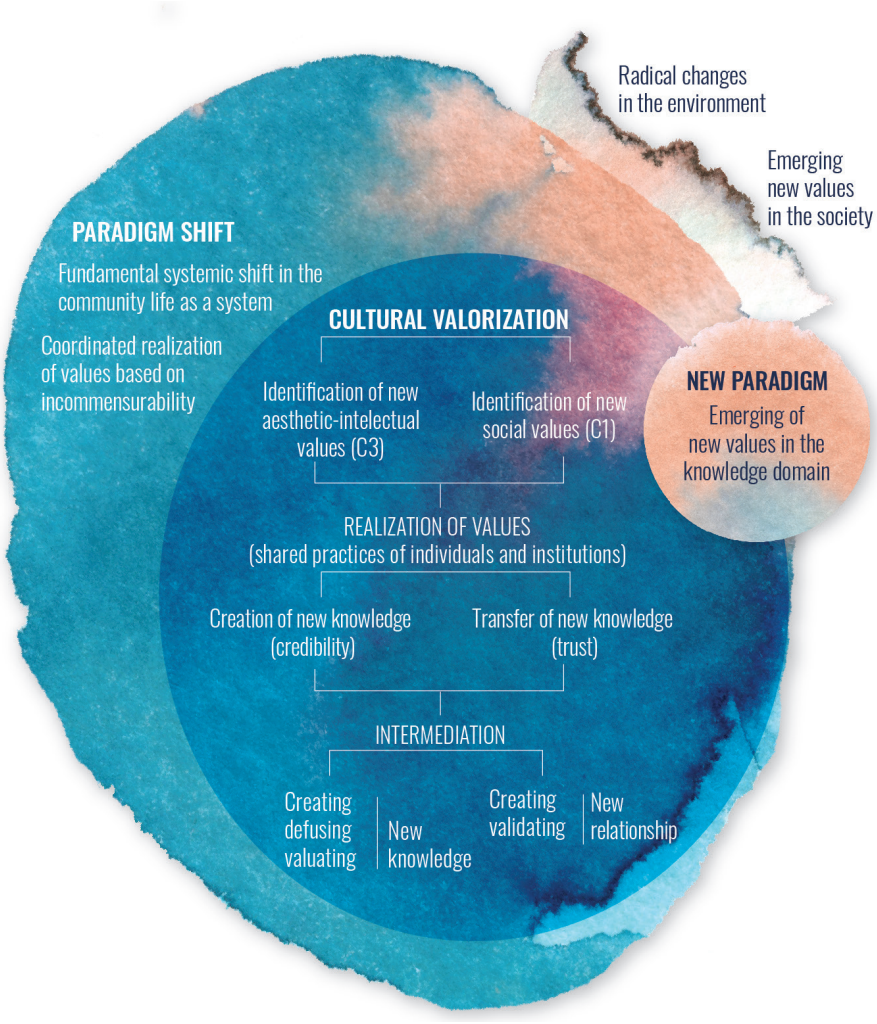
This chapter proposes a new framework through which to analyse radical innovations in art that occur during profound change in the environment by making sense of different valorization practices organized by different spheres - market, governmental, cultural, social and oikos.

Conceptualizations of change within the field of mainstream economics invariably place importance on instruments as input and output in the process of change and the causalities between inputs and outputs. The example of the "unconventional" art in Bulgaria proves that radical changes in the art sector are more complex than the standard economic conceptualisation of change suggests. The two Bulgarian anecdotes shift my analysis to address the fact that valorization process not only points to the shifts in values among/between individual players, but also shifts values within the artistic community itself, as well as within different institutions. The Bulgarian case clearly suggests that when such radical changes are taking place, transformations[78] are taking place in all different directions – from an individual's awareness of new expressions on the one hand, to both governmental and market agents' mediation of the innovation on the other.

To encompass those aspects within the new framework, build on both the paradigm shift and VBA and add complexity to these debates, the analysis also reveals various process of cultural valorization that occur during the transition period of change (figure 11). In this sense, the framework provides a more comprehensive account than the aforesaid economic model, in that it is multidimensional and capable of accounting for the shifts in values and different modes of valorizing involved in these shifts.

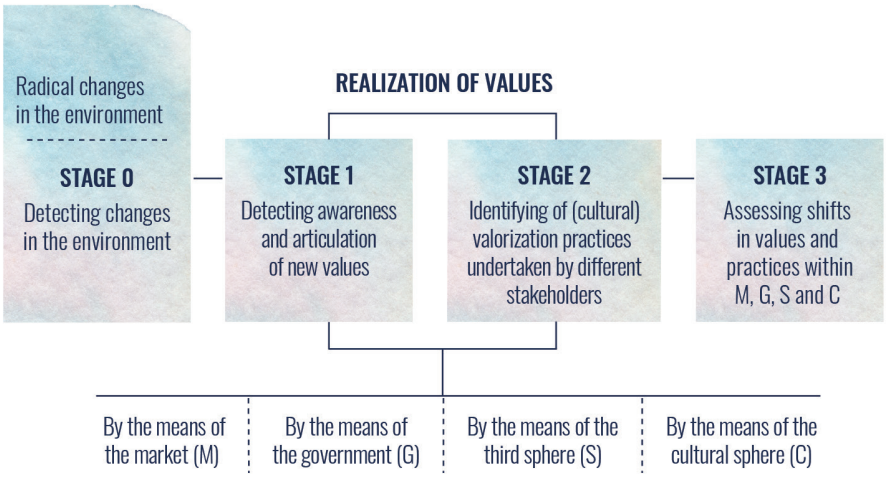
[78] Transformation is considered as one dimension of systemic change. For other applications of system change dimensions, see table 13, Appendix 3.

FIGURE 11 • Conceptual framework of cultural valorization of a paradigm shift: individuals' and institutions' perspectives



Applying the value-based approach of Klamer (2017) opens up the possibility to understand disruptive artistic innovations or paradigm shifts in terms of cultural and social shifts, i.e. shifts in values, norms and practices. It provides a framework through which to examine these shifts via analysing the valorization practices within M, G, S and C that are undertaken by individuals and institutions (figure 12). Changing one logic alongside another induces a shift of values on both individual level and institutional level.

FIGURE 12 • Methodological framework: application of the VBA as a method to analyse a realisation of a paradigm shift



Thus, the framework I delineated in this chapter for analysing paradigm shifts or radical innovation allows for the analysis of not only the emergence and development of new structures and instruments (chapter 5), but also the emergence and development of various relationships among individuals, institutional actors, and between individuals and institutional actors. It is only when these practices are different from each other that we can consider that a paradigm shift having occurred. Taking this argument further, the framework allows the empirical analysis presented in the next chapter to consider the cultural valorization provided by individual players (artists, experts, gatekeepers, supporters, etc.), but allows for consideration of the entire sector, which, in turn, enables a better grasp of the value shifts at different institutional levels within the sector.

At the individual level, although, on the one hand, the engagement of artists' peers and other stakeholders can be understood as a prerequisite for a paradigm shift, it is nevertheless not enough in and of itself for a paradigm shift to occur. Rather, it is also critically important to establish new relationships at the institutional level (Bonus & Ronte 1997, Wijnberg & Gemser 2000, Bianchi 2015). With this in mind, this chapter has argued that intermediaries play a critical/indispensable role as facilitators of paradigm shifts in the visual arts. Compensating for the domain's weaknesses (idiosyncratic sector), the field's experts and intermediaries take up the responsibility

to master the uncertainty by building credibility through the successful transference of their knowledge (Bonus & Ronte 1997). They do this by developing different networks or via continually creating/re-shaping relationships between existing and new actors. They are equipped with the requisite tools and capacities to build appropriability conditions (Wijnberg & Gemser 2000) through a very specific process of cultural valorization. The latter encompasses all stakeholders involved in the sector (artists, peers, dealers, curators, critics, other supporters) and involves a deliberate effort to build new institutional relationships and reshape old ones based on certain values which are realized through a set of strategies and underlined by a certain logic and rhetoric. Resultantly, establishing a new paradigm requires both social and cultural capital.

Overall, then, the framework developed here makes a substantial contribution by bringing all these elements together, and whilst it does not necessarily resolve the complexity of analysis of this scope, it elaborates on different possibilities. This chapter also provides a clear indication of what to look for in future empirical analyses in this field, and provides a blueprint for how to deal with radical innovation in arts and culture through recourse to the unique combinatory framework of paradigm shifts and value-based approach.

"If you want to walk fast, walk alone. If you want to walk far, walk together"

Proverb from Burkina Faso

CHAPTER 7

PARADIGM SHIFT OR PARADIGM LOCK-IN: ON THE CULTURAL VALORIZATION OF INNOVATION IN THE BULGARIAN VISUAL ARTS DURING THE TRANSITION PERIOD

7.1. INTRODUCTION

The previous chapter delineated a new framework of how to conceptualise radical, disruptive innovation. This theoretical framework not only enables an understanding of structural shifts, but also value shifts. It builds upon Kuhn's (1962/1996) theory of paradigm shifts and Klamer's (2017) value-based approach. While the former directs the analysis of change towards the principals of incommensurability, the latter focuses on the process of (cultural) valorization through recourse to different logics (market, governmental, social and cultural).

This chapter applies this new framework to the analysis of the Bulgarian visual arts sector during the process of significant socio-economic transition, with focus on the development of "unconventional" art.

In the previous chapter, I argue that the way economists have hitherto addressed the phenomenon of radical innovation in the arts - solely in terms of shifts in market structures when new products are introduced – does not effectively capture the process of disruptive innovation in the art world, especially in a historical context defined by radical environmental changes. Respectively, I posit that disruptive innovation is deeply embedded in culture, and, hence, our understanding must take this into consideration. Taken on its own, culture implies a sense of permanence that aims towards balance and stability and at avoiding changes and uncertainty. Scholars such as Collins (1998) and Csikszentmihalyi (1996) remind us that innovative ideas and discoveries travel across time and leave traces in an analogous fashion to the way language memes do. This, to some extent, contradicts our common-sense understandings of innovation and paradigm shifts as immediate changes that can be observed in contemporary society.

In my preliminary investigation of the topic, beginning with review of literature on innovation, in particular extant literature on artistic innovation, I believed that understanding the factors that drive innovation (chapters 3 and 5) was sufficient for explaining how innovation takes place. However, over the course of conducting my research, I have come to understand that despite the existence of many favourable conditions for innovation, this in itself does not constitute a paradigm shift. Hence, it is not simply a question of the factors involved, but rather the way in which they interconnect which is important, an argument developed in chapter 4.

In this chapter, firstly, I would like to reflect on what I have found through conducting the research and trace the development in my thought from my initial interpretation up to what I established in chapter 3 about the environmental factors associated with creativity and innovation. The analysis of the environmental changes

presented in chapter 5 demonstrates that there is no straightforward process directing the institutional shift from practices defined by G logic to practices guided by M logic. This shift is much more complex and produces multiple changes to how unconventional artists work. Second, I aim to delineate more clearly how artists valorize their life as artists, as well as what it takes for them to realise radical modes of innovation. It is evident that in the aftermath of the political revolution, artists began to develop different relationships. Moreover, new actors entered the field and came to problematise doxa within the artworld during that historical juncture. New conversations (in terms of Klamer 2007) emerged, and new social settings served to alter the nature of the relationships between existing and new artists, as well as between artists and (cultural) institutions. These shifts demonstrated how artists adopted new valorization practices in order to adjust to the new conditions, and while there are reasons to consider this in terms of innovation and change, as I will show in this chapter, this would be too quick conclusion to jump to. It is tempting to cite the example of "unconventional" art as representing an example of a paradigm shift; however, after consulting experts in this field, it has become evident over the course of conducting this thesis that these changes in artistic expressions didn't change fundamentally the artistic community in Bulgaria. In fact, from the perspective of the experts interviewed for this thesis, they do not necessary even relate these shifts to changes in the governmental and market logics that took place during in the 1990s in Bulgaria.

The key question here concerns whether these changes in structures were able to sustain the new modes of artistic creativity and innovation, and in this way support the paradigm shift that the new "unconventional" art promised to engender. That is to say, in Kuhnian terms, was the newly emergent "unconventional" art able to establish its new values, norms and practices and sustain them in the long-term against a backdrop of structural shifts within government (G logic) and market (M logic)? If one only focuses on market and governmental shifts – democratization of the sector, privatization, union reform, etc. – then it would be reasonable to conclude that profound changes did indeed happen; however, if I include other spheres, which is what I appropriate from the five - sphere model, then I need to shift my argument in significant respects. Within the new socio-economic milieu post-1989, in order to valorize themselves as artists, artists were much more persistent despite the emergence of "unconventional" art. Moreover, while a lot of artists engaged with this new artform in the beginning, most of them subsequently returned to their conventional way of working.

Applying the value-based approach of Klamer (2017) opens up possibilities through which to understand artistic innovation qua paradigm shift in terms of cultural and social shifts, that is, shifts in values, norms and practices. Applying the five-sphere model suggests that there is cultural valorization, social valorization, there is valorization by way of the market, as well as a form of valorization that occurs as a consequence of interacting with the government.

The purpose of this chapter is to address this complexity and investigate the different practices of valorization that took place, along with the interdependencies involved in this process. Considering the cultural logic discussed in chapter 3 and the differences that were established between C1 (culture in the anthropological sense) and C3 (culture qua achievements in art, which are related to symbolic meaning), the purpose of this chapter is to examine how the practices of (cultural) valorization that the artists engaged in were transformed post-1989. What different interdependencies between actors and values emerged? Did these new interdependencies either support or hinder the paradigm shift within this sector?

The chapter first addresses the shift in artistic expression, as well as their theoretical articulation, before proceeding to investigate the way in which social practices in the sector changed. Both the artistic and social valorization practices I will analyse vis-à-vis artists and their intermediaries' activities were established in the previous chapter as being key factors in change. While the analysis does not aim to establish causality between the different changes, what it does seek to do is to trace some of the sequences involved in the process of value change (from the perspective of artists and their intermediaries), and identify in what way they affected artistic practices. This is because it is only when practices change profoundly, that we can be sure that real transformation (shift in values) has occurred.

The analysis is based on both review of extant literature about the cultural and social shifts and the results from the interviews I have conducted with 10 Bulgarian experts on the transition of Bulgarian visual arts.[79]

7.2. TRANSFORMATIONS IN THE CULTURAL SPHERE

With the radical political shift that began on November 10th, 1989, manifold changes proceeded in the political, economic, social and cultural spheres. Those changes

[79] The interviews were conducted in November 2011, in Sofia, based on a semi-structured questionnaire (see Appendix 1). The list with respondents' names and expertise is presented in Appendix 3. The interviews' durations was between 90 and 120 minutes.

also engendered a profound change in values. For example, Draganov (1991) argued that shifts in economic values during the transition period manifest in attitudes towards money, labour, economic freedom and professionalism, while political shifts were expressed in the adoption of democratisation principles. Shifts in social values corresponded to different attitudes towards social (in)equality and justice, which are especially important in terms of the functioning of civil society, while the shift in cultural values manifest in changed attitudes towards national identity, traditions and individualism vs collectivism. These shifts revealed themselves in changes in individuals' norms, beliefs, habits and attitudes. While extant research has explored these economic and social value changes, there is a relative dearth of studies which have investigated cultural changes. A key reason for this lacuna in extant work is that cultural values are not as obvious and are difficult to trace.

To understand better the cultural changes within the art sphere, I apply the logic of the value - based approach, which I believe will enrich the analysis by enriching the reflections on the qualitative changes that took place during this period. In the context of the Bulgarian visual arts, the cultural layer of C3 refers to the artistic and cultural (general) practices which are realised by artists and their intermediaries. The analysis of the role and practices of intermediaries outlined in chapters 3 and 6 shows how they contribute to both creating and/or articulating meanings (creative intermediation) and defining social practices (commodifying and/or consumption intermediation).

In this respect, I reflect on their contribution to the cultural sphere and social sphere separately, purely for the purposes of clarity, though I am cognisant of the fact that they overlap. I begin the chapter by investigating the valorization practices of artists and their intermediaries, who are seeking to establish the new artistic paradigm of "unconventional" art.

7.2.1. Realisation of artistic value by artists

As argued in chapter 1, when a cultural good is at stake, cultural values include a myriad of qualities, including aesthetic, spiritual, social, historical, authentic qualities (Throsby 2001, Hutter 2011, Klamer 1996, 2004). Ordinarily, their analysis translates into a focus on aesthetic conventions qua different forms of expression, methodological framing and the language that artists share. Respectively , the analysis conducted here aims to unveil the aesthetic-intellectual aspects of change that artists pursued against the backdrop of socio-economic change. More specifically, the analysis examines

artists' shift in aesthetic values in the concrete context of the Bulgarian visual arts, which, as defined by Kabakchieva (2005), constituted a shift towards the values of freedom of expression and the freedom to innovate.

The starting point in the analysis of the shifts in the culture sphere of the Bulgarian visual arts is artists' and critics' awareness and articulation of these aesthetic shifts. In other words, the analysis aims to reveal the artistic and cultural dimensions of the new paradigm from the perspective of those who practiced it.

Shift in aesthetic-intellectual values in the Bulgarian visual arts across the 1980s and 1990s

To capture the new aesthetic represented by "unconventional" art, it is instructive to first delineate the artistic paradigm that prevailed under previous political regime.

During the era of Socialism (1945-1989), the Bulgarian visual art sector was steeped in the well-established and clearly articulated aesthetic paradigm. In terms of its realisation, the works were characterised by traditional styles and techniques, which aimed at mastering excellency vis-à-vis the promotion of a technical skills and use of classic materials (Popov 2009). The themes that the style realised represented national history, folklore interpretations of the Bulgarian identity, depicted the beauty of nature, the life of ordinary people, heroic themes, etc. They aimed to reproduce ideals of creativity, beauty, harmony and love, which served to consolidate not only the community of artists who belonged to it, but also recreate a positive identity of society more broadly (Kuyumdzhieva 2005).

While this very well-established paradigm remained important for the entire period, with the liberalization of the party in the late 1950s[80], according to one of the respondents, "the value filters weakened and gave rise to new aesthetic quests" (Int1). She elaborated further:

> "There was general openness of the system at the end of the 1970s and beginning of the 1980s, which also was recognised from our colleagues from the other socialist countries. This was even stronger expressed with the beginning of the Gorbachov era in the USSR" (Int1).

Respectively, artists gained more freedom to define the aesthetic framework of their work and started to experiment with different styles, while, simultaneously, critically discussing the importance of one or another genre.

[80] This connects to the decision taken during the April Plenum of the Bulgarian communist party in 1956.

Along with this period of liberalisation, the first "unconventional" art works emerged in the 1970s, while some authors even trace antecedents of these forms back to the late 1930s (Grozdanov 1994). However, they undoubtedly became more prevalent in the mid-1980s, which coincides with the ideological openness of the system in the aftermath of the political "perestrojka" in the USSR (Popov 1994). This process points towards a deeper shift in the aesthetic values of Bulgarian visual arts in the concrete context of the late 1980s, which called into question the prevailing aesthetic paradigm in Bulgarian visual art world for the last half century.

Group D (Dobrin Peychev and Orlin Dvoryanov), "Mostove na izkustvoto" (Bridges of arts), 1988

Aleksandar Nikolov, Space and Constructions - exhibition view, 1982

In the 1980s, more so than before, new art forms qua installations, happenings, performances, videos began to penetrate the art scene in Bulgaria. As extremely new and unspecified forms, that were not studied by artists in the Bulgarian Academia of visual arts, they required being defined, explained and differentiated. The first works which appeared in the early 1980s (and thus still during the previous political regime) were officially explained in still censored art critic newspapers in order not to disturb the official artistic language of the period were labelled "artistic interventions in the environment" (Stefanov 1994, p. 23). While the experimentations with these forms continued, they were subsequently given the label "unconventional" forms. Stefanov (1994) defines these forms as "idiosyncratic acts of creativity" (p. 23). On different occasions in the literature, authors variously referred to them as "non-formal", "non-traditional", "informal art", "avant-garde", "post-avantgarde", "alternative art", and so on[81]. Despite the richness of such formulations, in this thesis I refer to them as "unconventional", in so doing, utilising one of the first definitions. According to one of the respondents, the term "unconventional" was used in the beginning as a working term and so as to avoid the broadly used term "contemporary art", which was assigned to many other "new" genres (Int3).

What characterised "unconventional" art as radically different?

Considering the first works which can be traced back to the symposiums on the subject of wood sculpture held in the region of Strandja Sakar from 1983 onwards, Vasileva (1994) described them as "interesting dimensional constructions, which can be defined as sculptures, decorative artefacts and installations" (p. 8).

Veselin Dimov, "Water Dracon", 1983

[81] In "Art in Bulgaria" (1994), a journal volume dedicated to the "unconventional" art or N-Forms.

The critics of these forms highlighted the following specific qualities that distinguished these works from the previous plastic language: the use of different material, such as wood, pine, rope, polystyrene, polyester, instead of bronze and gypsum (Vasielva 1994, Popov 1994). Moreover, they conveyed values of playfulness, amusement and sarcasm (Vasielva 1994, Popov 1994, Popova 1994), while later works promoted politicisation and vulgarity while addressing different social problems (Grozdanov 1994). They also emphasised the spectator/viewer's involvement in direct communication and the experience of fun, entertaining or in the direct co-creation of art (Vasileva 1994). The unusual use of outdoor spaces as opposed to the official exhibition halls where these works were performed/presented in (country side outdoor spaces, city gardens, the terrace of the Shipka Exhibition hall) constituted part of the artistic conceptual format, which, in turn, contributed to the semantic reading of the work (Popova 1994, Vasileva 1994, Lardeva 2009). Finally, the introduction of curatorial principals of the exhibition and the direct involvement of the curators/critics in the organisation and performance of the works also served to distinguish this genre from that of its forebearers (Popova, Stefanov, Popov, Vasileva, 1994).

As observed by one of the respondents, the very first events that took the form of installations and happenings were not even intended, perceived or understood as art work, but rather because of their amusing nature were recognised as "the initial stage in the acquisition of artistic language and expression of means that did not have their own traditions inside the country" (Int2).

Initially, then, because of the fun and playfulness inherent to the new genre, in the 1990s these new forms of expression were conceptualised as a paradigm which resisted the old system and as being capable of expressing visually what could not yet be said or written as a form of criticism to the existing system (Popova 1994, Popova 2001). For example, via the use of the metaphor of the old cabinet, whose drawers were filled with coal, Sasho Stoicov made reference to the electricity regime in Bulgaria in the late 1980s. Similarly, Nedko Slovakov's work "A Look to the West", used binoculars mounted on the guardrail on the exhibition terrace which was directed towards the Communist pentagram of the Party headquarters in Sofia, which was provocative and subversive inasmuch as it symbolised the denial of the capitalist West by the communist party (Popova 2014).

Nedko Solakov, "Pogled na Zapad" (A look to the West), 1989

Sascho Stoicov, "Bum energetikata" (A boom in the energetics), 1988

7.2.2. Realisation of artistic values by critics

The question of whether the "unconventional" artform can be considered as an artistic paradigm shift that provoked change within the sector also concerns how intermediaries made sense of these changes. More specifically, here I consider the role of critics in the creative intermediation[82] (De Propris & Mwaura 2013) of the new paradigm.

[82] As concept creative intermediation is explained in chapter 6, section 6.5.2.

Following the conceptualisation of cultural valorization process of a new paradigm, developed in chapter 6, this process as applied to the "unconventional" art forms, which became more pronounced in the Bulgarian visual arts only in the 1980s, depends to a large extent on the cultivation and consolidation of a new critical discourse via its language, metaphors, theories and methods. While artists were experimenting with these new forms, the role of critics was to establish and communicate their concepts in such a way that they can be understood by others. The focus of the analysis conducted here is to understand whether the critics' tribune in Bulgaria was able to support the establishment of the new paradigm, or, in Klamer's (2007) terms, build a new conversation.

Theoretical and methodological framework of the "unconventional" art

To reiterate, to understand the logic of the changes in the late 1980s and beginning of the 1990s in Bulgaria, it is instructive to briefly summarise what are the findings in chapter 5 about how the artistic paradigm of the previous system was articulated and promoted by the critics.

Although critics emerged rather late in the Bulgarian visual arts, the need for them was acknowledged in the late 1960s and the beginning of the 1970s (Int1, Int7). Due to the hierarchical system and the clear priorities of the "official" art, one of their challenge was to balance between the state objectives and artistic criteria. Often, the critics task was purely understood to be positive: their task was solely to confirm the prevailing artistic conventions (Int1) which is defined as a "lack of value filters" (Dzhurova 1989, p. 114). At the same time, Danailov (1994) suggests that "[t]here was a system of specific dimensions that strictly laid down where and how far one could go" (p.12). According to the experts interviewed for this thesis, the powerful position of the critics before 1989 was supported by the strong presence of the UBA[83] and the existence of a theoretically well-developed platform for the arts within the Institute of Art Critics ("Izkustvoznanie") (Int1, Int2, Int7, Int8, Int9). Allied with this, to realise these policy goals, in addition to organising and promoting art events all over the county, there was a well-established critical tribune in specialised magazines and newspapers, as well as a well-organised legitimisation by the Union through the exhibitions it organised. The mechanism of validation for the exhibitions organised by the UBA had a strong presence by the selection committee. As such, UBA gained strong legitimisation power (Int1, Int8).

[83] The operation of the UBA is discussed at length in the section 7.3.1.

Within this context, it would not be an exaggeration to suggest that the goal of the critics for "unconventional" art was extremely difficult. As Stefanov (1994) noted: "it is interesting that the forcibly implanted socialist realism appeared as the most monolithic and conceptually clear phenomenon in our modern art" (p. 22- 23). Extant critical analysis of the identity of the new form is rather contradictory; that is, was it imported or locally rooted. These new forms had been well-established in Western art since WWII, and to some extent represented the crisis in the social and artistic work of that period (Lardeva 2009). These unconventional art forms came to life in the local Bulgarian scene (Popov 1994). Conversely, Vasileva (1994) argued that the genesis of these unconventional forms was rooted in the local development of the UBA, rather than being imported from outside. Linked to the innovative art practices of the sculptors featured in the UBA organised wood craft symposia in the countryside, these events managed "to stimulate a new aesthetic quest", which was expressed in their themes and objectives (Vaseileva 1994, p. 6).

In 1986, the Puls newspaper first published a critic's discussion of the new development in art forms and of the artists who took part in the annual youth exhibition "Chance of knowledge", organised by the UBA that year. This followed the other official manifestations of these forms in the first exhibitions dedicated to them - "11.11.88" (1988), Earth and Sky" (1989) and "10x10x10" (1989). Popova concluded that "the novelty of the exhibitions was that they bred tension and discontent" (Popova 1994, p. 26). The role of the critic in such exhibitions also changed. For the first time, they directly participated not only in the organisation, but also in the performance organised during the exhibition (Vasileva 1994, Popova 2014). In fact, the first discussions on these forms in Puls Newspaper also addressed the importance of the critics as "an integral part of the artistic process as a catalyst and organiser of exhibitions, analyst and theoretician" (Vasileva 1994, p. 8). Another way to frame this would be to say that they undertook the role of creative intermediation (De Propris & Mwaura 2013). In the proceeding years, the practices associated with the different approaches led to a maturity of the forms, with 1992 signalling the occurrence of curated exhibitions in their most pure form (Ptopova 1994, p. 28). Next to this, the first experts' ranking of works also took place. As an active participant in this process, one of the experts shared in our interview:

> "One of the first article to criticise these forms was published in the Pulse and was called 'what hinders the avant-garde'- the idea was to squeeze the quality of things into the development of the unconventional forms. In 1992, a "Kaimak Art" exhibition was set up, where the most prominent artists competed with critics. Then the lists shuffled and made the top 10." (Int3)

The initial stage in the development of the "unconventional" art works and the formulation of their critical discourse was concluded by the middle of the 1990's with the exhibition "N-forms: Reconstruction and interpretation"[84],[85] and the publication of the first catalogue of the exhibition, which represented the entire period of the development of the "unconventional" art from the early 1980s up to 1994 and set out to establish their image and credibility. According to Popova (2014), this exhibition marked the end of the use of the terminology "unconventional", because the "term was already superfluous and even harmful, since it created and maintained a kind of double standard in this art" (p. 13).

Here, the question becomes whether the activities of the arts critics in Bulgaria could engage in the role of reformulating the established aesthetic discourse and give a strong voice to the new art forms in modern art history in the sector? That is to say, was it in a position to generate and clearly articulate the concepts, value criteria, theories and methods?

After 1989, with the boom in "unconventional" art, there was a clear need for new ways to establish the value of the new art form. With the political turbulence of the late 1980s, especially with the fall of the totalitarian regime in 1989, the process of re-formulating the image of Bulgarian art began in earnest. Based on a review of critical material in the period, Kuyumdzhieva & Stoeva (2005) discern two trends, (1) reformulation of the dominant aesthetic concept and (2) creation of new readings of the history of Bulgarian art. These aimed towards building an alternative discourse to that of existing aesthetic convention. The authors found that the processes were not homogenous and instead produced different models of interpretation of the history of the contemporary Bulgarian art.

In general, in light of the political changes, Bulgarian art critics become very active in terms of debating the new image of the Bulgarian art scene by opposing both the first direction, which was linked to the denial and re-evaluation of the existing

[84] These conclusions derived from the interviews with two representatives from the Centre for contemporary art (Int3 and Int6). The same conclusion are drawn by Lardeva (2009) and Nojarowa (2018).

[85] The exhibition and the first catalogue of the "unconventional" art form was organised in 1994 by the Soros Center for Arts in Sofia. The catalogue is available on the Institute of Contemporary Art website http://www.ica-sofia.org).

plastic language, and the second direction which concerned the new appearance of the "unconventional" art forms (Stefanov 2003, Popov 2009, Lardeva 2009, Nozharova 2018). The fact that the national museums and galleries did not build contemporary art collections[86] left the sector without any reference to a public selection criteria that legitimized the current art developments. Consequently, according to one respondent:

> "The selection of what was to be justified and remain as Bulgarian contemporary art was left in the hands of thousands of individuals' efforts with the simple idea of them getting attention. This gave the chance to group ideologies to exploit the vacuum in the critics space" (Int2).

This situation offered possibilities for all these informal circles to claim that they alone were the true representatives of the "the contemporary Bulgarian art scene", while refusing to acknowledge the rest of the art scene and artists who did not comply with their principles (Int). Alongside this, with the disappearance of the artistic publicity that existed under the previous system, there were far too few periodicals left to foster the debate. This caused the disappearance of the public tribune to steer the discussions and reflect on recent developments in the arts. Only two specialised magazines remained active at this time: "Problems of Art", which retained its academic, and thus limited, audience and "Art in Bulgaria", which was soon privatized and thus needed to cope with the new economic situation in which "private publishing stimulated sincere individual preferences and [an] openly subjective position" (Yordan Eftimov 1997 in Musakova 2003). The only specialized art newspaper "Kultura" focused only on the development in Sofia and neglected all other groups that operated outside the capital city. Moreover, some artists suggested that the newspaper kept the "'mentor's ton" due to an 'unsuccessful liberal doctrine', which because of the power vacuum, allowed 'intellectual junk' to take the role of those who had set criteria for contemporary art" (ibid.)

Third, lack of knowledge and training for critics created wildly different perceptions of what role art critics should play in conjunction with others involved in the process – artists, gallerists, dealers and curators. In the end, the critics who represented and tried to build the new language and image of "unconventional" art were by and large the same people who worked as critics during the previous system.

One of the interviewees pointed two main obstacles for critics to overcome if they were to carve out an adequate role for themselves, while, simultaneously, understanding their role in the process of change. One concerns the problem of

[86] For the last 30 years, the state did not buy any Bulgarian contemporary art works while only the Sofia City Gallery made some isolated efforts to create collections of contemporary Bulgarian art (Int6).

education, which did not pay due attention to the in-depth study of criticism (in fact, it amounted to a single semester of study in Academia). This was an important issue in the Bulgarian context, because as one of the critics explained during the interview:

> "In the beginning, the problem was the very recognition of "Happenings" as an artistic activity. The education in general art history at the Art Academy even for the students of art studies ended with the post-impressionists. Virtually the entire 20th century of Western art was not taught. Quite fragmentary knowledge and scant information, combined with the lack of direct experience of such arts in the country were characterising the understanding of those new forms" (Int3).

The second issue pertains to the fact that the previous system did not tolerate, provoke or stimulate critical thinking. Consequently, learning how to become a good art critic remained a personal choice, which required a substantial degree of self-education and searching out of Western literature, as not only did they need to create a new language through which to make this art accessible for other artists, they also had to be able to engage and create a new audience for the work. One of the essential elements in developing new contemporary forms of art thus requires targeting a broader audience (Popova 2014).

In her interview, one of the experts also expressed her scepticism regarding the role played by the new generation of critics, because of the lack of knowledge (both general and specific) held by the young critics and their inability to articulate their critical position beyond "lifestyle" promotion.

> "As an editor in Kultura newspaper, I trained colleagues coming out of the academy. The new generations of art historians (after 2000) remained in a situation of lifestyle reflection - this is a promotional style that does not offer a critical position. I personally wrote up to 2005 in lifestyle magazines and I know how dangerous this is for critics… The lifestyle style lacks a position that results in an inability to provoke debate - this is the problem of young critics" (Int3).

All these factors caused a permanent professional and artistic gap between those who operated as critics/experts of the past, who were associated only with the traditional forms and those who were representatives of the new period. Resultantly, both groups didn't recognise each other credibility. The art critics of the new forms rejected the existence of any art development (in terms of newness) prior to the political changes of 1989:

> "They very strictly maintain the statement that art historians (most of the previous generation of critics are educated as art historians) cannot have an opinion, that they can only report on facts... this is why a dialogue did not occur between the representatives of different art styles" (Int2).

This establishing of the image of new artists and genres occurred in parallel with a radical denial of the establishment. Popov described the conflict between the two paradigms:

> "Gradually, the old type of ritual gave way to the new rites of the avant-garde gesture, and the acquisition of an asset from participation in the OHI [national exhibition organised by the UBA] was replaced by active search and Avant-garde became a convenient label to legitimize the only correct new general line in the development of contemporary Bulgarian art" (1993, p. 11).

The process described here resembles Kuhn's (1962/1996) discussion of what occurs over the course of a paradigm shift. However, critics of "unconventional" art highlights the "lack of clear concept in their forms of installations and site–specific works" as well as a "lack of proper critical apparatus for interpreting the new phenomenon" (Stefanov 1994, p. 23). Moreover, the critical position was initially performed by informal groups of critics and artists, and, indeed, it was only in the beginning of the 1990s that it became institutionalised, such as, for example, via the establishment within the Union of Young Artist's club.

7.3. THE TRANSFORMATION IN THE SOCIAL SPHERE

In the previous section, through recourse to applying the value-based approach, I explicated the emergence of "unconventional" art and its new intellectual-aesthetic paradigm and situated it within a concrete historical context of the late 1980s and early 1990s in Bulgaria.

Following Kuhn (1962/1996) and Csikszentmihalyi's (1996) arguments, in chapter 6 I proposed that the critical moment of the paradigm shift was the controversy between the growing importance of a paradigm (new art form/style/genre) and the need of the knowledge domain to sustain its boundaries and demarcates itself from other domains of knowledge. In other words, in order for a paradigm shift to be realised within a certain knowledge domain and field, it must start with the valorization practices of individual artists (qua creation of new forms, expressions, etc.), but can only truly be realised as a shift in the domain if the valorization process also occurs at the institutional level via the practices of those capable of validating the respective merits of the new paradigm. The latter culminates in new (institutional) relationships between old and new gatekeepers or experts, which operate either in the governmental, and/or market and/or non-profit (third) sphere.

In Kuhn's words, if in the beginning a paradigm is shared among a few supporters, to ultimately win against the other established paradigms, it needs to attract knowledgeable followers who can improve the paradigm, explore its possibilities, and show what it would be like to belong to the community guided by it. These followers will thus be able to create more experiments, more articulations, more critiques, and, in turn, produce enough supportive evidence that this paradigm is worth embracing. However, this this can only occur if those parties are knowledgeable, and capable of generating trust and credibility among the domain and the field (Bonus & Ronte 1997, Bianchi 2015).

Following these insights, one could argue that through different social practices the paradigm can be spread, and, in this sense, we can claim that the relationships of S (social sphere) can support the shifts in C3, i.e. the arts. At the same time, these relationships have their specific cultural characteristics (C1 – culture qua values, norms, behaviour) which strengths or weaknesses can respectively foster or hamper the paradigm shift. Considering these different layers of interpretation of a paradigm shift, the following section aims to analyse those particular cultural factors (C1) which underscored the social practices that were realised through diverse relationships in the Bulgarian context in the 1980s and 1990s. With this in mind, the present analysis will address what social dynamics qua diverse relationships (C1) underpinned the artistic change (C3). Moreover, it will also consider which of these factors that determined the relationships were supportive of the paradigm shift and which contradicted or hampered it. Here, it is important to consider to what extent these relationships were capable of building and promoting the credibility of the paradigm. In so doing, this section will evaluate the proposition whether the "unconventional" art was able to create a "fundamentally incompatible" community in the Kuhnian sense of the term (1962/1996, p.98).

7.3.1. Cultural valorization practices within the governmental sphere prior to and post-1989

It was evident that the groups of artists who drove "unconventional" art were a product of the previous operation of the UBA; hence, in order to explain its role in this process of transforming cultures, I will examine the informal organisational culture of the UBA. How was it possible that these new forms emerged during the so-called hegemony of the UBA?

The analysis presented in chapter 5 demonstrated that one of the main instruments that characterised the social paradigm of the previous political period was the strong presence of the UBA. From the 1960's onwards, the state granted independence to the UBA, which took responsibility for the governance of the visual art sector in Bulgaria. In this capacity, the UBA not only assumed responsibility for consolidating the sector by providing good working and living conditions for artists (which included the provision of exhibition spaces, administrative and financial mechanisms), but also legitimising the aesthetic and social aspects of the paradigm that guided the practices and the professional lives of the artists and critics. A detailed analysis of the mechanisms through which the UBA defined and reproduced its policy is presented in chapter 5. Here, I focus on the socio-cultural aspects of its operation.

Informal culture of the UBA

At a formal level, with around 3000 members, the UBA projected outwardly the image of a strong, independent organisation, one which united, represented and facilitated artists and critics in their career development by securing them with a stable income and networks. Accordingly,

> "before 1989, all artistic practices were taking place "under the umbrella" of the UBA. Beyond its borders, in practice, no artist could exist" (Int1, Int5).

It is perhaps not surprising, then, that the UBA had a strong presence in the lives of all actors in the art world. As one respondent noted: "The UBA had a monopolistic role in defining the art world – it was the art world" (Int6).

On the one hand, the role of the UBA was described as akin to that of a "ruler", as a result of its highly centralised hierarchical system and the well-structured sector divisions:

> "In practice, the growth of an artist was clearly identified and the steps he needs to take: Art School, Art Academy, membership in the Young Artist section (within UBA), UBA membership. Exceptions to this rule were derogatory. Since all the exhibition halls in the country belonged to UBA and its branches in the country, in practice if you were not a member of UBA, you could not do exhibitions, i.e. to appear in public and to participate in any artistic life. In these halls again all exhibitions of works and valuations went through the governing bodies of the UBA. The system was designed so that there were no holes. It strictly filtered each artist and each work." (Int6)

On the other hand, it was precisely because of the existence of well-defined centre, that some important groups of artists who engaged in "unconventional" art practices were able to emerge at the periphery of the system.

The interviewed experts agreed that there was to a certain extent an openness towards newness of artistic expression, in part, because of the ideological openness of the system from the 1970s and the effective leadership of a specific Union president, who orchestrated a considerable degree of financial and artistic independence for the organisation (Int1, Int2, Int5, Int8). This openness was reflected in the informal culture of the UBA itself. Indeed, the emergence of informal groups was supported and facilitated by the same Union plenary and symposiums held in the countryside (such as, for example, in villages like Kosti and Jasna Poljana). In the words of one of the interviewees:

> "these were the first decentralised symposiums of the art world; though they were not systematically organised, they still provoked the free spirit of art practices that were not known before." (Int6).

This process was also facilitated by the informal gatherings between artists from different disciplines, who all operated under the umbrella of the Union. One of the interviews recounted:

> "There were small communities of artists with different specialties. We were very integrated with writers, actors, and architects. We had common places – cafes where we exchanged information, discussed recent news from abroad and, as such, were not closed off from the bigger art world" (Int3).

A further important fact was that the division between provincial and Sofia-based artists was not so pronounced, because the infrastructure developed by the UBA was spread across the country. This subsequently allowed for the establishment of very strong groups in smaller cities, such as Plovdiv, Ruse and Varna.

Another interesting social phenomenon that already began to shape within the Union structure prior to the political changes of 1989 was the establishment of the Club of Young Artists. In fact, the exhibition described in box 2 was the first general exhibition of the Club, which brought together more than 200 members, both individually and through groups that were intrigued by the new forms of Bulgarian art. Some just wanted to try out the possibilities proffered by the new artistic language, others were full of enthusiasm, while some were simply part of the party (Popova 2014). More importantly, however, "the Club of Young Artists was like a "boiling boiler" in which artists learned and encouraged each other while fighting with the UBA and actively participating in the public unrest around and after November 10, 1989" (Popova 2014, p.7).

As result of these informal groupings, at the end of the 1980s, but yet still prior to the political revolution of 1989, the UBA organized exhibitions that presented for the first time the unconventional, interdisciplinary approaches in the visual arts, including "The author's signature" (1987), "The city" (1988), "Earth and sky" (1989).

With the changes brought about post-1989, the formal organisational structure of UBA underwent changes which I discussed in detail in chapter 5. Among other things, the UBA retained the formal divisions of various visual arts sections – 16 in total– but at the same time opened up the space for interdisciplinary and experimental artistic approaches to production to occur. In the beginning, this role was largely undertaken by the Club of Young Artists, which in 1993 was reorganized in to the so-called "Section 13". As one of the experts suggested:

> "The fact of the official establishment of Section 13 was more important than what activities they would undertake. For the first time, the artists were not organised on sections principals (fine arts, sculpture, etc), but rather they were united by their beliefs in common ideas. This was a revolutionary break in the stereotypes of the UBA. It was well planned in order to be taken serious from the rest of the union management." (Int6)

The activities that the club developed in the aftermath of the political changes and organisational restructuring were not well-accepted by the rest of the UBA members. They existed in a "somewhat hostile or at least negligent collegial environment" (Popova 2014, p.8). Despite this, the club continued its operations based on the enthusiasm of its members and received its first recognition from the Biennials in Istanbul[87] (1992, 1995) and the Sao Paulo Biennial[88] (1994). Meanwhile, the new artistic practices only became a career for some of the artists in the club, while the majority of the members abandoned it, either by leaving the country or by continuing to practice their previous way of making art (Popova 2014).

According to the interviewed experts, notwithstanding many of the changes in the structure of the UBA post-1989, it retained its leading legitimising position within the visual art world during the transition period (at least during the first part of this process) for two reasons. First, the new Ministry of Culture did not take responsibility for financially or administratively supporting any other independent institutions. This was characterised as a:

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[87] In 1992 the works of Nedko Solakov ("New Noah's Ark"), Lyuben Kostov ("Machine for applauding" and "Time for a machine for smashing idols") and Joro Rujev ("The One-Dimensional Man") were presented; In 1995, the works of Pravdolub Ivanov was presented.

[88] The work "Neo-Golgotha" of Lachezar Boyadzhiev was presented.

> "failure of the state to recognise the newly emerging art practices as one of the possible faces of modern Bulgaria. As such, the State through the Ministry of Culture continues to assume that the UBA appears to express the will of all artists" (Int2).

Second, the emergence of new organisational practices remained limited, because Bulgarian artists preferred to associate with their conventional Union (Moussakova 2003), which continued to organise the general exhibitions as representing what constituted Bulgarian contemporary art. D. Popova named this the "UBA disease" referring to the differentiation between a purely professional organisation, whose main task should be to render assistance to artists, and a "creative association", whose main function continued to be seen as providing judgments about who was and who was not an artist (in Moussakova 2003, p.13). As one of the interviewed respondents noted, this was because:

> "the Union was not interested in the professional expertise of 'independent' artists and curators who were known and recognised more abroad than at home" (Int3).

This drove a section of members of the UBA to search for new exhibition spaces and curators, who could represent them outside of the existing general exhibition selection of UBA.

7.3.2. Cultural valorization practices within the market sphere

In the aftermath of UBA reform and the introduction of a new governmental structure, the governmental logic began to undergo changes. In this situation, allied with the beginning of the accumulation of private financial capital, private galleries, collectors, business organisations and bank foundations took over from the existing network of government galleries in the role of representing, collecting and exposing Bulgarian art. While the lack of official statistics and comprehensive studies on private art sector activities make it difficult to draw strong conclusions, some tendencies can be observed based on the interviews conducted with experts and the analysis of extant literature.

Just prior to the events of 1989 and immediately thereafter, changes rapidly began to occur in the art market. In 1987, several "open studios" were organised, whereby artists were free to propose their own works and to set their own prices (in the garden at the National Theatre). 1988 saw the opening of the first private gallery - Gallery 8 in Varna (Int6). While the beginning of the 1990s witnessed a boom in the opening of art galleries, albeit very few of them maintained professional standards. The experts suggested that the principal reason for their failure was the lack of an institution to serve as a role model. Often the relationship between the gallery and artists was not sufficiently regulated and based on friendship, rather than business

relations. Moreover, there was a little investment in the business sense of the term. The galleries also suffered from the lack of good available dealers, who knew how to run a business and combined business knowledge with an understanding of the art world.

Exhibition life dramatically changed with the appearance of unfamiliar artistic expressions - happenings, performances, land-art, action, installations, object art, and so on. Ata Raj is highlighted as one of the most successful galleries that presented contemporary work. Its success was linked to the personality of the owner, who managed to incite the interest of gallery clients (mostly foreign diplomats, who were working in Bulgaria) to the new Bulgarian conceptual art (Int6). The first and probably one of the most important collectors of Bulgarian "unconventional" art was the Swedish ambassador in Sofia, Ruf Gaudenz (Int3, Int6). He bought the first conceptual artwork in 1995 and regularly organised exhibitions by contemporary Bulgarian artists in his residence. Indeed, in one of the rankings of galleries that was conducted by Kultura Newspapper in 1994, the residence of the Swiss embassy took second place for good gallery activities (Int3). In 2011, the Sofia City gallery made an exhibition of his collection.

Given that it was a completely new phenomenon, it was difficult to establish any social norms in the culture of collecting in Bulgaria. Some other collections were organised by the Ministry of Foreign Affairs, whose acquisitions gave a chance to contemporary artists. There was some information on the general collection of visual art works, which points toward its peak occurring around the early 1990s, during the period in which, as aforementioned, some banks began to establish their own corporate collections.

On the one hand, all these market initiatives had an important role to play in this regard by serving as an alternative to the established governmental logic vis-à-vis the process of legitimisation (Nozharova 2018, Lardeva 2009). However, their role as a factor that foster artistic creativity and innovation is a rather controversial one. Some experts, value[89] (between 5 and 7 on a scale of 10) the fact that the market opened up opportunities for new players to enter and "break the monolith of the existing expert circles of the UBA" (Int3, Int6), while for others, the situation became wholly different from the initial enthusiasm for market support of the new art forms. In general, the art market for any form of art was extremely difficult in Bulgaria, because of the lack of business knowledge and/or any model of a private collector or dealer to follow (Int9). These issues were exacerbated in the case of "unconventional" art, in which there were

[89] The interviewed experts were asked to weight on the scale from 1(unimportant) to 10 (the most important) the importance of each factor for the artistic innovation.

a lack of clear market relationships based on regulated relationships between artists and gallerist/dealers (Int5). Moreover, the market did not meet the initial expectations in terms of either establishing an alternative valuation system to that of UBA or the creation of a new public for the "unconventional" art (Kuyumdzhieva & Stoeva 2005).

Generally speaking, the role of collectors and the extant culture of collecting (regarding the whole sector, not specifically "unconventional" art) as factors that might have stimulated artistic creativity during the transition period was rated extremely low by the experts, due to the lack of both knowledge and credibility vis-à-vis their valorization practices. First, the banks bought the art works without considering their market value and consulting specialists' opinions. According to the experts, the estimates were far too high compared to the real price of the art works, and thus they were rather speculative (Int7,Int9). Some suggested that this was because of the need to "money wash" – a principle of the grey economy that characterised the beginning of the transition period. Second, the relationship with the artist was not built on a professional base. Rather, it was the personal connections between some artists that placed them at the centre of these relationships. Consequently, the subsequent liquidity of those collections was very low; indeed, in some cases it was impossible to sell them for a price higher than 10 percent of their initial price (Int9). This phenomenon occurred in the interim period between 1989 and the failure of three banks: Banka Molov, First Investment Bank and Balkan Bank.

7.3.3. Cultural valorization practices within the third - sector sphere

Within this section, the social logic of Klamer's five - sphere model translates in two phenomena. The first one pertains to the social practices of the foundations, which were mostly foreign and provided support to the arts with the aim of strengthening diversity in the art domain by supporting the democratisation of the sector. Their predominant focus was to provide support to non-traditional art forms, including "unconventional" art forms. The second phenomenon concerns the engagement of the "unconventional" artists in new groups/communities.

Foreign foundations

The first attempts to legitimise the "unconventional" art began in the mid-1990s with the special support of international foundations (Nozharova 2018, Lardeva 2009). As revealed in chapter 5, they legitimised the new art while, simultaneously, supporting them institutionally and financially during the transition period. Due to foundations'

efforts to promote the "unconventional" art forms, the community of contemporary visual artists also grew and begun to gain attention of a different public. Soros (American Foundation), Pro Helvetia (Swiss Cultural Foundation), KulturKontakt (Austrian cultural Foundation) and many other foreign NGOs developed and introduced special programs focused on contemporary art. For example, the Soros foundation created a special department "Program for visual arts", which aimed to support the experimental, "unconventional" art practices and generate discussion about them. Its activities were very much in accordance with the new democratic spirit of the period. The financial allocation - discussed in chapter 5 - to those artists who practiced "unconventional" art was serious enough to empower their legitimisation via the organisation of exhibitions ("VideoHart", "Nforms", "Formal/Informal", etc.), publishing catalogues, organisation of discussions and supporting artists' travel abroad (Int10).

With the support of this programme, the first annual exhibition was organised in 1994: "N-forms: Reconstruction and interpretation" at the newly created Soros Center for Arts in Sofia. As aforementioned, this constituted a milestone in the development of Bulgarian "unconventional" art. The publishing of the first catalogue of these forms served as the first institutional attempt for legitimisation. Kuyumdzhieva (2005) characterised this exhibition and its catalogue as "a testimony to the initial step of consolidating the image of the contemporary artist in Bulgaria" (p.23).

The support of the Soros Center of Arts continued until the end of the 1990s. Its support for "unconventional" art was perceived to be a substitute for the role of the Ministry of Culture, which at that moment did not fulfil its function as a facilitator of the contemporary development of the art sector (Popova 2014).

Notwithstanding their positive influence on the sector, foundations' role is not without criticisms. First, their efforts to support the sector established the so-called "culture of project"[90] in opposition to the institutional culture. According to Lavergne (2010), the foreign NGOs brought foreign models of organisation which were not linked to the authenticity of the region. Generally speaking, these models increased the sense of fragmentation and (unfair) competitiveness when applying for different projects. In the words of one of the interviewed experts:

> "Soros Center showed a tendency towards lack of objectivity, i.e. they created their circle of experts, artists and events, which did not necessary represent the art world in Bulgaria. This was not expected from an organisation which, in general, aimed to promote the democratisation of civil society in Bulgaria" (Int2).

[90] Lavergne (2010) explains this culture as not based on long-term engagements, but on short project-based objectives.

This suggests that they lacked the sufficient specific knowledge on contemporary art in Bulgaria to pursue objectives which served the entire sector, instead focusing only on their own organisational policies and pursuing different objectives. Moreover, their support "advanced relatively few groups and ignored other developments in the visual arts" (Int2). Although Soros' investment in contemporary art have been estimated to be significant[91], its efforts were described as being in the short-term, rather than having long-term goals: "they did not leave a trace, which could be continued after they stopped their support" (Int2).

Artists' groups

Looking back on the story outlined in box 2, chapter 6, in October 1989 on the roof-terrace of "Shipka 6" there occurred an exhibition entitled "Earth and Sky", which gathered artists and groups from all over the country. This story made it clear that the new form of art had begun to realise itself within new social settings. If in the beginning the new art form only garnered the attention of individual artists, it subsequently began to capture the attention of other fellow artists, who began to form groups with the express aim of practicing the "unconventional" art and finding new places for their exhibitions. Apropos this initial stage, Popova recounted how "the development of so-called "unconventional" art forms became spontaneous in friendly and collegial groups in which the artists stimulated each other" (2014, p. 6).

As discussed earlier, the first informal social gathering occurred during the symposia on the subject of wood sculpture, which was held in the region of Strandja Sakar from 1983 onwards. In this new informal setting, far outside of the UBA's control, artists were able to practice, experience, discuss different aspects of their new ideas, and, as such, some of the artists who participated in these symposia "were [the] initiators of a new trend in the sculpture at that time by working close to each other in the dimensional and pictorial mastering of the media" (Vasileva 1994, p.6). These symposia[92] created the conditions for free expression and the sharing of ideas, which, ultimately, provoked a change in the mindset about was understood to be the task of a sculptor. As such, those gatherings fulfilled their purpose "to stimulate [a] new aesthetic quest" (ibid). Such groupings based on the sharing of artistic ideals that were different from the prevailing circles in traditional art already began in the mid-1980s,

[91] For detailed analysis see chapter 5.
[92] "The world of the Child" (1983), "Tradition and Continuity" (1984) and "Folk art and the national heritage" (1984).

which is when artistic groups such as "Cuckov Den", "DE" and "The city" emerged (Nozharova, 2018). In the aftermath of the political changes witnessed in 1989, the informal, semi-artistic, semi-professional groups that had sporadically emerged in the 1980s transitioned into non-profit organizations with their own respective manifestos and exhibition practices. Stefanov (2003) refers to them as "cultural explosions" in the periphery of UBA. Dvorjnov (2003) depicts Bulgaria during this period as a "gallery", characterised by the search for new ways to integrate artists around specific concepts, spaces and ideas (p. 254).

In the middle of the 1990s, another organizational form of the artists begun to appear – the artists' associations. In comparing to the first groups of the late 80s which based on its members enthusiasm run ad hoc activities and lack interests in long term strategies, the artists' associations "had already strategic and long-term goals related to the development of contemporary Bulgarian art, its presentation on the international art scene, as well as the performance of the international art scene in Bulgaria" (Popova 2014, p. 15). One of those association is the Institute for Contemporary Art (ISI) in Sofia which was established in 1995. The members of the club were one of the most active artists of the Young Artists Club of UBA: Lachezar Boyadzhiev, Nedko Solakov, Yara Boubnova, Maria Vassileva, Kiril Prashkov. Another artists' association is the "Art Today", established in Plovdiv in 1997 whose members are the one of the previous group "Edge".

Both associations carried research, exhibitions, publishing catalogues, organising debates, actions dedicated to the contemporary art, connect the local art scene to the international one and etc. Among the most prominent international events of ISI-Sofia in the period was the organization of the exhibition "Bulgaria avant-garde" in Munich in 1998. A catalog-book was also published[93]. In 1999 the Institute organized the exhibition "Place / Interest" with the participation of some of the most famous and significant artists of the international art scene at the National Gallery for Foreign Art. The "Art today" association turned Banya Starinna into an active Center for Contemporary Art - it became the center of national and international events, including the Week of Contemporary Art.

Returning back to Kuhn's (1962/1996) model of paradigm shifts, as different groups of artists began to co-exist, it became important for each group to strengthen their own paradigm by bringing in new knowledgeable supporters. The lack of considerable knowledge about the new forms within the Bulgarian visual arts itself

[93] The catalog-can be found on the website of ISI-Sofia http://www.ica-sofia.org.

added to the importance of specialisation/experience that some group members had from abroad, which proved to be a source of inspiration for their fellow artists, such as for example, the work experience of Lachezar Boyadzhiev in USA and the specialisation of Nedko Solakov in the Netherlands.

As was suggested already, the motivation for this new artistic phenomenon was too vague and unclear, at least in the beginning. However, even more importantly, as one expert shared:

> "The fact that those initiatives appeared is more important than what exactly they produced as an art form and how it will remain in the history of Bulgarian art" (Int3).

This was an important point because, as another respondent explained, it offered a different direction to artistic life in the country:

> "The exhibition life was changing dramatically. New places for exhibitions and events were sought, different from the usual halls that carry the spirit of the past. Unprecedented forms of expression - happenings, performances, land-art, action, installations, object art appear. There were exhibitions whose themes have nothing to do with the revolutionary past or the bright communist future. The figure of the curator, which consolidates the energies, also appeared. Prior to this, the topics for general, group or section exhibitions are dropped by the management of the UBA as they certainly meet the "party command", so in practice there is no need for curators, but only for exhibitors. Non-governmental institutions were set up to lead completely independent lives without depending on the state or the municipality" (Int6).

However, the years that followed were not so easy as they were in the beginning. As noted by the one interviewees:

> "after this initial stage of "revolutionary euphoria", a very slow and painful construction of the new artistic environment began, mainly through the active entry of non-governmental organisations and art foundations … There was a lot of effort to be made so that old and new thinking could coexist somewhat normally" (Int6).

Along with the entering of new players in the art scene, the groups of "enthusiastic followers" started to disintegrate; for example, "City" group stopped in 1992 and the "Edge" in 1994 (Popova 2014). It is difficult to point the exact reasons as to why this occurred, but as one gallery curator and member of the movement put it:

> "Everyone was saved uniquely, gaining international professional experience, built a network of contacts that always brings benefits. The feeling that the achievement was the result of your own abilities, and not a blind endorsement by the state, was a serious incentive to continue working" (Int6).

As such, the first generation of artists working in the field of contemporary art produced their first projects abroad, "because they were barely accepted in their homeland" (Int6). In a way, this trend strengthened and well-presented at the exhibition "Export - Import from Bulgaria" organized in 2003. The curator of the exhibition, Maria Valsileva, concluding that: "To a great extent, modern Bulgarian art is being created abroad and for a foreign audience." (2003, p. 4).

If the consolidation of the new paradigm within the visual art sector was marked by the exhibition in 1994, "N-forms: Reconstruction and interpretation" (1994), witnessing the legitimisations of those forms to a broader Bulgarian audience, the exhibition in 2003 somehow marked the opposite process (Kuyumdzhieva & Stoeva 2005). That is to say, it marked the process by which most of the representative works of the new art were valorized for a foreign audience and public, whilst, simultaneously, lacking public valuation in Bulgaria.

Nevertheless, all the controversies in the social practices in the sector, interviews with experts suggest that, in general, the most important factors in terms of fostering innovative artistic practices were not ideological in nature. Rather, experts valued personal initiatives, contacts of the artists and the creation of independent organisations as most important (between 7 and 9 on a scale to 10).

7.4. PARADIGM SHIFT OR PARADIGM LOCK-IN: ON THE INTERPLAY BETWEEN DIFFERENT ARTISTIC AND SOCIAL VALUES

In chapters 2 and 4, I argued that radical artistic creativity and innovation occur within concrete contexts, but they also reflect on the inner capacity for change within individual artists. In other words, radical artistic creativity and innovation are defined through the interplay between individual characteristics and the environment (Becker 1974, 1982, Bourdieu 1984, 1993, Collins 1998, White & White, 1965/1993, Amabile 1983, Csikszentmihalyi 1996, Murray 2003, Simonton 1988, Boden 1994a).

In this chapter, I have thus far shown the different valorization practices within C and S spheres. At this historical juncture, it is important to understand to what extent these either had a negative or generative effect on paradigmatic change in the arts. As elucidated in chapter 4, the interplay between the environment and individuals defined whether their artistic creativity would be crowded - in or - out (Frey 1999).

Being part of the domain, while at the same time trying to shift the artistic (C3) logic of the very same domain, thus placed these artists and groups in a difficult position. At this point, it is also interesting to make sense of this along with understanding what

artistic and social values were promoted within the entire artistic community. In other words, was "unconventional" art a strong or weak paradigm, in the sense that it became an alternative to the existing paradigm? Moreover, was the artistic community ready to embrace the newness and extend it, or were they culturally (qua values) locked-in to the prior (aesthetic and social) paradigm?

7.4.1. On the self-perceived artistic values of individual artists

Artistic values prior to and post- 1989

A research[94] of artists conducted in 1986 briefly described the self-perceived by the visual artists aesthetic ideal before the changes. Most of the artists defined the art world by the meanings they liked to convey to the viewer as being the following: "beautiful with pure and beautiful relationships", "spiritually elevated", "more cosy", "harmony and moral ideals", "love of the people and the Motherland", "my world", "the sublime, the heroic, the wonderful" "a better life", "a more beautiful", "a fairer", a "world of imagination", "the sacraments of building life", "a mirror of modern life", "free from the body soul","the eternal"," the celebration, not everyday life", "the world of beauty and the pure ideals", "the world of my phobias" (Kuyumdzhieva 2005, p. 4). The research referred these aesthetic articulations to the prevailing aesthetic conventions during the totalitarian era, whose aim was to produce positive results requiring the artist to apply technical excellence in reflecting the reality (Kuyumdzhieva 2005). Interestingly enough, almost the exact same answers about aesthetic choices were reported by artists in the 1993 version of the survey[95], which was conducted after the political shift.

The findings of both surveys pointed to the fact that despite the emergence of freedom for artists to express their artistic creativity in a new form, the majority of artists nevertheless still consolidated around the previous aesthetic values and associated their work with the positive messages that art aimed to promote. Given the fact that, at that historical juncture, the "unconventional" art paradigm was already broadly shared within the artistic community, a key question concerns whether it was a strong paradigm in the Kuhnian sense of the term, that is, did it challenge the existing boundaries of the prevailing domain of knowledge and field of judgement in such a way, that it can

[94] The research was conducted in 1986 with the purpose of defining the image of contemporary Bulgarian artists. In total 816 people were interviewed (Kuyumdzhieva 2005).

[95] In 1993, with the same purpose it was conducted survey with 737 responding members of the UBA and the Young Artist Club; In 2003, 30 interviews were conducted with various representatives of those involved in the process of creating, assessing and disseminating the visual arts (Kabakchieva 2005).

transform the domain. Or, phrased otherwise, to what extent did it constitute an artistic alternative that pushed the existing boundaries of the domain? And to what extent do others agree that it made a significant contribution to the domain?

On the one hand, the traditional forms, which were well - defined in theory and, in practice, widely and strictly followed for the last few decades, were perceived as "positive in itself" and to some extent as being safe to work with them (Danailov 1994, p. 12). Even the new "unconventional" forms attracted many artists to experiment with the new medium in the beginning, shortly after many artists returned to their previous aesthetic practice (Popova 2014). In a way for the majority of the artists the aesthetic concept of the past remained a strong and powerful paradigm, which for a long time secured their financial flourishing (Stefanov 1994). This can be seen as a path-dependencies to the long-practiced traditions, which critics discussed as a weak capacity to adapt. On the other hand, the fact that at the initial stage of their emergence the "unconventional" forms were perceived as entertainment, a form of amusement, a game, which Popov (1994) described on the semantic level as being "predictably imbued with irony, sarcasm and absurdism adequate to the realities outside the world of art that came into being" and, as such, were not necessarily taken serious by most artists (p. 30). Only very few of these works were seriously associated with political transition in the country (Popov 1994, Danailov 1994).

The next stage in the development of "unconventional" art, according to some authors, proved to be the most critical when the association of the art with its former political or social art function was replaced. Danailov (1994) explains "all at once everything was possible and it led to an impasse, because the energy for opposing had lost it purpose" (p. 12). Subsequent to this, "unconventional" artwork became "amorphous", with only a few artists remaining committed to the concept and creation of events (ibid). In this way the credibility of the "unconventional" arts as a new paradigm was called into question.

7.4.2. On the self-perceived social values of individual artists

In the context of the political shift towards democracy in Bulgaria, freedom constituted one of the most important values for intellectuals and artists. Here, the analysis focuses on the self-awareness and social practice of the values of freedom and independency vis-à-vis engaging others –peers, intermediaries and the broader audience.

As discussed in chapter 2 apropos creativity, the pursuit of newness gave rise to uncertainty, and in an attempt to overcome this, requires the need for new relationships with and interdependencies among different actors. In this respect, it is

interesting to consider to what extent Bulgarian artists (not only those who practiced "unconventional" art) were prepared to embrace this uncertainty along with their search for new supporters and followers? Were they ready to open up to new interpersonal and/or organisational relationships during the transition period?

To draw attention to the controversy over the transition period vis-à-vis the experience of dependency/independency and free/unfree, I analyse artists' motivation towards the new valorization processes undertaken within the government, market and third spheres. Do they crowd in or out the artists' urge to innovate?

Social values prior to 1989

According to the survey of UBA members conducted in 1986, over half of the artists reported a high value of independency in their relation to others (Kabakchieva 2005). Indeed, around 60 percent of them, dependent only on themselves or to some extent on their relatives, family and friends. Only 16 percent felt dependent on the UBA, while 6 percent recognised their dependency on other power relations and 9 percent reported being dependent on clients or investors. Furthermore, the authors concluded that artists as a group lived in a highly closed-off environment, sharing ideas and work mostly among each other (Kabakchieva 2005). The external world was thus not of particular interest to them. Two factors contributed to this: firstly, the extremely self-focused nature of the work of visual artists; and secondly, their security of income via the UBA, which created good conditions for the artists to feel independent in their work. Consequently, the artists became deeply self-referential when it came to the appreciation of their creativity or that recognised by their peers. For example, for 12 percent of the artists, only their own opinion legitimised their creativity (Kabakchieva, 2005). Considering this, it is not surprising that the research found that artists as individuals strongly identified themselves with their work. They identified their personal successes and failure with the achievements and failures of their works. They built their biographies based on their work. Consequently, pursuing their work became their life, which, moreover, connected to their pursuits of excellency and strong professionalism.

Next to this, the artists often developed notable distance from the public. Indeed, nearly two-thirds of the respondents were neither interested in dialogue with the public, nor understanding of them either. Further, they were acutely aware of the differences between themselves and other people, who they described in the interviews as follows: "they are not free", "[they] have a bureaucratic biography", "they have rulers, we are masters of ourselves", "I do not know other people, I do not have contact with them or the audience" (Kabakchieva 2005, p.7).

To some extent, one could thus conclude that artists were aware of their privileged position in society, which invariably led them to feel "special". Returning to the analysis of the socio-economic status of the artists that was conducted in chapter 5, it is once again obvious that the artists had a relatively secure income and protection from the UBA. Therefore, their sense of freedom was the product of a specific concrete historical context. In the conclusion, the 1986 survey of artists' attitudes towards their context draws the following findings:

> "Artists in general, in the distant year of 1986, have a sense of inner freedom, because their creativity and their life depend only on themselves, on their own labour; the vast majority of them feel completely independent of the social environment" (Kabakchieva 2005 p. 6).

In a way, this sense of independency is in contradistinction to the broadly shared understanding that the UBA exerted significant control over artists' creativity prior 1989. This is an opinion especially shared by those artists and critics and curators who associated themselves with the "unconventional" art. For example, one such representative shared during our interview:

> "This [UBA], like other creative alliances, is a generous invention of the Communist Party - on the one hand, to keep the creators under control, on the other, to create a deceptive sense of freedom in the company of followers…The system is made in such a way that there are no holes in it. It strictly filters every artist and every work" (Int6).

However, it seems more relevant to think that UBA created a specific culture (in terms of C1) which is characterised by specific dependencies developed in relation to the practices of the previous social values. Stefanov (1994) posits that the "party-guided" culture of the Union, which provided strong financial incentives, created specific path-dependencies to the previous aesthetic paradigm in their artistic choices. Namely, the financial independence that the UBA provided to the majority of artists gave rise to a strong resistance towards anything other than their own "generally accepted norms of the 'collective conscious' (of the elite!) in understanding art", which, in turn, crowded out any other new artistic pursuits (p. 23).

Social values post-1989

Already in the beginning of the 1990s, along with the manifold political changes that occurred, there was a strong awareness by artists that in the new situation they could not rely any longer on financial support from the UBA. As one respondent noted, "[we] were all aware that we lived in an absurd, imaginary and unreal world … and we have long been 'thirsty' for our freedom and the unleashing of creative energies has

become very fast" (Int6), while it was also very clear that the new alternative, whether in the form of the free market or patronage, would require significant efforts and new dependencies.

This process was not without its limitations. Strong fragmentations within existing artistic groups were observed. In order to succeed in gaining the attention of patrons, dealers, colleagues, critics, some visual artists needed to adopt the role of cultural entrepreneurs. However, "the mentality of adaptiveness", as one respondent framed it, held only for a few groups and artists who dealt with "unconventional" art. According to the interviewed experts, the forms of support from foreign foundations and the cultural projects they promoted, was the most critical driver of fragmentation in the sector. This was because their financial support advanced some individual artists and groups in their practices, based solely on highly subjective, rather than, say, artistic, criteria. For example, financing was granted to those art forms that promoted foundations' objective of democratisation. To a certain extent, the trend towards dedicating greater attention to "unconventional" art phenomena left the development of traditional art forms without any reflection on their inertia. This, in turn, caused even greater marginalisation in the sector, especially between the conceptual and traditional artists. Based on these facts, Marinska (2003) argued that "the new decentralised structure became less tolerant towards the wide spectrum of new artistic practices and expressions" (p.60).

In this fast-changing environment, in which artists no longer had the privileged role they once occupied, they needed to adapt and, to a certain extent, compromise their role as a creator only, which also affected the self-perceived image of artists (Kabakchieva 2005). In the 1993 survey, around a quarter of the respondents judged the entire artistic community while referring to the notions of "true artist" abundantly. The answers reflected the stratification between the different group of artists, with some groups attending themselves to the problems of everyday life, while others focused on the beauty of "absolute liberty". The fact that the part of artists who were convinced that their creative realisation was entirely in their hands, that they depended only on themselves, had halved over the distance of time between both surveys, points toward the fact that artists had become cognisant of their own dependence on the social environment.

Another interesting realisation of the majority of the artists (85 percent) in the 2003 survey, is that the change in environment required collaboration between them, which translated into building a new interpersonal relationship based on broader set of values beyond the artistic one (Kabakchieva 2005). The vast majority of artists

understood that they would not survive in the new situation individually nor via subgroups, but rather only through finding "outside" support from people who could understand and help them. Despite this realisation that artists needed their fellow artists and other supporters (funders, groups, patrons, etc.), this did not change their attitudes towards others, which were, in fact, remarkably similar to the 1986 survey. In their work, artists remained indifferent to others, which Kabakchieva (2005) summarised as follows:

> "It turns out, however, that there is a longing for clients, but they somehow stand in the abstract, externally in terms of creative creed" (p. 13).

In conclusion, the authors acknowledged the path-dependencies of artists in their attitudes towards others through the persistence of their "romantic self-image of the free 'beyond' artist" (ibid, p.11).

7.5. CONCLUDING REMARKS

This chapter has demonstrated how the new conceptual framework of disruptive innovation proposed in chapter 6 can be applied to the Bulgarian visual art scene during the historical moment of radical transition. It has shown that if researchers only analyse M and G logics, then we risk missing out on critical information, because examining the cultural sphere along with the other four spheres (market, governmental, social and oikos), affords a more comprehensive picture of radical innovation in the arts.

Overall, the framework has proven its expedience for making sense of a complex phenomenon such as radical innovation. In general, we are too quick to assume what is meant by radical change, however this analysis has shown that it is in fact a highly slow and complex process of transformation. Moreover, before rushing to define the usual rhetoric of change and innovation that has circulated among scholars and policy makers in recent decades, it is instructive to instead consider the ontological dimension of the change that we have in mind.

In this research, the understanding of radical innovation comes from Kuhn's notion of a paradigm shift. While commonplace references to innovation point solely towards newness, in contrast, Kuhn focuses his analysis on the principle of incommensurability as applied to different practices, which the framework proposed in this thesis builds upon. While elaborating on how this framework operates in practice, the chapter also presented findings from the empirical analysis of interview data.

The findings of the Bulgarian case study clearly show that obvious changes in G and M did not necessarily relate to the transformative or paradigmatic features of changes in the Bulgarian art sector in the aftermath of the socio-economical changes brought about post-1989. Conversely, those changes were shown to occur in the cultural sphere in terms of C1 and C3, where values and practices play a key role.

Focusing on the VBA enriches the analysis by deepening the reflections on the qualitative changes that took place during the period of radical shifts in the creative milieu at that historical juncture in Bulgaria. In the context of Bulgarian visual arts, the new framework invites researchers to analyse radical innovation beyond changes in structures and instruments, to instead address these changes as deriving from an interplay between individuals and their environment. Taking this point one step further, it affords the empirical examination of cultural valorization not only by individual players (artists, experts, gatekeepers, supporters, etc.), but also allows for the comprehension of these value shift at different institutional levels within the sector – such as within community of artists and other institutions. As such, the framework advances the analysis by looking at both (1) the art world in the Bulgarian visual arts in the 1980s and 1990s as being culturally embedded in the broader institutional settings of the government, market and the third-sector and (2) the self-organised potential of the art world that reflected its own culture of openness or resistance towards radical innovation.

The analysis informs us of the manifold ways through which artists and their intermediaries valorized the new paradigm, in conjunction with understanding the weaknesses of these strategies, while, simultaneously, attempting to build an alternative aesthetic discourse, or conversation to use Klamer's term, to the prevailing one in the past (figures 15 and 16). If the previous paradigm was the "most conceptually clear phenomenon" (Stefanov 1994, p. 23) promoted throughout the well-established critical tribune of the Union, then the new paradigm struggled for a long time to establish its credibility and perhaps is still doing so. While during this process, artists and their intermediaries actively undertook strategies to reformulate the dominant aesthetic concept and to create an alternative reading of the history of Bulgarian art, they were not capable of engendering a paradigm shift in the domain through sustainable shifts in their valorization practices.

Some of the reasons for this are reflected in the attitudes of the entire artistic community to these forms of newness. With the political shift in the late 1980s, one would have perhaps expected that artists, those who usually stand at the frontier of major changes in history (indeed, members of the artistic community played an active part in the political revolution in 1989), would have directed their interest and efforts

towards newness and experimenting with the new forms. However, despite the fact that artists gained more freedom, the 1990s bore witness to the fact that while most artists questioned the need to reproduce the big historical stories of socialist art, very few of them questioned the plastic values and technical excellency of the work which represented the strong tradition of the past in Bulgarian art (Kabakchieva 2005). In so doing, they resisted the newness and remained locked-in to the previous aesthetic value system. Next to this, the findings show that, despite the tremendous potential of the "unconventional" art paradigm, its various intermediaries were unable to articulate and establish its artistic significance in such a way that accumulated enough knowledgeable followers amongst the artistic community as a whole. Rather, informal circles remained responsible for building its credibility.

In summary, the socialist period of Bulgarian visual art development created a strong aesthetic and social paradigm, which was incredibly difficult to supplant with the newly emerged urge for creative freedom that was expressed through the forms and practices of "unconventional" art. Maria Vasileva explains the bigger picture in this respect:

> "The changes in the late eighties of the 20th century were in a certain sense, even more dramatic in art than those in the economy and social sphere. If many people recall the time of free trade and upsurge, nostalgically, as "before the 9th" (09.09.1944), there was no such example in the sphere of art. Figuratively speaking, there was no "restitution" and everything had to start from scratch. A missing avant-garde tradition made the fight with the totalitarian system still tougher. Even today, we hardly can say that it is completed. The logic-based and well-coordinated scheme of control over the creative process at the time of socialism produced generation of artists justifying their own lives by believing in it . That resulted in great communication difficulties and tensions throughout the process of changes caused by opposition, resistance and reluctance to look one's own personal destiny" (Int6).

These findings strongly call into question the process of (cultural) transformation in the sector. One of the reasons highlighted by the experts interviewed for this research is that the way all actors operated was largely dependent on personal relationships, rather than necessarily being based on artistic judgments. This strengthened the fragmentation between the existing and new groups, as well as their respective critics, theoreticians and audiences, while, simultaneously, isolating them in their own definitions and references. In this way, the credibility of the new paradigm was seriously questioned. This, in turn, caused marginalisation within the visual art world, in that there were several smaller sub-cultures that co-existed, but were totally indifferent to each other (Gavrilova 2005).

To summarise, the analysis presented here suggests that despite the obvious radical changes in M and G, there is not so obvious empirical evidence that this engendered a paradigm shift in the Bulgarian visual arts during the transition period. In fact, conversely, the analysis shows that there was strong resistance from the entire artistic community towards these changes, which undermined the promising potential of the newly emerged paradigm of "unconventional" art (figures 13 and 14).

FIGURE 13 • Main shifts in social values (C1) of the artists and in aesthetic valorization practices (C3) of the artists and intermediaries during the transition period

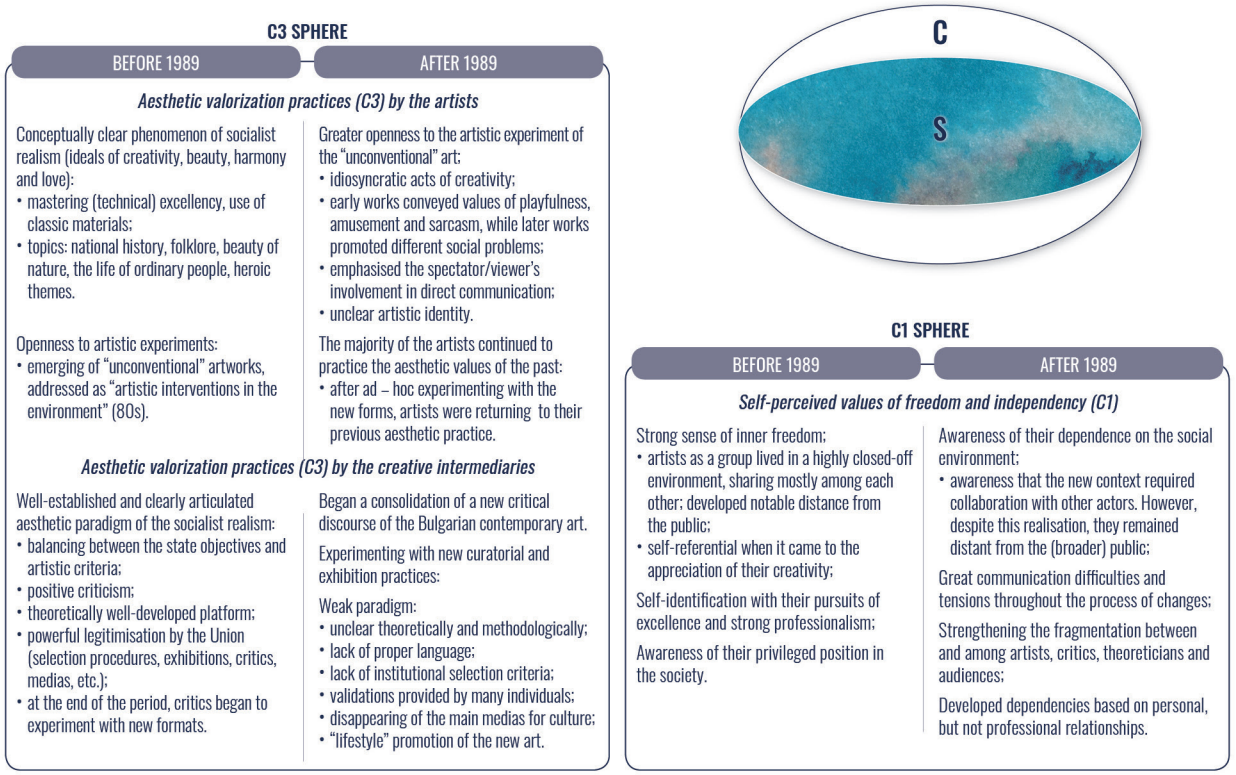
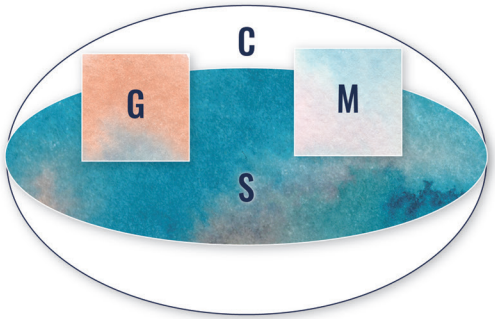


FIGURE 14 • Main shifts in social valorization practices (C1) of the government, market and the third sphere of the Bulgarian visual arts during the transition period



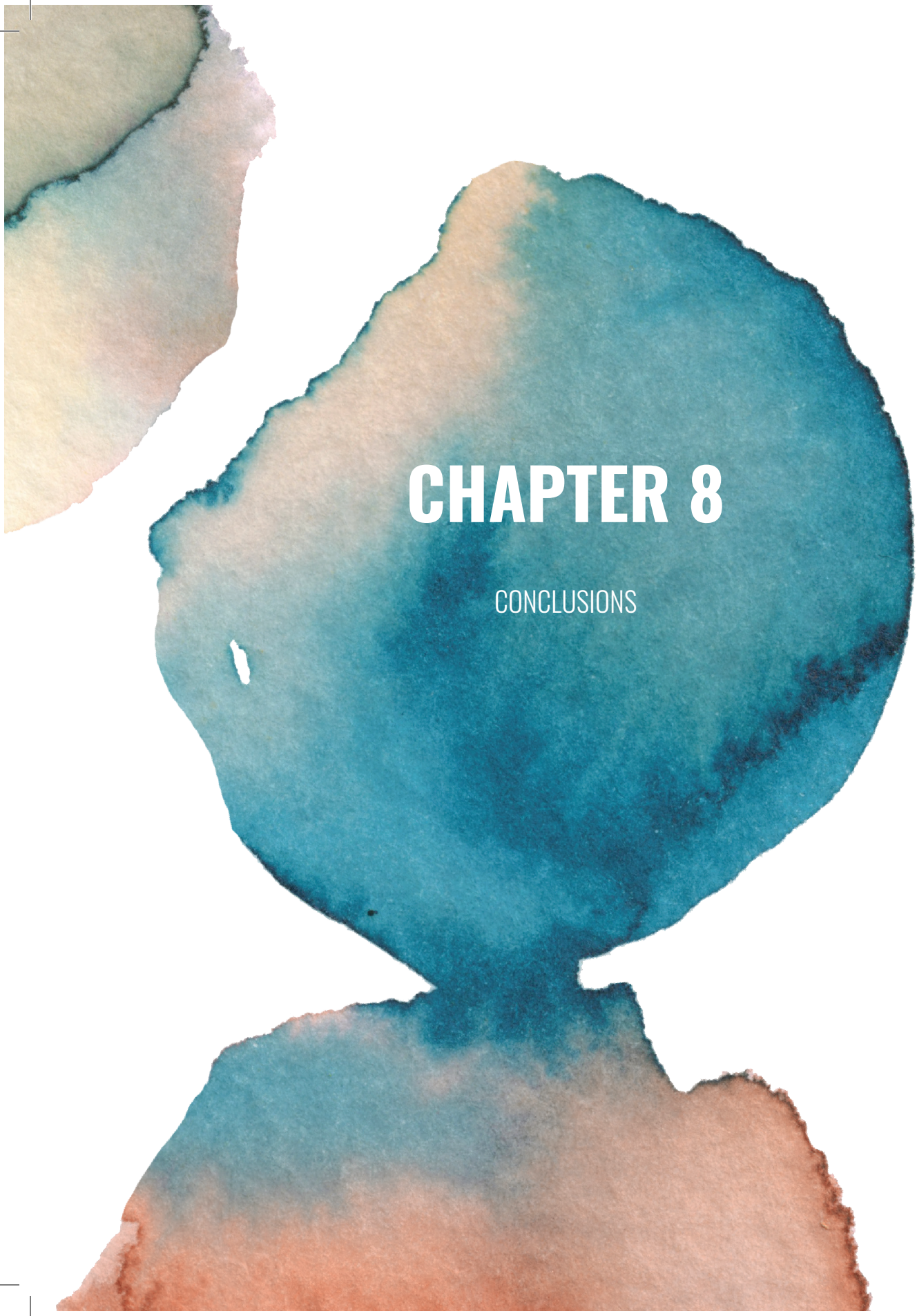
BEFORE 1989	AFTER 1989
Social valorization practices (C1) by the governmental	
UBA created a well-defined center with effective leadership: • official exhibition halls across the country; • maintain strong publicity scene; • the division between provincial and Sofia-based artists was not so pronounced.	UBA retained its leading legitimising position: • "UBA disease" • not interested in the professional expertise of 'independent' artists and curators; • lack of proper education for critics of contemporary art in Bulgaria; • the national museums and galleries lost legitimisation power.
Foster "unconventional" art practices at the periphery of the system: • decentralised symposiums; • informal gathering between artists from different disciplines; • interdisciplinary collaborations; • first exhibitions on the "unconventional" art forms (1987-1989).	Strong presence of the "Club of Young Artists" (since in 1993 "Section 13"): • a small community artists learned and encouraged each other while fighting with the UBA; • hostile or at least negligent collegial environment towards the "unconventional" artists.

BEFORE 1989	AFTER 1989
Social valorization practices (C1) by the market	
Limited "free" market exchange: "open" studios in 1987 and opening of the first private gallery in 1988.	In the beginning fast expansion of private galleries. However, the visual art market long remained in a rudimental stage of development: • lack of professional standard and good institutional role model; • lack of established social norms in the culture of collecting, selling and buying art. Valuation practices based on personal relations rather than professional criteria: • lack of professional capacity, knowledge and credibility of those who act at the art market; • lack of role model of the dealer figure. • widespread culture of speculation on the primary market fostered by the banks' art collections (part of the grey economy).

BEFORE 1989	AFTER 1989
Social valorization practices (C1) by the third sphere	
Foreign foundation	
	• legitimization to the new art forms, based on institutional support, but not on specific knowledge about the Bulgarian contemporary art; • a tendency towards lack of clear artistic criteria; • imposing an unsustainable "culture of projects"; • brought foreign organisational models which ignored the authenticity of the Bulgarian visual arts; • created greater fragmentation and (unfair) competitiveness.
New communities of artists	
Informal social grouping (semi-professional and semi-artistic) based on shared ideals; • practicing, experiencing, organizing ad-hoc activities; • lack of interest in long term strategies.	Professionalisation of the informal new groups (own manifesto, marketing strategies): • strategic and long-term goals; • presentation on the international art scene; • performance of the international art scene in Bulgaria • bringing new knowledge and experiences Emerging of art associations; After mid 90s began disintegration of the groups: • weak organisational capacities and management; • members of the groups begun to operate individually (gaining international professional experience and own network). Towards the beginning of the millenium, to a great extent, modern Bulgarian art was created abroad and for a foreign audience.

"Transformation always takes time and energy"

Pravdolub Ivanov (1998)



CHAPTER 8

CONCLUSIONS

8.1. CONFLICTING REALITIES

In our rapidly developing world, creativity and innovation are driving the creative economy. People, companies and cities, they all can be creative and by being so contribute to a flourishing economy and society. Indeed, culture-led creativity and innovation have been designated as tangible and intangible assets for the economy (Towse 1997), and as being of critical importance for global progress (UNCTAD 2008). Hence, one could say that there is an emergent consensus among policy makers, scholars, economic, social and cultural actors about the fact that creativity not only produces desirable experiences and qualities, such as authenticity, originality, novelty, freedom and non-conformity, but also engender the sorts of significant changes that are integral to innovation (Baumol 2006, Pratt, 2007, 2008, Cooke & Lazzeretti 2008, Potts 2009, Bakshi & McVittie 2009, Muller et al. 2009, TFCC 2015). Consequently, a host of policy-makers have promoted instruments over the course of the last decade, which are geared towards fostering the development of the cultural and creative sectors and which have innovation as their planned outcome (European Commission 2009, European Commission 2010b, 2012, Council of the European Union 2015). The rationale, here, is that there is a direct causal link between investing in creativity and innovation.

This thesis is problematizing this causality and argued that it cannot be taken for granted. It raises the question of what constitutes the type of change that promotes innovation or even a paradigm shift in a knowledge domain and beyond, and investigates how (creative) individuals, communities, or even an entire society deal with these changes. That is to say, do we really understand what it takes to be innovate in such a way that transforms entire communities, sectors, economies, and societies? Are we aware of how such change happens, and, indeed, why it fails?

When I began this thesis, I was intrigued by making sense of the concrete case of the Bulgarian visual arts during the radical socio-economic shift from socialism to democracy, which began with the fall of the Berlin wall in 1989. Being an art lover and having witnessed first-hand this revolution, I set out with the aim of demonstrating that the Bulgarian contemporary art world was engaging in disruptive innovative practices as a response to the major political and economic shifts in Bulgaria at that historical juncture. Reflecting upon this now, it is evident that I assumed that these changes would be paradigmatic, in the same way that the shifts associated with the move away from socialist governance logic to liberal democracy and the entry into the free market logic were. Therefore, I thought that this would be an exemplar case through which to analyse how creativity and innovation work during profound changes

in the economy and society. What was evident was that in the aftermath of 1989, artists had greater freedom to express themselves and, in turn, engaged in different and (radically) new artistic practices. The radical change at the governmental level and within the old political structures was an important impetus for artists feeling freer in their new practices. Or, so I presumed.

My assumptions motivated me to deepen my analysis of those changes and understand in greater detail how they led Bulgarian visual arts to produce radical innovations, develop new movements, or even engender a Kuhnian-esque paradigm shift within the art domain itself. At first, following the economic logic which invited me to consider that radical changes in the Bulgarian context were driven by the entry of free market logic, my hope was that after having being suppressed for many years under the socialist regime (or at least what we believed in then), the Bulgarian arts would have flourished in the aftermath of political liberation, through the harnessing of new genres, greater cultural diversity and new sector reforms. My initial hunch was that these events had not only created fertile soil for the rise of new artistic movements and practices, but that artists themselves were considered to be at the vanguard of this transition, due to the fact that they would easily adapt to the new context, generate changes in their own domain, and radically transform the Bulgarian art world. With this in mind, I was convinced that the Bulgarian case would corroborate the fact that creativity and innovation in art is fostered by radical changes in the governmental and market spheres, that is, shifts in structures and instruments.

Indeed, there were multiple indications that the art world was opening up and entering into a new era marked by fresh opportunities, the entry of new players, and establishing of new relationships between artists, gallerists, critics, funders, dealers, organisations, and so on. However, as I began to expand my analysis, I came to realise that there were some problems in my thinking. Specifically, despite how positive things looked at first, during my analysis of these changes, I encountered other findings which called into question my initial framework on culture-led innovation during time of political and economic transition. The interviews conducted for the purposes of this research gave off the impression of significant levels of resistance within the sector itself to these changes, which, in turn, made me question my initial expectations. I came to realise that while change appeared to be obvious, this was in fact only on the surface. The analysis of my interviewees' experiences directed my attention towards the opposite tendency, that is, that shifts in artists practices were not so obvious after all, and that it was difficult to conclude that they were brought about as a result of the political revolution, respectively the socio-economic changes in the environment.

Resultantly, the situation was much more complex than I had originally apprehended, and, in fact, any causality between changes in structures and the disruptive creativity that produces (radical) innovation in the arts and beyond was difficult to establish. In other words, it was not a straightforward story. The confusing part of the scenario is that it appears that the new artistic practices which emerged towards the beginning of the structural changes were incapable of aiding the paradigm of "unconventional" art to mature and become a movement capable of turning into a paradigm shift in the sector, as it had initially promised at the beginning. Instead, the analysis demonstrated that despite the radical scope of the changes in structures and instruments, this in and of itself did not bring about the substantive changes that would have transformed the sector in such a way that it could have sustained the radical innovation in the long run.

On the one hand, the government did not wholly succeed in reforming its institutions or facilitating the creation of a wholly new market, in order to meet the new demands of the sector and the broader public. One reason for this is that the state did not anticipate the changes in values or informal institutions as defined by North (1990). On the other hand, the artistic community could not align itself around the new paradigm, but rather begun to operate in a fragmented manner, which was compounded by the fact that after the support of foreign foundations faded, many artists either returned to their old practices or left the country.

All these observations provided me with a rather confusing picture about what had changed, as well as what truly counts as a disruptive artistic innovation or a paradigm shift. This led me to raise the following questions: What would truly constitute a form of change significant enough to promote disruptive modes of innovation? Schumpeter (1942) posits that in the economy only radical changes count, not incremental ones, and that they are invariably qualitative in nature, as opposed to quantitative. To make sense of radical changes in the arts, then, which in this thesis I consider to be a specific domain of knowledge (Csikszentmihalyi 1996), I applied Kuhn's theory of scientific revolution (1962/1996), which directed my analysis towards paradigm shifts in the arts. Both Schumpeter and Kuhn's theories solely consider changes that are "destructive", "incommensurable", qualitative in nature and induce a profound transformation in the prevailing infrastructures and environments.

The next question pertains to how to make sense of these qualitative changes that derive from creative practices, how to study them, where to start from? As aforementioned, the link between creativity, innovation and transformative or qualitative changes has proven itself to be a critical, complex and often controversial

issue in terms of this thesis, one that defies being viewed through a singular disciplinary lens and instead demands complementary interdisciplinary perspectives to be able to examine it. This realisation that the changes I aimed to analyse and understand were not simply rooted in the socio-economic changes in market and governmental logics, as economists would suggest, directed my attention towards searching for and analysing deeper layers.

In a way, I was disappointed that I could not demonstrate that the changes in the Bulgarian visual arts were so straightforward in my initial analysis, but, ultimately, I attempted to analyse and make sense of my own disappointments, by adopting a different direction. This took me on another journey, one which required me to reflect upon and move away from my prior research framework and re-design it in such a way that allowed me to broaden my analytical perspective.

8.2. WHEN THE ARTS UNDERGO TRANSITION

Prior to moving to the Netherlands, as both an art student and art lover I was engaged in the Bulgarian art scene and inspired by its creative nature, ideals and spirit, while, simultaneously, being intrigued by its controversies and many uncertainties. As I began to learn about cultural economics as way to somehow balance out my rather romantic view of the arts and culture, I believed that economics would be useful to structure my practical knowledge of the art world and better understand its underlying rationales.

In economics, irrespective of whether you are an adherent of Marx or classical theories, the mode of production and the markets ultimately determine your path. In accordance with this, the prevailing belief during the socio-political transition was that the shift towards a free market economy would make a profound difference in Bulgaria. This was based on the institutional changes that were occurring in both the state and the market. It is in these instrumental spheres that one is inclined to look for the causes of change, which brought me to study in chapter 5 many instrumental factors that supported the shift between late 1980s and early 2000 in Bulgaria. However, over the course of this study I came to realise that the central point of the thesis is that if we solely focus upon what changed in the governmental and market spheres, then we will only gain a partial understanding of the changes. It was only by looking at the social and cultural spheres as addressed by Klamer (2017) which potentially foster artistic creativity and innovation, that I started to pay more attention to the processes through which these factors are impacting or not the artists' practices.

This brought me to study closer the work of social-psychological scholars (Amabile 1983, Gardner 1994, Eysenck 1994, Csikszentmihalyi 1996), who proposed that one must consider the social and cultural qualities of the environment in which creativity and innovation occur. Such environments operate in a state of complex interdependency with individuals, with the interplay between them ultimately influencing the way that creativity and innovation take place (Eysenck 1994, De Montuori & Purser 1996).

Furthermore, to make sense of the phenomenon of radical, transformative[96] change, I set out from Kuhn's (1962/1996) argument that revolution in the knowledge domain can only occur via a paradigm shift which I understood in conjunction with the notion of innovation introduced by Schumpeter (1975). In both cases change is framed as something which is related to both the destruction of the old order and the establishment of a radically new one. In a similar vein, a fundamental feature of creativity, according to Csikszentmihalyi (1996), is its capacity to produce qualitative changes. From this perspective, something can only be considered to be creative insofar as it has "transformational power" (Amabile 1983). In this way, the distinction that Kuhn (1962/1996) draws between a new paradigm and a paradigm shift is decisive in his theory, in that it points to the fundamental differences between, for example, solely newness and a newness that can lead to transformative processes and practices or a shift in the discourses that characterise the domain. Consequently, a new paradigm does not in and of itself necessarily lead to a paradigm shift. Instead, Kuhn argues that there is more at stake, and points out that it takes a fundamental shift in a community's life. The argument put forward in this thesis goes one step further by proposing, through recourse to Klamer (2017), that these qualitative changes or innovations extend beyond purely economic logic, and instead necessitate changes in social and cultural practices. Setting out from this position, I began to study the changes in practices within the art world in Bulgaria.

To accomplish this task, I applied Klamer's (2017) Value-based Approach (VBA), which I found to be expedient insofar as it both allowed me to trace the differences in values that occurred over the period of change and investigate which of these were realised in paradigmatic practices that were sustained in the long-term. Given the fact that the cultural goods are characterised by their capacity to yield economic, social and cultural values (Throsby 2001, 2008, Klamer 1996, 2002, 2004, Hutter & Shusterman 2006), it is thus critically important not only to acknowledge these values, but also

[96] For applications of different dimensions of system change, see table 13, Appendix 3.

to be able to analyse the way that they are realized or (culturally) valorize, either by being created, affirmed or changed. This argument is based upon the work of cultural economists[97], who purport that the values of a cultural good are not fixed, as standard economists invariably claim, but rather are subject to change during the process of their realisation. In order to be able to make sense of the dynamic process of value formations, as well as the way they can yield transformations, I adopted the VBA to study different valorization strategies – a topic which was analysed in-depth in chapter 7 of this thesis.

This approach is predicated on the distinction between five spheres – oikos (O), governance (G), market (M), social (S) and cultural (C) - which all promote different values and practices (Klamer 2017). The VBA provides an analytical framework through which to make sense of those different practices and the value shifts, positing that any change realised by a shift in values is subsequently expressed in different practices. Pursuing certain values is an enduring process, which means that if there is a real shift in values, then it will be realised in new practices that are sustained in the long-term. Hence, in this thesis I attempted to examine the extent to which the newly emerging "unconventional" art scene in Bulgaria realised itself as a new paradigm - thus sustaining the changes and producing new qualities in the long-term - as well as considering what enabled it to transform into a paradigm shift, if indeed it did at all, by looking at the various valorization practices undertaken by different actors in the Bulgarian art world. In this sense, the VBA was thus both a key source of inspiration, but also a practical discourse that enabled me to capture how involved the changes were, which relates to both the changes that I could observe in the art world in Eastern Europe, or the art world in general, as well as changes in the everyday lives of the people.

Let me cite an example direct from my own life to illustrate this point. In our personal lives, we inevitably live through a significant amount of lifechanging events – studies, marriages, separations, birth, death, travel, survival experiences, etc. – which can dramatically shift our perspective on life, work, and our very being. I was intrigued to explore the phenomenon of change in its most radical sense after having given birth to my daughter. I was exercising self-reflection on all the different patterns and routines that I engaged in as a new mother, and discovered at that moment that giving birth did not immediately make me a mother necessarily; rather, I needed to learn completely new practices, which in the process of doing them helped me learn how to become a

[97] For overview of cultural economics approaches to study the arts and culture, see Dekker (2014).

mother and enabled me to reflect upon what each of these practices is good for or in Klamer's (2017) term I was practicing phronesis. I continued to immerse myself only in those practices that I felt were good things to do, which was the first signal of my awareness that my values were changing. While it was difficult to clearly articulate this change, nevertheless I could feel intuitively that a qualitative change had taken place.

Trusting this nascent awareness, and my gut, I subsequently applied this logic to the analysis of artists and their potential transformation post-1989. Similarly, individual artists in Bulgaria at that time were forced to choose between the various new possibilities that opened up to them while promoting their radically new work to the world. However, it is not by default that a radical rupture such as a shift in the political system would lead artists immediately performing a volte-face and taking up radical new practices, as I assumed at the outset of the research. It is here that my study and practice of VBA became an essential part of the present research, as it led me to the following question: how do we shift practices in such a way that they transform our life and work in a paradigmatic manner, and what would this mean for individuals, communities and societies as a whole?

Considering that a VBA is expedient for making sense of change in the context of individuals' and organisations' behaviours, I adopted it as an analytical discourse that would help me analyse the qualitative changes (in term of disruptive innovation), if there were any at all, that occurred in the Bulgarian visual art scene during the transition period.

8.3. PARADIGM SHIFT OR LOCK-IN

These insights invited me to reconsider my analysis and investigate the roots of the changes in the Bulgarian visual art scene in the 1990s by looking for patterns, influences, new formations and tracing different practices, which, in turn, would help me understand what happened. Applying the VBA to the Bulgarian context helped me to undertake a deeper level of analysis through which I was able to figure out that the newly emerging art at that historical juncture as well as its followers made little impact in the long-term. Indeed, the analysis found that, in actuality, despite all their good intentions, only a relatively small group of artists managed to disinvest in and detach from their old practices, and proceed with their new practice. In fact, most of these artists left the country and thus were not able to contribute further to the paradigm shift within the Bulgarian art scene. For the most part, visual artists either strongly resisted the new forms and practices or failed to sustain them.

The different spheres of the VBA analysis helped me to discern that, while the governmental logic changed dramatically and the new market logic was ushered in, in the social and cultural spheres there were instead diffuse patterns, along with fragmentation and conservatism. In fact, it was difficult to trace any significant changes; rather, the analysis points towards strong resistance towards the newness within the social (S sphere) and cultural (C sphere)[98] context of the artists.

In the social sphere, it was observed that, on the whole, artists continued with the same social practices that they had engaged in prior to the political transition. One interesting finding is that, because the culture (in terms of C1) of the governmental interventions were already straightforward prior to the political change, this ultimately made all of the players in the governmental sphere path dependent upon or locked-in (North, 1990) to the previous normative culture (values system), which, along with other things, was strongly promoting independency from others, i.e. clients, colleagues, experts, etc. Such independence was secured by the stable financial incentives and promotions (regular exhibitions) provided by the UBA. As a consequence of this, artists became self-referential, forming their close circles and not being interested in others, which, in turn, resulted in artists distancing themselves from the broader public. This practice continued after the political rupture, and, to a certain extent, remained valid for those artists in the newly emerging art scene. Simply put, they were not familiar with any other way of doing things, and, hence, remained passive towards connecting broadly with a new public and instead repeated the same social convention as in the Soviet era –albeit this time they were predominantly dependent not on the state, but rather on the financial support of foreign foundation, who became the new "Maecenas" for "unconventional" art. This also impacted on the general public's or other stakeholders' attitude to the arts and culture, particularly the new culture, as people assumed that supporting culture was the responsibility of the government or other "Maecenas" figures, rather than them.

The strength of this dependency on such "Maecenas" figures was also reflected in the ignoring of other possibilities to engage with a new public and new funders, as there were only sporadic activities observed that were geared towards developing new market possibilities and broadening their audience. Moreover, this dependency was strengthened by the specific "culture of projects" (Lavergne 2010) that these foreign

[98] If the domain of knowledge in the context of the arts invites us to consider artistic values and their realisation in different artistic practices related to new content, forms, etc. (C3), then the operation of the field is predominantly based on the realisation of social values, which, for Klamer (2017), are culturally embedded in the anthropological sense of the term (C1).

foundations promoted. This created competition between different "unconventional" art groups that was not based on concrete artistic criteria per se, but, rather, on the quality of one's personal relationships. This strengthened the degree of fragmentation between the existing and new groups, along with their respective critics, theoreticians and audiences. This also caused marginalization within the Bulgarian visual arts scene, in that although there were several smaller sub-cultures that co-existed, they were totally indifferent to each other (Gavrilova 2005). When these foundations left the country, there was a serious lack of consolidation between the different new art formations, in part, because of the strong degree of fragmentation that was exacerbated by these foundations' support. The way in which these foundations granted their support crowded out the entrepreneurial fire of "unconventional" artists to search for their own broader public, respectively supporters. The foundations' practices also undermined the collaborative culture within the artistic community as a whole, which, according to Ostrom (2015), is of critical importance for any community's existence, especially during periods of profound change.

When it comes to the analysis of new ideas and beliefs (C3) emerging within the C sphere which is where artists generate their artistic and symbolic meanings, the findings of this study demonstrate that the cultural valorization for the newly emergent art genres was relatively weak overall. Artists and critics needed to apply different valorization strategies, both in order to realise adequate interpretations about the newness of their work and to justify that this was important not only for themselves but also for others, which in so doing would convince the entire artistic community to care about these works and eventually embrace them as a new practice. However, this was also a failure in several respects. First, the absence of a Bulgarian avant-garde tradition (Popov 1994), the lack of both methodological and theoretical clarity in the new genre (Mousakovva 2003) and a criteria from which to judge its newness (Danailov 1994), in conjunction with the established consensus on the paradigm of socialist art (Stefanov 1994), prevented "unconventional" artists and their critics from gaining credibility and trust. According to the literature, credibility and trust constitutes the essence of how artists gain recognition, respectively economic benefits in the field (Bonus & Ronte 1997, Bianchi 2015). As one of the respondent's in the research summarised the situation, "The selection of what was to be justified and remain as Bulgarian contemporary art was left in the hands of thousands of individuals' efforts with the simple idea of them getting attention. This gave the chance to group ideologies to exploit the vacuum in the critics' space" (Int2). Secondly, while some artists immersed themselves in experimenting with those new art forms, most artists who were working with "unconventional" art forms

were to some extent "on a visit in this sphere", and, after a certain campaign or event, would invariably return to their conventional forms, while those who were committed to the new methods of expression left the country shortly after the transition to work abroad (Int2). Thirdly, the fact that the representatives of the "unconventional" art did not manage to generate a strong common language or codes through which others could comprehend their new culture and distinguish them from their counterparts and forebearers, also impinged upon their potential to create an audience for their art with their colleagues and the broader public. They were not able to make the audience familiar with their art, which Bourdieu (1993) argues is the essence of cultural consumption. In conjunction with this, up until the mid-1990's, the majority of those artists who made up the Bulgarian artistic community were less sensitive to aesthetic platforms that lay outside of conventional doxa (Kuyumdzhieva 2005).

In summary, then, "unconventional" artists remained self-referential, which is to say that they and their work were, by and large, only of importance for themselves and a limited circle of supporters. In other words, the culture of socialising within the art world (C1) remained similar to how it was in the past. On the other hand, the cultural valorization of the new paradigm remained weak, in that it was not capable of maturing in such a way that it would be accepted as being either complementary with or a credible substitution for the previous paradigm. That is to say, the artists were not able to articulate and valorize the changes that were happening within C3 (ideas, new forms of expression) in a significant way that convinced others about their importance, and, in turn, produced a radical shift in C1 (social conventions). This resulted in a rather fragmented artistic community and underdeveloped art market for the new contemporary art.

Overall, all these findings are in contradistinction to the key features of what constitutes a paradigm shift, i.e. an incommensurability which suggests that nothing that you are able to do in the new setting could have been done in the old setting and vice versa.

8.4. DISRUPTIVE CREATIVITY AND INNOVATION AS A CULTURE-RELATED PHENOMENON: A VALUE-BASED APPROACH

Creativity and innovation are among the most complicated concepts, as demonstrated by the fact that they have been studied by a variety of disciplines. If we add to this the notion of change, which is almost equally as complex, then it is evident that we face considerable analytical and methodological challenges in trying to explain the transformative capacities of disruptive (cultural) innovation.

In this thesis, I took this aforesaid challenge even further yet still by providing some insights into how we can adjust the theory of innovation so as to be able to more adequately analyse its complexity. More specifically, I have paid close attention to these changes by focusing on their complexity and refraining from easy explanations. In so doing, this thesis contributes to the study of the phenomenon of disruptive creativity or innovation in the context of complex systemic change, by proffering a comprehensive framework which allows for a broader perspective. In order to do this, I drew upon interdisciplinary discourses and brought them together into a more comprehensive framework, which would allow me to address socio-economic along with socio-cultural changes.

Applying this analytical framework to the Bulgarian visual arts during a historical juncture defined by radical political and cultural transformation, turns the obvious story of "creative" destruction into a story not only about changes, but also about resistance and path dependencies, which is an altogether more complex story that is not so easy to infer straightforward (policy) recommendations from. However, to study how creativity and innovation can transform practices and processes within a particular domain of knowledge and beyond, is evidently of critical importance for understanding their roles vis-à-vis systemic changes in economies and societies in the era of the creative economy. Moreover, this can have important implications for policies on creativity and innovation, creative practices, as well as the way we teach about and research creativity and innovation.

One of the limitations of extant theories on innovation is that they do not account for cultural shifts, and, at best, can only be said to touch upon social shifts. Instead, they are predominantly occupied with the importance of instrumental shifts that are easy to quantify. In this thesis, I have argued and illustrated that these theories must address this lacuna and seek to incorporate cultural and social changes as being important signals of qualitative changes. In this respect, I would contend that a change can only be considered as a mode of innovation insofar as it is able to realise simultaneously sustainable long-term economic, social and cultural transformations. From this perspective, not all new forms of art production can be considered as being innovative, as has sometimes been considered to be the case. In this way, the scope of the changes must be paradigmatic or produce changes for the better (Kuhn 1962/1996), in the same way that significant art and scientific accomplishments leave behind their trace in our symbolic domains, life and/or civilization as a whole (Csikszentmihalyi 1996, Collins 1998, Kuhn 1962/1996, Murray 2003). These innovations are based on ideas which are culturally embedded (McCloskey 2010) and thus cannot be immediately

observed, but nevertheless must be considered. To be able to articulate and analyse this, I propose that it requires the adoption of a sense-making practice which entails an interpretive process by which meanings are signed to common practices (Weick 1993).

8.4.1. The culture of realising a paradigm shift

In a way in this work, I reveal how a culture of paradigm shift or disruptive innovation realizes. Let me briefly summarise it here.

In Kuhnian terms, "unconventional" art works that emerged in Bulgaria during the transition of the country, can be understood as a paradigm that has specific features that are shared by a group of artists (see chapter 6). The artistic qualities of this paradigm, according to Klamer (2017), constitute the cultural dimensions (C3) of this paradigm. Furthermore, Kuhn (1962/1996) argues that for a paradigm to make a difference or replace the previous paradigm, it must be broadly acknowledged and shared not only among peers, but also among those who are capable of judging its qualities – or the field in Csikszentmihalyi's work (1996). If in the beginning a paradigm is shared by only a few supporters in order to win out against the other established paradigms, it must seek to attract a set of knowledgeable followers who can improve the paradigm, explore its possibilities, and show what it would be like to belong to the community guided by it (Kuhn 1962/1996). However, this can only happen if they are knowledgeable, and capable of generating trust and credibility among the domain and the field (Bonus & Ronte 1997, Bianchi 2015), which suggests a certain social context with specific dynamics that undergo the process of change.

In this respect, the cultural aspects of both the ideas (C3) and the social conventions (C1) matter. Or, phrased otherwise, the creativity which is capable of generating paradigms, has transformative power, or can produce breakthrough in the sector, is a culturally embedded practice that corresponds with certain qualities beyond newness, such as authenticity, significance, affection, along with being either knowledge driven and connected to certain traditions (see chapter 2). Furthermore, this type of creativity and innovation is socially constructed (dependent on its context), while its qualities cannot be objectively defined, but rather must be judged by knowledgeable experts (Becker 1982, Wijnberg & Gemser 2000, Bonus & Ronte 1997, Abbing 2002, Velthuis 2005). This social aspect of creativity makes it vulnerable, insofar as it is always dependent on social norms (existing or new) of acceptance and, hence, depends on both the knowledge and culture of those who judge it (Bonus & Ronte 1997, Bianchi 2015) and the particular way they manage to (culturally) valorize it within the changing environments (Klamer 2003).

Through recourse to the work of Kuhn (1962/1996) and Csikszentmihalyi (1996), in chapter 6 I argued that the critical moment in a paradigm shift centers on the controversy between the growing importance of a paradigm (new art form/style/genre) and the need of the knowledge domain to sustain its boundaries and distinguish itself from other domains of knowledge (Kuhn 1962/1996). In other worlds, to realise a paradigm shift within a certain knowledge domain, while it may start with the valorization practices of individual artists (through new forms, modes of expression, etc.), it can only be realised as a shift in the domain if it also takes place on the institutional level. The latter presents itself in new (institutional) relationships between the individuals and institutions as well as between the organisations and institutions which operate in the governmental, market and non-profit (third) spheres.

Along with the fact that systemic change in the context of disruptive innovation pervades all aspects of a system, it also takes into account the interrelationships and interdependencies between those constitutive parts (see chapters 4 and 6). Within the concrete context of my thesis, this suggests that change generated by (artistic) creativity realises itself as an interplay between persons, products, processes and the environment (Eysenck 1994, Amabile 1983, Murray 2003) or between persons, field and the domain (Csikszentmihalyi 1996). It is through these different social practices that a new paradigm can be spread, and, in this sense, we can claim that the relationships in the social sphere (S) can support these aforesaid shifts in ideas, artistic expression, etc. (C3). At the same time, these relationships are grounded in particular cultural characteristics in the anthropological sense (C1), which can either foster or hamper the paradigm shift.

Considering these different layers of interpreting a paradigm shift, I can conclude that the success or failure of these interrelationships, the trust (Bonus & Ronte 1997, Bianchi 2015), and the cooperative culture of governance (Ostrom 2015) are of critical importance. Kuhn (1962/1996) expounds that the success of a paradigm is due, in part, to growing its credibility through its supporters, who must have the requisite knowledge about the subject matter and be able to master the "faculty of rhetoric" (Klamer 2007, p.9). Mastering both, (specific) knowledge and rhetoric, lends to these relationships the trust needed for the paradigm to grow into a paradigm shift (see chapter 6). The systemic character of the change implies that if the field of experts are not knowledgeable about the new paradigm, in other words are not able to create or gain specific knowledge about it, then they will be probably not able to legitimize or strengthen the position of the new paradigm. Once again, whether they undertake this role or not depends on the culture of the field, specifically, how fast it appropriates the new paradigm, and which strategies are used. If this cannot be completed, then the system cannot be changed accordingly.

8.4.2. The Value-based approach to the analysis of radical creativity and innovation

If we consider that the political liberation of Bulgaria in 1989 engendered systemic change, then as aforementioned there is much more to study than solely changes in the market and governmental arrangements as economists would suggest. Rather, systemic changes occur throughout all aspects of the system (pervasive) and thus induce fundamental changes in each part. In this way they can be said to be paradigmatic in character and as being defined by the principal of incommensurability (Kuhn 1962/1996). Understanding systemic change encompasses both knowledge about changes in structures and instruments and changes in products, but also changes in practices and values and changes in process. Once one establishes the cultural and social embeddedness of the radical artistic innovation, which cannot be studied by existing models, we then need an analytical methodology to make sense of the different dimensions of these changes.

Here, the VBA developed by Klamer (2017) was shown to be of practical use for my analysis of systemic changes, such as paradigm shifts or radical innovation. It is a robust methodology, firstly because it helps to make sense of the complex interrelations between the five spheres, i.e. M, G, S, C and O, and their respective logics (Klamer, 2017). In this way, the VBA brings a broader perspective than those offered by standard economics or more sociological perspectives, firstly by incorporating the different logics of the different spheres, and secondly, by distinguishing between different value clusters relevant to individuals, groups or an entire society. In so doing, it assists the analysis by bridging individuals', groups' and societies' perspectives. In this respect, it is expedient to empirically investigate the interplay between individuals and the environment, as proposed by the social-psychological approach towards creativity and innovation. I found this to be equally important, as this approach allowed me to connect the practices of individual artists with the practices of institutions, and show that artistic communities may both influence those environments and be influenced by them.

Utilising this approach allowed me to comprehend the relationships between the manifold players in the art world, not by means of a regression analysis or by establishing causal effects (economics approach), but rather through conducting research that addressed the values, meanings and sense-making or valirization involved in the process of change. This approach proved to be especially useful for explaining the shifts in values in a newly emerging artistic genre, while, simultaneously, analysing artists' and the artistic community's valorization practices. It helped to systematically

analyse the shifts, if there were indeed any, in the practices within the G, M, S and C spheres. This provides much broader insights into which artists' practices are dependent on all kinds of environments. As such, the VBA helps to study systemic changes in all their complexity.

Considering this approach in the context of cultural economics, the principal focus of which is the study of arts and culture, can enrich the analysis of cultural values. Moreover, it can add to a more comprehensive analysis of the multifaceted innovations in the cultural sector, by, for example, combining the analysis of cultural and social aspects which are generally overlooked in extant studies.

8.5. SOME PRACTICAL REFLECTIONS

This thesis thus raises awareness about the complexity of the changes post-1989, without aiming to solve it. More specifically, the claim is that disruptive artistic innovation is always accompanied by cultural transformation, engendered by a crisis in meanings and values. Once these crises are resolved, new practices are then established which are incommensurable to the old ones. The application of the VBA explains this shift while, simultaneously, analysing different values and valorization practices. My contention is that it is only then that we can understand the particularity within the generality. In a way, this thesis can thus also be understood as a plea for how to do science, that is, to not ignore the deeper layers simply because we cannot capture them in our extant models.

The emergence of a new paradigm in the Bulgarian visual arts sector brought about a crisis in the sector, which did not result in a paradigm shift per se, but rather the crisis continued in one form or another for many years, in part, because the institutional change began within the governmental and market spheres. In retrospect, it thus appears that the sector was not capable of producing a clear alternative paradigm, which was strong enough to either subordinate or complement the previous one. Indeed, the sector is still trying to make sense, both culturally and socially, of its new practices.

While the analysis presented here about the emergence of the new paradigm in Bulgaria has shown that the cultural and social spheres provided stronger conditions to support its evolution, starting from individual artistic discoveries to the practices of groups, it is evident that if the cultural aspects of change are not sufficiently mature, then it is difficult for these changes to take hold within the institutional spheres. And this failure in the structural reform in the sector affected back the consolidations of

artistic and social practices (or affect the process within the cultural and social spheres). In this sense, the cultural dimension of the valorization practices of artists (or make sense practices) can delay the paradigm shift or even prevent it from happening.

Finally, the thesis has demonstrated that radical changes in political, economic and social life are invariably intrusive and require a lot of resources to realise themselves as transformation that are marked by shifts in values. The realistion of a transformative change is thus an incredibly long journey, because it is a matter of values, behaviours and norms, not to mention the fact that people do not change their values easily (especially in an organisational setting), however creative or otherwise they are.

Acknowledging the socio-cultural dimensions of the forms of change generated by creativity and innovation can be of great relevance for policy-makers, researchers, artists, creatives, organizations, and anyone else interested in these phenomena. The thesis provides a rich framework through which future researchers can make sense of disruptive innovative processes, while, simultaneously, problematizing simplistic accounts of forms of systemic change, such as paradigm shifts and radical innovation. The new framework should thus be taken as an invitation to refrain from straightforward explanations. Rather, it builds a more complex picture, which does more justice to the life of artists and the art world itself. There are no easy policy recommendations or solutions; rather, I would challenge policy-makers to be knowledgeable about such a complex system and its various interrelations. While you can change some practices, if you work on a complex system such as the art world, then you cannot ever be sure of how exactly the system will turn out. Indeed, if the focus is merely on new infrastructure or incentive schemes that might foster creativity and innovation, then these policies might undermine an additional important part of the process that makes these conditions work. Instead, policy-makers should pay more attention to the interrelations between structures and the existing culture of artistic communities and the culture of those communities which artists are expected to impact or affect in a way that changes these communities' culture. In this sense, the topic of complex systemic changes as disruptive innovation requires further research from an interdisciplinary perspective.

With respect to Bulgarian artists, the findings of this research suggest that they must pay more attention not only to the artistic aspects of their work, that is, to their artistic values, but also to how to make sense of others and how to valorize their work in such a way that becomes important for others. This is especially pertinent during moments of destructive change, in which artists' chances are worse or better than before. In the course of these changes, it is difficult to judge whether the changes are for the good, and difficult to connect them to the entire community. More often

than not during periods of disruptive change, artists encounter how fragmented their community is, i.e. there might be many options, but making deliberate choices can be confusing. At such critical moments, artists need to be aware of their own values, what drives them, and be able to engage others by finding the common values that they share. To some extent, this can prevent them from crowding-out their artistic urges, especially when they are dependent on different sources of support. Once again, seeking a deeper understanding of these processes of interdependency should form the basis for future research.

Finally, those involved in transformative changes and radical innovation, or their study for that matter, have to be aware that significant qualitative changes in the governmental sphere does not necessary lead to immediate change in the cultural sphere, which is a point that is often underestimated. I as a researcher also underestimated this fact, which led to the aforementioned difficulties in the initial stages of my thesis. Specifically, I did not expect that the cultural aspects of new ideas (C3) and the cultural aspects of social conventions (C1) would be of such importance for a transformation to take place. I learned that it is not enough to produce new ideas, but rather it is also important how these ideas gain credibility and how they are valorized in a way that affects and/or engages others. Valorization of one's ideals is therefore a social process, and it is out of this that innovation evolves. This is an important insight for those who are eager to bring about change, irrespective of whether they are policy-makers or anyone who seeks innovation, such as cultural and social entrepreneurs or change makers. It is not a matter of changing the rules of the game, but rather a matter of changing the culture in which the sense-making or valorization practices need to radically change.

Writing this thesis has also been a transformative experience, personally speaking, but it also connects to others and involves social and societal processes. As someone who lived through the transition of the political system in Bulgaria, I realise that my own cultural transformation and that of my country are in a way interdependent. My romantic side looks at this process in terms of emotions, ideas and ideals. Through this process I learn more about the Bulgarian part in me, as well as the fact that some values which are part of our national identities make us either receptive or resistant to change. Some cultures are more receptive, than others, and perhaps we as Bulgarians are in general more persistent in this regard (considering for example the role of the Ottoman empire). And this can be common characteristics of the Bulgarian artists, too. However, to be aware of this requires a certain process, practices which have their particularities and are not predictable. It took me some

distance to understand these differences. It required detachment from my own roots to realize their existential importance in my life. In this way, we cannot change our history and traditions, but rather must embrace them in our own way and make a new life, which is relevant for individuals as well as for entire societies.

Over the course of this thesis, I also embarked on a journey about what it means to study in an academic environment. This was a big step for me. I did not plan on doing a PhD in the way that some do, but rather was invited to do so and accepted the challenge, without necessarily knowing where it would lead me. I learned different analytical tools about how to make sense of the world around me, but also learned to be self-reflective about my own changes, which, in turn, helped me to realise how to connect academic and non-academic worlds. I realise now that I am able to connect both and to fuel my knowledge in way that bridges my academic knowledge and professional practices of the others. I consider this long experience to have been about learning how to bridge these practices, and, in this regard, my intellectual growth has given me confidence that these practices simply must be connected. Notwithstanding this, it also gave me greater confidence and armed me with an array of perspectives through which to appreciate such a complex situation as Bulgaria at that historical juncture. With my academic background, if I look at the situation in Bulgaria I can see a lot of issues that connect to innovation, creativity, the five-spheres and their logics, which I can now bring together to make some sense of the situation. For others, the picture might simply look grey or bright; so, in this respect, my position helps me to work with the nuance that lies between grey and bright, which affords more colour to the picture.

Finally, transformation or qualitative change at either the individual or society level involves a form of learning that necessitates confronting the past, embracing the present and envisioning the ideal future. Writing this thesis was a journey which has made me aware of my roots, my struggles and my beliefs. It is a life-changing experience. It is a journey that has changed both how I think, and, being romantic, how I make sense of such a complex phenomenon as a paradigm shift or disruptive innovation in the cultural sector and beyond.

APPENDIX

Appendix 1:

QUESTIONNAIRE INTREVIEWS

I. General question about the changes in the Bulgarian visual arts during the transition period

1. What has been changed in the Bulgarian visual arts during the transition period? (general).

   Supporting questions:
   - What new artistic practices emerged?
   - How the democratization of the artistic practices can be characterised?
     a. new forms, genres, audience involvement;
     b. ideological changes: models of identification;
     c. renewal/changes in practices?
   - What new institutional models of cultural governance emerged?

2. Can you think for a specific values that can best characterised this period of change in the Bulgarian visual arts?

3. How did they connect or differ from the values realised in the Bulgarian visual arts before 1989?

II. What is the relation of the new artistic and institutional practices/processes to innovation?

1. Can we talk about these new practices and processes as innovative?

2. What did characterise them as such?

3. What did motivate these new practices?

   Supporting questions:
   - Weren't these change imitation of the existing Western artistic and institutional practices?
   - To what extent they were motivated by the need of the artistic community to change? Awareness of new identity?

III. Relation to paradigm shift

1. How did you experience these changes: as revolutionary or gradual and constructive?

   a. What was significantly new: Paradigm changes? Change in artistic, social conventions? EXAMPLES

2. Which of these changes did leave a lasting trace in the Bulgarian visual arts today? EXAMPLES

IV. Drivers of the changes/innovation/paradigm shift: environmental factors

1. What was the impact of the radical socio-economic changes in the context on the new artistic practices?

2. Which factors from the institutional environment of the sector (messo and micro) can be said to have had a decisive influence on the radical creativity/ innovativeness of the sector?

Supporting questions: Can you think concretely about factors on the level of the institutions and on the level of individuals, organisations?

- art funding , new governance models, group formation, individual's motivation - the role of freedom, independency, other

3. How did the sector adapt to these new conditions (cultural factors of adaptation at institutional and individual level)?

4. What was the importance of each factor (defined in questions 1. and 2.) to stimulate creativity/innovation in the sector? (rating on the scale from 1 to 10)

5. Which of those factors hinder the creativity/innovation?

List of respondents for the interviews (2011):

Chavdar Popov, Prof. is a professor at the National Art Academy, researcher on the totalitarian and post totalitarian period of the Bulgarian visual arts.

Axinia Dzhurova, Prof. dr. is a director of the Ivan Dujcev research center, active participant (curator and researcher) in the visual arts scene for the period 1970-today.

Rozalina Pepelanova was a senior researcher within the National Institute for Visual Culture before 1989; expert on primary art market in Bulgaria.

Maria Vasileva, PhD is a curator, Sofia city gallery; member of the Institute of Contemporary Art (ICA, Sofia); member of the Union of the visual artists (UBA) before and after 1989; member of the "Young Artists Club" of the UBA.

Diana Popova is a critic, editor in newspaper for culture "Kultura"; Institute of Contemporary Art (ICA, Sofia); member of the Union of the visual artists (UBA) before and after 1989; member of the "Young Artists Club" of the UBA.

Vesela Radoeva is an expert on private support and art market in Bulgaria after 1989; director of the department dealing with the national art collection of the Ministry of Foreign Affair; consultant of the art collections of First Private Bank, Bulgaria.

Ivajlo Mirchev, Prof. is an artist, professor at the National Art Academy; president of the Bulgarian Union of visual artists (UBA).

Svetlin Russev, Prof. is an artist, professor at the National Art Academy; former president of the Bulgarian Union of visual artists for the period 1976-1986.

Dostena Anguelova-Lavergne, PhD is a poet, anthropologist, and journalist currently based in Strasbourg, where she serves as the Vice Editor-in-Chief of the cultural magazine Saisons d'Alsace. She is the author of the influential political nonfiction text Experts of the Transition (2010).

Stanislav Stanev was a former director Visual art program at Soros center, Sofia, 1990-1996.

Appendix 2: New legislation related to the Bulgaria cultural sector

TABLE 10 • Legal basis for the emergence of private (for-profit and non-profit) organizations in the Bulgarian arts after 1989

SUBJECT	LAW	EGAL BASIS FOR THE EMERGENCE OF PRIVATE (FOR-PROFIT AND NON-PROFIT) ORGANIZATIONS IN THE ARTS AFTER 1989
FOR-PROFIT ORGANISATIONS	"Commercial Law"	It enables for-profit organizations to function as market players. This is an opportunity that is not associated with any benefits, as they pay all taxes typical of business organizations Such a choice of registration can make subjects for whom cultural activity is only one of their many areas of commercial activity. They have the right to receive a state subsidy but have limited opportunities for other types of alternative external financing - by foundations, sponsors, individual donors. The cultural industries are most often registered under this law.
NON-PROFIT ORGANISATIONS	"The People and Families Act"	This law allows: • Exemption from taxes and charges on business activity (VAT, Profit tax), where the positive financial result is fully reinvested, where this is consistent with the objectives and mission of the organization. • Obtaining external institutional and individual donations and sponsorship. • The right to participate in (public) project tenders. The law, however, does not fully reflect the creative nature of these organizations, as likewise foundations, associations, civic associations, networks and other types of third-sector non-profit organizations are also registered.
	Non-Profit Organizations Act (adopted at the end of 2000)	This law meets closely the missions and objectives of the art organisations. It allows the same as the "The People and Families Act".

Source: Tomova (2007)

TABLE 11 • Tax incentives for individuals and companies in Bulgaria after 1989

SUBJECT	LAW	TYPE OF INCENTIVES	TYPE OF DONATIONS, ACTIVITY, AND/OR INSTITUTION
Company tax	*Law on Corporate Income Taxation* (last amendments 1. 01. 2008)	Art. 31 introduced a tax deduction up to 10% to resident and non-resident natural persons The total amount of the grants and donations offered shall not exceed 65% of the taxable corporate profit.	Donations for social, healthcare purposes, cultural institutions and for the stimulation of cultural and scientific exchange under international agreements.
Company tax	*Law on Maecenas* – (23 December 2005, last amendments 4. 08. 2006)	Up to 15% of donations can be deducted from taxable profit before taxation, in case of grants made under the conditions and regulations of the Maecenas Law. The total amount of the grants and donations offered shall not exceed 65% of the taxable corporate profit.	Donations for cultural activities and institutions
Income tax	*Tax Law on Natural Persons' Income* (last amendments 1. 01. 2008)	Art. 22, (par. 4) sets a tax deduction for natural persons up to 10% of donations for cultural purposes. The total amount of the donations of individuals shall not exceed 65% of the taxable income before taxation.	Donations for social and healthcare purposes but also for cultural institutions and for the stimulation of cultural and scientific exchange under international agreement.
Income tax	Law on Maecenas (23 December 2005, last amendments 4. 08. 2006)	Up to 15% of donations can be deducted from taxable income before taxation, in case of grants made under the conditions and regulations of the Maecenas Law.	Donations for cultural activities and institutions

Source: Goto, Mignosa & Petrova (2008)

TABLE 12 • General legislation on culture in Bulgaria after 1989

SUBJECT	LAW	YEAR
ALL SECTORS	Law on Protection and Development of Culture	1999
	Copyright and Neighboring Rights Act	1993
FILM	Film Industry Act	2003
RADIO AND TELEVISION	Law on Radio and Television	1998
CULTURAL HERITAGE	Cultural Heritage Act	1995
LIBRARIES	Law on Public Libraries	

Source: Council of Europe/ERICarts (2015)

Appendix 3:

TABLE 13 • Dimensions of systemic change

DIMENSIONS OF SYSTEMIC CHANGE	TRANSITION*	TRANSFORMATION*	PARADIGM SHIFT**	DISRUPTIVE (ARTISTIC) INNOVATION IN A BROADER SOCIAL CONTEXT (DEVELOPED IN THIS THESIS)
FOCUS	Moving from point A to point B - in the context of 'transition' economies it is about moving from planned economy towards free market economy;	One possible pathway of transition;	Subcategory of transformation as applied in the context of knowledge domain.	Subcategory of paradigm shift as applied to the cultural/creative sectors;
		It is often used interchangeably with transition (especially in the context of 'transition' economies), still it refers to different aspects of the process (see below);	Transformation which is successfully completed;	
	Designing a new value proposition.	How this new value proposition is realized - what are the emerging patterns of change?	The new values brings fundamental transformation in domain and community's life.	The new values brings fundamental transformation in art domain and artists' community life;

DIMENSIONS OF SYSTEMIC CHANGE	TRANSITION[1]	TRANSFORMATION[1]	PARADIGM SHIFT[2]	DISRUPTIVE (ARTISTIC) INNOVATION IN A BROADER SOCIAL CONTEXT (DEVELOPED IN THIS THESIS)
PROCESS	Intentional process of planning a desirable change, i.e. developing of new economic and political institutions (setting the principals of democratization and specific reforms for their realization – exogenously imposed);	(Un)intentional process, often refers to the actual outcomes of the transition;	Intentional process (after the discovery of the paradigm); Incommensurable process • irreversible, disruptive (discontinuous);	Intentional process; irreversible , disruptive (discontinuous) process;
	Irreversible, disruptive (discontinuous) process;	If successfully completed it is irreversible, disruptive; if not - it includes inertia, path-dependency;	Deliberate valorization through new social and cultural practices;	Deliberate valorization through new artistic (social and cultural) practices;
	Acknowledging both formal and informal rules of institutional change, however in the context of 'transition' economies the focus is on the shift in the formal rules[99]: • socio-economic changes[100]; • linear process; • well-defined trash-hold dimensions for success.	Acknowledging both formal and informal rules, and focusing on their interrelation (incl. changes in values, attitudes, behaviour during the process of change in rules, laws, procedures, etc.). • socio-economic and socio-cultural; • rethinking how both relate to each other (consistency/inconsistency); supporting/controlling); • nonlinear process - can include inertia, path dependency, etc. • difficult to define straightforward trash-hold dimensions for success.	Interplay between individuals and domain' context (focus on endogenous factors). • socio-cultural changes.	Interplay between individuals and broader social context (focus on both exogenous and endogenous factors). • socio-economic and socio-cultural changes.

Source: Author's adaptation from * Melnikas, B. (2008), Tridico, P. (2011), Hölscher et al. (2018) and from ** Kuhn (1962/1996)

[98] *Formal rules* or institutions can take the form of, for example, political or economic rules and contracts (constitutions, laws, individual contracts, etc.), which ultimately aim to facilitate in the most efficient way the exchange between the players involved, and, as such, can be said to induce economic growth. *Informal rules* or institutions compel via their "reputations broadly accepted standards of conduct, and conventions that emerge from repetitive interactions" (North 1990, p. 36).

[100] In the context of 'transition' economies, the analysis of transition is link to economic indicators for stabilisation (Tridico 2011). For example, The World Bank (2004) looks at the level of GDP, whereas The European Bank for Restructuring and Development index (2000) is based on market related indices (for example, privatisation, price liberalisation, trade, governance structure, banking reform, etc.).

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SAMENVATTING

CULTURELE INNOVATIE IN TRANSITIE: EEN OP WAARDEN GEBASEERDE BENADERING.

De casus van Bulgaarse beeldende kunsten

In onze snel ontwikkelende wereld worden creativiteit en innovatie vaak gezien als de drijfveren van de creatieve economie, die mensen, producten, bedrijven en steden meenemen die ernaar streven creatief te zijn en daarmee economieen en samenlevingen doen bloeien (UNCTAD 2008). Beleidsmakers, geleerden, en economische, sociale en culturele actoren zijn het eens dat creativiteit niet alleen goed is voor ervaringen en kwaliteiten, maar ook veranderingen genereert die kunnen leiden tot innovatieve praktijken (Baumol 2006, Pratt 2007, 2008; Cooke en Lazzeretti 2008; Potts 2009, Bakshi & McVittie 2009; Muller et al. 2009). Een groot aantal beleidsmakers heeft daarom beleidsinstrumenten bepleit die gericht zijn op de ontwikkeling van culturele en creatieve sectors ten behoeve van innovatie (European Commission 2009; European Commission 2010b and 2012; Council of the European Union 2015). De veronderstelling is dat creatieve acties ten grondslag liggen en voorafgaan aan innovatie.

De thesis problematiseert deze causaliteit and betoogt dat ze allesbehalve vanzelfsprekend is. Het stelt de vraag wat radikale verandering of een paradigma verandering in het kennis domein en daarbuiten bevordert, en onderzoekt hoe (creatieve) individuen en gemeenschappen omgaan met zo'n verandering.

Het process van paradigma veranderingen in de kunsten

Eén van de beperkingen van bestaande theorieen van (culturele) innovatie is dat ze geen rekening houden met culturele veranderingen, en slechts zijdelings sociale veranderingen adresseren. Deze thesis richt zich juist op de beperkingen en probeert culturele en sociale veranderingen te incorporeren als belangrijke signalen van kwalitatieve veranderingen. De argumentatie maakt gebruik van Kuhn's begrip van een paradigma verandering in een kennis domein (1962/1996) samen met het begrip van innovatie zoals Schumpeter (1975) het introduceerde en het social-psychologisch perspectief op het "transformerende vermogen" van creativiteit (Amabile 1983; Csikszentmihalyi 1996). Sociaal-psychologen hebben erop gewezen

dat we rekening dienen te houden met de kwaliteiten van de omgeving waarin creativiteit en innovatie plaats vinden, tezamen met een reeks aan sociale en culturele factoren. Zulke omgevingen interacteren in complexe processen met individuen die leiden tot creatieve en innovatieve praktijken (Eysenck 1994, De Montuori & Purser 1996). Terwijl innovatie vooral wordt gekarakteriseerd als iets nieuws, focust Kuhn zijn analyse op de incommensurabiliteit tussen de oude en de nieuwe praktijken. Deze thesis volgt Kuhn's aanpak. Kuhn maakt een crucial onderscheid tussen paradigma verandering en een nieuw paradigma om het fundamentele verschil aan te geven tussen iets nieuws en een nieuwe praktijk. Een nieuw paradigma genereert niet per se een paradigma verandering. Kuhn beweert dat daar meer bij komt kijken, zoals een fundamentele verandering in de (kennis-) gemeenschap. De discussie in deze thesis gaat nog een stap verder, met een referentie naar Klamer (2017), dat deze kwalitatieve veranderingen of innovaties verder gaan dan de economische logica, en culturele en sociale veranderingen impliceren.

Na de constatering van de culterele en sociale inbedding van (culturele) innovatie, introduceert de thesis een alomvattend raamwerk met de op waarden gebaseerde benadering (VBA) waarmee een analyse van sociale en culturele veranderingen mogelijk wordt (Klamer 2017). Gegeven dat culturele goederen de capaciteit hebben om economische, culturele en sociale waarden te genereren (Throsby 2001, 2008, Klamer 1996, 2002, 2004, Hutter & Shusterman 2006), is het belangrijk deze waarden te onderkennen en. Vervolgens te analyseren hoe ze worden waargemaakt (gevaloriseerd). Deze aanpak is die van culturele economen, die duidelijk maken dat de waarden van een cultureel goed niet vast staan, zoals de standaard economische benadering stelt, maar onderhevig is aan verandering in het process van waarmaken. De VBA helpt om de complexe interacties tussen vijf sferen van thuis, de sociale, markt, bestuurlijke en culturele sferen, met ieder een eigen logica, te analyseren.

De thesis werkt dit raamwerk uit in de praktijk van Bulgaarse beeldende kunst, en voegt een kwalitatieve analyse toe. Om het dynamische proces van waarde transformaties te duiden, en de wijze waarop ze leiden tot transformaties, gebruikt de thesis de op waarden gebaseerde benadering. De toepassing is de Bulgaarse beeldende kunsten tijdens de transitie rond 1989.

Paradigma verandering of lock-in: valorisatie praktijken

De VBA verrijkt de analyse door dieper in te gaan op de kwalitatieve veranderingen die plaats vonden gedurende de radikale veranderingen in het creatieve milieu in

die historische periode voor Bulgarije. Dit nieuwe raamwerk nodigt onderzoekers uit radikale innovaties niet alleen als structurele en instrumentele veranderingen te zien, maar ze te beschouwen als veranderingen tengevolge van een wisselwerking tussen individuen en hun omgeving. Het stelt ons in staat om culturele valorisatie niet alleen op individueel niveau te onderzoeken maar ook op het niveau van instituten en gemeenschappen. Het raamwerk brengt de analyse verder 1) door de kunstwereld te besturen als cultureel ingebed in de bredere settings van de markt en de overheid en 2) het zelf-organiserend vermogen van de kunst wereld dat haar open cultuur en weerstand tegen radikale innovatie reflecteren.

De vijf verschillende sferen in de VBA analyse helpen ons te zien dat terwijl de bestoorlijke logica dramatisch veranderde en de markt logica haar intrude deed, zich in de sociale en de culturele sferen uiteenlopende patronen voordeden, inclusief fragmentatie en conservatism. Het bleek moeilijk om significante veranderingen te bespeuren; de analyse liet eerder een sterke weerstand onder kunstenaars tegen het nieuwe zien.

In de sociale sfeer volhardden kunstenaars in de zelfde sociale praktijken als die voor de transformatie. Een interessante ontdekking was dat kunstenaars in zekere zin "locked-in" waren in de cultuur die overheidsingrijpen had gepromoot al voor de transitie, met waarden als onafhankelijkheid (van klanten, collega's en deskundigen); zij bleven gecommitteerd tot deze waarden na de transitie. Het gevolg was dat kunstenaars op zich zelf aangewezen voelden, en opereerden in kleine kring zonder al te veel belangstelling voor het werk van anderen, en daarmee op grote afstand werkten van het grote publiek. Deze praktijk continueerden ze na de transitie; ook de nieuwe opkomende kunstenaars deden dat. Ze wisten niet beter. Zo bleven ze de kunstenaars die ze in de Sovjet tijd waren, al waren ze niet meer afhankelijk van en gesteund door de staat, maar moesten nu een beroep doen op fondsen die als mecenassen gingen functioneren voor experimentele kunst.

De afhankelijkhheid van zulke "mecenassen" bleek uit het negeren van andere mogelijkheden om een nieuw publiek te vormen en nieuwe financiers aan te spreken; de activiteiten die kunstenaars ondernamen om nieuwe markten en een breder publiek aan te boren waren er slechts sporadisch. De afhankelijkheid werd versterkt door de "culture of projects" (Lavergne 2010) die deze fondsen teweeg brachten. Deze cultuur zorgde voor competitie tussen verschillende onconventionele kunstenaars groepen waarbij niet zozeer kunstzinnige criteria in het geding waren maar eerder de aard van de relaties, van het network. Dit versterkte de fragmentatie tussen bestaande en nieuwe groepen, en hun critici, theoretici en liefhebbers. Het gevolg was dat de Bulgaarse

kunstwererld uit elkaar viel in tal van sub-culturen die weinig tot niks met elkaar te maken hadden (Gavrilova 2005). Op die manier ondermijnde het beleid van de fondsen de samenwerking en de cohesie in de Bulgaarse kunstwereld, terwijl die, zoals Ostrom (2015) had opgemerkt, zo belangrijk zijn voor haar voortbestaan, zeker in een periode van grote veranderingen.

De studie laat zien dat de culturele valorisatie in de culturele sfeer van nieuwe ideeen en visies betrekkelijk zwak was. Ze kwam niet goed uit de verf. Kunstenaars en hun critici moesten nieuwe strategieen ontwikkelen om het nieuwe van het werk over het voetlicht te krijgen. Dat was belangrijk voor henzelf maar ook om de kunstzinnige gemeenschap geinteresseerd te krijgen en erkenning te krijgen voor hun nieuwe manier van kunst maken. Dit werd geen success om verschillende redenen. De afwezigheid van een Bulgaarse avant-garde traditie (Popov 1994), een gebrek aan methodologische en theoretische helderheid in de nieuwe kunst (Mousakovva 2003) en het ontbreken van een criterium om de nieuwigheid te beoordelen (Danailov 1994), tegenover een stevig gewortelde consensus met betrekking tot het paradigma van socialistische kunst (Stefanov 1994) voorkwamen dat unconventionele kunstenaars en hun critici geloofwaardig werden en het vertrouwen kregen. Juist geloofwaardigheid en vertrouwen zijn wezenlijk voor erkenning en economische baten (Bonus en Ronte 1997, Bianchi 2015). Een andere reden was dat terwijl sommige kunstenaars zich inlieten in experimenten met nieuwe kunstvormen, de meeste kunstenaars die onconventioneel werk deden, dat werk eerder zagen als een uitstapje, en keerden erna terug naar de conventionele kunstvormen. Zij die doorgingen, verlieten meestal het land.

Een derde reden was dat het onvermogen van de vertegenwoordigers van de “onconventionele” kunst om een krachtige gemeenschappelijke taal of codes te ontwikkelen waarmee anderen hen konden begrijpen en onderscheiden van anderen, hun vermogen ondermijnde om een publiek voor hun kunst te genereren. Ze slaagden er niet in mensen vertrouwd te maken met hun kunst, wat volgens Bourdieu (1993) essentieel is voor culturele consumptive. Met dit alles bleef de meerderheid van de kunstzinnige Bulgaarse gemeenschap ongevoelig voor onconventionele esthetische platforms (Kuyumdzhieva 2005).

Kortom, de analyse geeft aan dat ondanks the duidelijk radikale veranderingen in de sferen van de markt en de overheid, er geen bewijs is dat deze veranderingen een paradigma verandering teweeg brachten in de kunsten sector. Er was eerder sprake van sterke weerstand van de gehele kunstzinnige gemeenschap tegen deze veranderingen, waarmee ze de veelbelovende mogelijkheden voor een nieuw paradigma van onconvontionele kunst torpedeerden.

Als we de artistieke en culturele creativiteit en innovatie zien als system-gerelateerd, wordt een analyse van de complexe relaties en afhankelijkheden tussen individuen en hun context of tussen actoren en structuren onmisbaar. Aan de ene kant laten deze relaties aantoonbare veranderingen zien van sociale en culturele waarden en van valorisatie praktijken van individuen en instituties. Aan de andere kant toont de culterele dimensie een vertragingstaktiek waardoor de paradigma verandering wel eens zou kunnen uitblijven.

SUMMARY

CULTURAL INNOVATION IN TRANSITION: A VALUE-BASED APPROACH

The case of Bulgarian visual arts

Creativity and innovation are driving the creative economy. People, companies and cities, they all can be creative and by being so contribute to a flourishing economy and society (UNCTAD 2008). The consensus among policymakers, scholars, economic, social and cultural actors is that creativity not only produces desirable experiences and qualities, but also brings about the changes that lead to innovative practices (Baumol 2006, Pratt 2007, 2008; Cooke and Lazzeretti 2008; Potts 2009, Bakshi & McVittie 2009; Muller et al. 2009). Consequently, a host of policy-makers have promoted instruments that are geared towards fostering the development of the cultural and creative sectors in order to bring about innovation (European Commission 2009; European Commission 2010b and 2012; Council of the European Union 2015). The presumption is that creative actions underly and precede innovation.

This thesis is problematizing such causality and argues that it cannot be taken for granted. It raises the question of what constitutes the type of change that promotes radical innovation or even a paradigm shift in a knowledge domain and beyond, and investigates how (creative) individuals, communities, or even an entire society deal with these changes.

The process of paradigm shifts in the arts

One of the limitations of extant theories on (cultural) innovation is that they account in a limited way for cultural shifts, and only barely address social shifts. This thesis addresses this lacuna and seeks to incorporate cultural and social changes as important signals of qualitative changes. The arguments here build on Kuhn's notion of paradigm shift in a knowledge domain (1962/1996) in conjunction with the notion of innovation introduced by Schumpeter (1975) and the social-psychology perspective on the "transformational power" of creativity (Amabile 1983, Csikszentmihalyi 1996). More specifically, social-psychological scholars proposed that one must consider the qualities of the environment in which creativity and innovation thrive, along with a wide variety of social and cultural factors (Amabile 1983, Gardner

1994, Eysenck 1994, Csikszentmihalyi 1996). Such environments operate in a state of complex interdependency with individuals, with the interplay between them ultimately influencing the way that creativity and innovation take place (Eysenck 1994, De Montuori & Purser 1996). Furthermore, while commonplace references to innovation point solely towards newness, Kuhn focuses his analysis on the principle of incommensurability of the new practices in comparison with the old.

The framework of this thesis builds upon Kuhn's analysis. The distinction that Kuhn (1962/1996) draws between a new paradigm and a paradigm shift is crucial; it points to the fundamental differences between just newness and a newness that leads to transformative processes and practices. Accordingly, a new paradigm does not in and of itself necessarily lead to a paradigm shift. Kuhn argues that there is more at stake, and points out that it takes a fundamental shift in a community's life. The argument put forward in this thesis goes one step further by proposing, through recourse to Klamer (2017), that these qualitative changes or innovations extend beyond purely economic logic, and instead necessitate changes in social and cultural practices.

Once the cultural and social embeddedness of the (cultural) innovation is established, the thesis proposes a comprehensive framework with the value-based approach (VBA) that allows an analysis of those cultural and social changes (Klamer 2017). Given the fact that the cultural goods are characterised by their capacity to yield economic, social and cultural values (Throsby 2001, 2008, Klamer 1996, 2002, 2004, Hutter & Shusterman 2006), we need not only to acknowledge these values, but also be able to analyse the way that they are realised or (culturally) valorized, either by being created, affirmed or changed. This argument is based upon the work of cultural economists, who purport that the values of a cultural good are not fixed, as standard economists invariably claim, but rather are subject to change during the process of their realisation. VBA helps to make sense of the complex interrelations between different spheres, i.e. market, governmental, social, cultural and oikos and their respective logics that shape differently the practices of individuals, groups or an entire society. Pursuing certain values is an enduring process, which means that if there is a real shift in values, then it will be realised in new practices that are sustained in the long-term. The VBA is expedient to empirically investigate the dynamic interplay between individuals and the environment.

While elaborating on how this framework operates in practice, the thesis also presents findings from the qualitative analysis of Bulgarian visual arts. In order to be able to make sense of the dynamic process of value formations, as well as of the way they can yield transformations, the thesis adopts the VBA to study different (cultural)

valorization practices within the Bulgarian visual arts during a historical juncture of 1989 defined by radical political and cultural transformation.

Paradigm shift or lock-in: on valorization practices

The focus on the VBA enriched the analysis by deepening the reflections on the qualitative changes that took place during the period of radical shifts in the creative milieu at that historical juncture in Bulgaria. In the context of Bulgarian visual arts, the new framework invites researchers to analyse radical innovation beyond changes in structures and instruments, to instead address these changes as deriving from an interplay between individuals and their environment. Taking this point one step further, it affords the empirical examination of cultural valorization not only by individual players (artists, experts, gatekeepers, supporters, etc.), but also allows for the comprehension of these value shift at different institutional levels within the sector. The framework advances the analysis by looking at both (1) the art world in the Bulgarian visual art scene in the 1980s and 1990s as culturally embedded in the broader institutional settings of the government and market and (2) the self-organising potential of the art world that reflects its own culture of openness or resistance towards radical innovation.

The different spheres of the VBA analysis helped to discern that, while the governmental logic changed dramatically and the new market logic was ushered in, in the social and cultural spheres there were diffuse patterns, along with fragmentation and conservatism. In fact, it was difficult to trace any significant changes; rather, the analysis pointed towards strong resistance among artists towards the newness.

In the social sphere artists continued with the same social practices that they had engaged in prior to the socio-economic transition. One interesting finding is that, because the culture of the governmental interventions were already clear prior to the shift, this ultimately made all of the players in the governmental sphere path dependent upon or locked-in (North, 1969) to the previous normative culture (values system), which, along with other things, was strongly promoting independency from others, i.e. clients, colleagues, experts, etc. As a consequence of this, artists became self-referential, forming their close circles and not being interested in others, which, in turn, resulted in artists distancing themselves from the broader public. This practice continued after the political rupture, and, to a certain extent, remained valid for those artists in the newly emerging art scene. Simply put, they were not familiar with any other way of doing things, and, hence, remained passive towards connecting with a new public and

instead repeated the same social convention as in the Soviet era – albeit this time they were predominantly dependent not on the state, but rather on the financial support of foreign foundation, who became the new "Maecenas" for "unconventional" art.

The dependency on such "Maecenas" figures showed in the ignoring of other possibilities to engage with a new public and new funders; there were only sporadic activities that were geared towards developing new market possibilities and broadening their audience. This dependency was strengthened by the "culture of projects" (Lavergne 2010) that these foundations promoted. This created competition between different "unconventional" art groups that was not based on concrete artistic criteria per se, but, rather, on the quality of one's personal relationships. This strengthened the fragmentation between the existing and new groups, along with their respective critics, theoreticians and audiences. This also caused marginalization within the Bulgarian visual arts scene, in that although there were several smaller sub-cultures that co-existed, they were totally indifferent to each other (Gavrilova 2005). Thus the foundations' practices also undermined the collaborative culture within the artistic community as a whole, which, according to Ostrom (2015), is of critical importance for any community's existence, especially during periods of profound change.

The study shows that the cultural valorization (in C) of new ideas and beliefs was relatively weak. Artists and critics needed to apply different valorization strategies, both in order to realise adequate interpretations about the newness of their work and to justify that this was important not only for themselves but also for others, which in so doing would convince the entire artistic community to care about these works and eventually embrace them as a new practice. However, this was failed for several reasons. First, the absence of a Bulgarian avant-garde tradition (Popov 1994), the lack of both methodological and theoretical clarity in the new genre (Mousakovva 2003) and the absence of criteria from which to judge its newness (Danailov 1994), in conjunction with the well-established consensus on the paradigm of socialist art (Stefanov 1994), prevented "unconventional" artists and their critics from gaining credibility and trust. According to the literature, credibility and trust constitutes the essence of how artists gain recognition, respectively economic benefits in the field (Bonus & Ronte 1997, Bianchi 2015). Secondly, while some artists immersed themselves in experiments with those new art forms, most artists who were working with "unconventional" art forms were to some extent "on a visit in this sphere", and, after a certain campaign or event, would invariably return to their conventional forms, while those who were committed to the new methods of expression left the country shortly after the transition to work abroad. Thirdly, the fact that the representatives of the "unconventional" art did not manage to generate a

strong common language or codes through which others could comprehend their new culture and distinguish them from their counterparts and forebearers, also impinged upon their potential to create an audience for their art. They were not able to make the audience familiar with their art, which Bourdieu (1993) argues is the essence of cultural consumption. In conjunction with this, up until the mid-1990's, the majority of those artists who made up the Bulgarian artistic community were insensitive to aesthetic platforms that lay outside of conventional doxa (Kuyumdzhieva 2005).

To summarise, the analysis suggests that despite the obvious radical changes in market and government, there is no obvious empirical evidence that this engendered a paradigm shift in the art sector. The analysis shows that there was strong resistance from the entire artistic community towards these changes, which undermined the promising potential of the newly emerged paradigm of "unconventional" art.

If we consider artistic and cultural creativity and innovation as system-related phenomena, the analysis of the complex relationships and interdependencies between individuals and their context or between agents and structures become indispensable. On one side these relationships show notable shifts of cultural and social values, and of valorization practices of individuals and of institutions. On the other, their cultural dimension can delay a paradigm shift or even prevent it from happening.

ABOUT THE AUTHOR

Lyudmila Petrova is a researcher, educator, and consultant in cultural economics. Driven by her passion for the arts and culture, she initiated and co-founded CREARE and CREARE Social. From 2009 onwards she has led a Summer School in Cultural Economics, which attracts participants from all over the world. For the past 15 years, she has taught and researched in an international environment on cultural and creative industries, cultural innovation and valorization, financing of the arts, creativity and motivation, cultural entrepreneurship, and international cultural policy. She is interested in processes of qualitative change in the arts, cultural industries and beyond, and is working on the Value-Based Approach evaluation and since 2013 leading its implementation across Europe. Over the years she has published numerous texts based on her research topics in various books and international journals, and regularly presents at international seminars and conferences. She holds a MA in cultural economics and cultural entrepreneurship from Erasmus University. She also graduated in marketing and management studies at the University of Economics Varna, Bulgaria, as well as in cultural studies at New Bulgarian University, Sofia, Bulgaria.

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