

RECESSION

From: Prof. Dr. Vanya Ivanova

Faculty of Economic and Social Sciences, Department of Economic Sciences

Scientific speciality 3.8 "Economics"

dissertation for the award of the educational and scientific degree **“PhD”**

Field of higher education: 3. Social, Economic and Legal Sciences,

professional field 3.8 "Economics",

Doctoral programme "Political Economy".

Author. ELITSA VASILEVA KANTARDZHIEVA

Topic: THE *GLOBALISATION OF THE ECONOMY AND THE INTERNATIONAL FINANCIAL INSTITUTIONS*

Scientific supervisor. Professor Daniela Bobeva-Filipova, Ph.D., Plovdiv University

1. General description of the submitted materials

By Order No. RD-22-146 of 22.01.2025 of the Rector of Plovdiv University "Paisii Hilendarski" (PU) I have been appointed as a member of the scientific jury for the procedure for the thesis defense on "*GLOBALIZATION OF ECONOMY AND INTERNATIONAL FINANCIAL INSTITUTIONS*" for the acquisition of the educational and scientific degree "Doctor" in the field of higher education 3. Social, Economic and Legal Sciences, professional field 3.8 ECONOMICS, doctoral programme Political Economy. The author of the dissertation is Elitsa Vassileva Kantardzhieva - PhD student in full-time study at the Department Economic Sciences, with scientific supervisor Prof. Dr. Daniela Bobeva.

The set of materials submitted by the PhD student on electronic media **is in** accordance with Article 36 (1) of the Regulations for the Development of the Academic Staff of PU and includes the following documents:

- a request to the Rector of PU for disclosure of the dissertation defense procedure;
- CV in European format;
- Minutes of the Departmental Council relating to the reporting of readiness for the opening of the procedure and to the preliminary discussion of the thesis;
- Dissertation;
- Author's abstract;
- list of scientific publications on the topic of the dissertation;
- copies of scientific publications;
- a declaration of originality and authenticity of the attached documents;

2. Brief biographical data about the PhD student

Elitsa Kantardzhieva is entirely a "product" of the Faculty of Economic and Social Sciences at PU "P. Hilendarski". From her Bachelor's degree in Macroeconomics, through her Master's degree in Financial Management and her studies in the PhD programme in Political Economy, she went through the full cycle of studies at the FESS. A good theoretical background, complemented by a rich and varied practical experience, especially in the field of management and implementation of European projects and programmes, allowed the PhD student to successfully pass the PhD minima exams and to complete the dissertation development in time. According to the submitted reference for fulfillment of the minimum national requirements under Article 2b, paragraphs 2 and 3 of the Academic Staff Development Act in the Republic of Bulgaria, doctoral student Elitsa Kantardzhieva has the required points for the acquisition of the educational and scientific degree "Doctor".

My personal impressions of the PhD student form an idea of an organized, disciplined, responsible colleague. She has always actively and effectively participated in the activities of the department, showing initiative and good teamwork skills.

3. General characteristics of the submitted dissertation

- *Structure, volume*

Assessment of the *topicality of the topic*: the work presented for review deals with an interesting, multifaceted and at the same time important and with undeniable relevance problem - the role of modern international financial institutions (IFIs) and the possibilities of their policies in a changing economic environment. There is no doubt that the topic is topical and significant, as the dynamic and turbulent environment, the multitude of new challenges and the changing economic relations in the global order, put on the agenda the issues of changing the current mechanisms of functioning, strengthening the adaptation processes and increasing the effectiveness of the policies implemented by financial institutions and international ones in particular. This topic has been widely analysed in the academic literature. It has been approached from different angles, and its interpretation is undoubtedly necessary in order to draw conclusions and make recommendations on overcoming obstacles and accelerating the process of adapting economic models. It can be said that these issues are of the "always topical" type and periodically come into the focus of researchers in world economics. The role and potential impact of international financial institutions is always on the agenda. The need to reform and improve the performance of these institutions is also. The dominance of the neoliberal paradigm has conditioned actions promoting free trade and international cooperation in a time of increasing globalization and openness. Today, trends of deglobalisation are putting pressure on both the behaviour and the instruments and policies offered by IFIs and necessitating a paradigm shift. This study is therefore very timely, with good potential for contribution in both scholarly and applied aspects.

The chosen topic is sufficiently broad and complex to allow for further research by the author and for his growth as a specialist in the subject under study.

The dissertation has a total length of 288 pages. It is structured in an introduction, three chapters, a conclusion, a list of references and an appendix.

The thesis includes 39 tables and 41 figures. The literature used comprises 357 titles, of which 4 are in Bulgarian and 353 in English. This is a reason to evaluate as very good the PhD student's information awareness, detailed knowledge of the functional mechanism of the international financial institutions under consideration, prior theoretical and empirical analyses on this issue.

The very structuring of the analysis in a theoretical part, descriptive analysis and accompanying correlation analysis, is in line with current trends. I find such a structure very

appropriate. It allows one to go from the general to the particular. It enables the author to defend convincingly his initial scientific hypothesis and to generate certain generalizations and conclusions.

The dissertation begins with the traditional introduction, in which the obligatory requisites such as topicality of the topic, aim and objectives, research thesis, methodology of the analysis and structure of the development are clearly and well defined.

Conclusions are presented at the end of each individual structural unit, and more general conclusions and suggestions for change are drawn in the conclusion

- *Aim, thesis, research objectives, methodology*

The research objective is formulated as the idea "to assess the ability and capacity of international financial institutions to reform themselves to meet the challenges of recent crises and related trends of deglobalization" (p.15). This objective is realised through several research tasks subordinated to proving **the working thesis** that IFIs "retain an important role in the modern financial architecture with distinct countercyclical activity and financial stability", especially in crisis periods (p.14). The methods of analysis used are appropriate, robustly applied and the results are interpreted in depth.

- *Analytical overview of the content*

Following the chosen theoretical construct, the PhD student traces in the first chapter the nature, place and role of IFIs in the context of contemporary financial architecture. The focus is on the last two decades and the relevance of these institutions in the context of contemporary crises. This theoretical part of the study outlines the main periods in the development of these institutions and seeks to relate five selected theories (Institutional Theory, Crisis Theories, Currents and Concepts of Banking and Financial Institutions, Globalization and Deglobalization Theories and Development Theories) and the role of IFIs to demonstrate the need for change and the extent to which they can be reformed.

Chapter 2 focuses on the analysis of six selected international financial institutions over the 16-year period studied, covering several significant shocks to the global economy. The quantitative analysis of certain indicators shows that innovative financial instruments have been put in place to provide greater liquidity and flexibility to support member countries both during and in the post-crisis recovery. Interesting and important conclusions are drawn about the different roles and capabilities of large and small (regional) financial institutions. Emerging small regional

institutions are more focused on fulfilling their specific mandate and are not developing new instruments to address crises.

Simultaneously with the change in the form of IFIs, a significant transformation in the policies of these institutions is taking place. According to the PhD student, they are increasingly moving away from their original foundation - the Washington Consensus and replacing the promotion of the free movement of goods, services and capital with policies tolerating the growing role of state intervention in the economy, protectionist elements in international trade (applied mainly by the Dundry countries), loosening fiscal discipline. A serious transformation in the paradigm and approach of the IFIs under consideration and the prioritization of financing projects of environmental, social and/or infrastructural importance is concluded.

The final third chapter is concerned with the types of assessments on the activities of these banking institutions. The chosen approach of internal and external evaluation is correct and allows to draw important generalizations and conclusions. For the internal assessment, return on assets (ROA) and return on equity (ROE) ratios are considered to analyse the financial position. The two key indicators are used to assess the profitability and efficiency of financial institutions.

The external assessment is taken to be, on the one hand, the assessment of the rating institutions and of the member states themselves.

4. Evaluation of the obtained scientific and applied results

The following points can be mentioned as more important scientific results and strengths of the development:

- Choosing a topical and much researched, but at the same time important for the overall international financial stability issue. The conclusions drawn about the changing role and functions of these IFIs provide further arguments in the discussion about the need for a new international financial order.
- The dissertation is distinguished by its high level of information security and its use of a wide range of theoretical and empirical sources. The author demonstrates an in-depth knowledge of both theory and in the skillful interpretation of diverse empirical information. She independently calculates multiple derivative indicators, showing considerable scope for interpretation of the results obtained. A good and methodologically sound toolkit is used, which allows the inferred relationships to be

empirically verified through descriptive analysis. The conclusions are thus substantiated as statistically valid and significant. The statistical information is reliable, which strengthens the credibility of the conclusions.

- Undoubtedly, the reading of the activity and role of international banking institutions through the prism of different theories of globalisation and regionalisation, theories of crises and development deserves a positive assessment. This makes it possible to better see and assess the adaptive capacity and flexible response of such institutions to the manifestation of various shock factors.
- An in-depth and objective analysis of the activities of six financial institutions different in nature, regional importance and scope is made and the conclusions drawn prove the change in their paradigm - from liberalisation of financial markets, initially in the era of globalisation, to increased regulation. Since the global financial crisis, they have been the basis for introducing many new regulations in all areas of financial markets.
- An important result of this study is the conclusion about the adoption of countercyclical policies by IFIs and their active participation in the post-crisis recovery, especially during the COVID pandemic.
- Another strong point of the dissertation is the assessment, based on a quantitative analysis of certain key indicators of the activity of the analysed banks, of their role in preserving financial stability, despite the transformation in approach - a decidedly more tolerant attitude towards the role of the state in the economy, encouraging countries to invest more resources, even at the cost of high budget deficits and rapidly growing public indebtedness

5. Evaluation of scientific and applied contributions

In the attached abstract, a total of 6 contributions are claimed, respectively three, distinguished as theoretical-methodological and three - practical-applied. I accept the contributions of a theoretical nature concerning the periodization and the illumination of the factors that led to a change in the nature and policies of IFIs.

I remain with reservations regarding the first of the practical and applied claimed contributions - *a proprietary approach for assessing the financial stability of I.F.I.s has been developed and applied, using mainly quantitative indicators*. There is no authorial originality

in the selected and analyzed indicators. They are traditional and widely popular indicators - return on assets (ROA) and return on equity (ROE) ratios. Rather, for me, the contribution is to prove in a convincing way the conclusion that in crisis conditions these institutions remain stable, act anti-crisis and their high ratings in times of crisis strengthen the confidence of international markets in them and make them a preferred partner .

6. Evaluation of the dissertation publications

The PhD student has attached three(3) publications, including two papers presented at national and international scientific conferences and one article published in the Scientific Proceedings of FISS, Volume 12/ 2023. This fully meets the requirements and sufficiently promotes the research.

7. Evaluation of the abstract

The abstract contains all the necessary details and has been developed at a good professional level. It reflects correctly and sufficiently the content of the thesis.

8. Critical comments, recommendations and questions

As is often the case in this kind of research, the presentation of the literature review does not sufficiently highlight the author's opinion on the theses presented. The author's critical (or consensus) opinion is not evident. What does the literature review accept and what does it not?

The work would have gained additional added value, in my opinion, if Chapter 1 had provided further arguments on the ongoing processes of deglobalisation under the influence of political and economic factors and the related adaptive capacities of the IFIs under consideration. In this way, the methodology applied to assess their capacity and capability to reform would have further supported the main objective of the thesis

Greater precision and careful editing of the text in both the thesis and the abstract would have saved some annoying technical and linguistic errors.

As a recommendation for future research in this area, I would direct the author's attention to examining the activities of these institutions in the field of sustainable development and the implementation of policies leading to sustainable development and promoting green transition.

I also have a question: does the author allow for the emergence of new international financial institutions (e.g. with regional importance within BRICS) and if so what should be expected in terms of policies and possible outcomes?

9. Conclusion

The presented dissertation is an independent, in-depth and complex scientific study on the chosen issue, which is based on the application of modern methodological approaches and in which there are clearly expressed authorial contributions. It has achieved significant theoretical-methodological and empirical results, and the formulated research thesis has been defended convincingly and argumentatively. No evidence of undue borrowing from foreign research was found.

The dissertation **contains scientific, scientific and applied results, which represent an original contribution to science** and **meet** all the requirements of the Law for the Development of Academic Staff in the Republic of Bulgaria (LADASB), the Regulations for the Implementation of the LADASRB and the relevant Regulations of PU "P. Hilendarski". The submitted materials and dissertation results are fully compliant with the specific requirements of the FISS, adopted in connection with the PU Regulations for the application of the LADASRB.

The dissertation shows that the PhD student Elitsa Vassileva Kantardzhieva possesses in-depth theoretical knowledge, demonstrating qualities and skills for independent scientific research. Due to the aforementioned, I confidently give my **positive assessment of** the conducted research, presented by the above-reviewed dissertation, abstract, achieved results and contributions, and I propose the members of the esteemed scientific jury to award Elitsa Vassileva Kantardzhieva the scientific and educational degree "Doctor" in the scientific specialty 3.8 Economics.

25 March 2025 / Sofia

Signature:

/Prof. Dr. Vanya Ivanova/