

REVIEW

**by Dr. Iskra Bogdanova Christova-Balkanska – Professor,
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(ERI BAS)**

of a dissertation for the award of the educational and scientific degree
"Doctor"

in: field of higher education - 3. Social, economic and legal sciences

professional field - 3.8. Economics

doctoral program - Political Economy

Author: Elitsa Vasileva Kantardzhieva

Topic: Globalization of the Economy and International Financial Institutions

**Scientific Supervisor: Prof. Dr. Daniela Nikolova Bobeva-Filipova – Plovdiv
University "Paisiy Hilendarski" (PU)**

1. General description of the materials presented

By order No. PD-22-146 of 22/01/2025 of the Rector of Plovdiv University "Paisiy Hilendarski" (PU), I am appointed as a member of the scientific jury for ensuring a procedure for the defense of a dissertation on the topic "Globalization of the 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 program Political Economy.

The author of the dissertation is Elitsa Vasileva Kantardzhieva - a full-time doctoral student at the Department of Economic Sciences with a scientific supervisor Prof. Dr. Daniela Nikolova Bobeva-Filipova from the PU "Paisiy Hilendarski" University.

The set of materials presented by Elitsa Kantardzhieva in electronic form is in accordance with Art. 36 (1) of the Regulations for the Development of the Academic Staff of the University, and includes the following documents:

- application to the Rector of the University of Plovdiv for the opening of the procedure for the defense of the dissertation;
- CV in European format;

- Minutes of the departmental council, related to reporting the readiness to open the procedure and preliminary discussion of the dissertation;
- Dissertation;
- Abstract;
- List of scientific publications on the topic of the dissertation;
- Copies of scientific publications;
- Declaration of originality and authenticity of the attached documents;
- Reference for minimum requirements.

The doctoral student has attached 3 publications and the dissertation. According to the Reference for minimum requirements, the doctoral student covers the required minimum and achieves 80 points.

2. Brief biographical data about the doctoral student

Elitsa Kantardzhieva was enrolled as a full-time doctoral student in March 2021 and by March 2024 she had completed the main activities of the dissertation work. In the meantime, the doctoral student's professional realization is as an associate in project implementation and preparation for application procedures for European projects and programs. The doctoral student was an intern at the ERI BAS on the topic "Financial and Economic Analysis of Companies Financed by International Financial Institutions". Currently, Elitsa Kantardzhieva continues her professional realization in the field of project preparation at the Sofia Municipality.

3. Relevance of the topic and appropriateness of the set goals and objectives

The dissertation is dedicated to a topical issue concerning the genesis and development of international financial institutions (IFIs) and the opportunities they provide for financial and economic support to the member states of these organizations. The topic chosen by the doctoral student not only sheds light on the activities of these institutions, but also traces the development of international economic and financial relations in a global perspective, especially after the unfolding of the pandemic crisis in connection with COVID 19, the war in Ukraine and political tensions in the world. Another aspect is the clarification of the extent to which such international financial structures possess internal potential for restructuring their activities depending on the changing balance of economic forces in the world. Raising the necessary financial resources to counteract the polycrises after the Global Financial Crisis (GFC) is also an important element of their activities.

4. Knowing the problem

The doctoral student has known the issue for years. The focus of the study falls on the activities and role of international financial institutions (IFIs) in the conditions of dynamically changing economic, political and financial conditions in the world in the context of globalization. The expansion of protectionist trends in trade, economics and foreign direct investment (FDI) are gradually changing the "rules of the game" in the world economy and are confronting IFIs with the dilemma of coping in the conditions of deglobalization.

The activities of IFIs in different geographical regions are highlighted, as are the differences in mandates, in the number of member countries, in the profile of this type of organizations. The essence of regional and global institutions is explained, and Bulgaria also participates in some of them, which is important. The problems of IFIs in dealing with crises are known.

5. Research methodology

The author of the dissertation uses methodologies to clarify the main thesis, to search for answers to the tasks set. In this regard, historical analytical studies, economic literature have been used. Empirical methods and statistical models have been applied - inductive, deductive method and correlation analysis, allowing for the visual presentation and confirmation of the reasons affecting the change in MFI assets.

6. Characteristics and evaluation of the dissertation work

This dissertation work contains an introduction, three chapters, a conclusion, a bibliography, a list of abbreviations used, a list of figures (41 figures) and a list of tables (39 tables). It consists of a total of 288 pages. Of these: an introduction, three chapters and a conclusion – 259 pages, a bibliography of the sources used – 22 pages and an appendix – 5 pages. The bibliography consists of 357 sources, of which 4 are in Bulgarian and 353 are in English.

In connection with the goals and objectives of the dissertation work, the author sets the following tasks for resolution. First, a review of the basic concepts that explain and relate to the essence and clarify the need for economies to establish regional and multilateral financial institutions. Second, the study of the effects of the activities of IFIs in conditions of changed trends towards deglobalization and the accumulation of crises. Third, tracking the effects of the activities of IFIs in overcoming crises and to what extent these organizations have helped to overcome them with policies and financial assistance. The structure of the dissertation is logical and analytically supports the main thesis of the study.

The first chapter, with a volume of 106 pages, concentrates on the history and evolution of the IFI. Extensive attention is paid to the historical nature of international monetary and financial regulation and the influence of these processes on the construction and nature of the IFI. This issue is studied in depth, and the reasons that

led to the need for international monetary and financial and economic communication between countries are clarified in order to overcome the deep payment imbalances and erroneous trade practices that were the basis of wars and destruction.

In historical terms, the dominance of neoliberalism is traced, on the example of the Washington Consensus, inspired by the experience of the IMF in developing countries and in Latin American countries. The main role of the IMF as an economic and financial implementer of stabilization programs in indebted countries and the conditions accompanying the provision of loans are highlighted. It is emphasized that liberalization and the change in the balance of economic forces in the world lead to the spread of the ideology, combining private entrepreneurship and social policy in one, with the withdrawal of the state from certain economic activities.

After the oil price crisis (1970s), IFIs developed as organizations that provide financial assistance but also have an impact on the economies of their members. Their essence is based on well-known theories concerning economic and financial development, the management of institutions, and the unfolding of commercial and financial globalization.

The second chapter, with a volume of 83 pages, is dedicated to the activities of international financial institutions after the Great Depression, the pandemic crisis related to COVID-19, the war in Ukraine. The main results on the activities of IFIs are based on annual financial statements, tables and graphs that illustrate the changes in the assets of these organizations over the course of nearly 20 years. The assets and activities of the International Bank for Reconstruction and Development (IBRD), the International Finance Corporation (IFC), the European Bank for Reconstruction and Development (EBRD), the Black Sea Bank for Trade and Development (BSDT), the Asian Development Bank (ADB) and the African Development Bank (AfDB) are analyzed.

The changes in their policies due to changes in international monetary, financial and economic relations are explained using the example of these financial institutions. The data presented show that these organizations have provided direct support to member countries and have had an anti-cyclical impact on the economic situation. In addition, the dynamics of world economic relations have an impact on the improvement of the tools of IFIs, depending on the immediate challenges they face. The effects of deglobalization are also reflected in the policies of the IMF and the World Bank (WB), which also adapt policies and forms of lending to resolve the most pressing crisis problems in the world economy.

The emphasis in the third chapter (49 pages) is placed on the essence of the financing of IFIs as banking institutions. The peculiarities of financing by member countries and when using financial resources from the capital market are emphasized.

The goal is the balance between attracted and spent funds and the improvement of the profitability of these institutions. Financial stability is important in the implementation of specific programs in conditions of crisis in the international economy.

The financial condition of these organizations is assessed based on quantitative indicators (assets and capital). Data are provided on the return on assets (ROA) and return on equity (ROE), which are indicators of the profitability and efficiency of IFIs. Risk management in the operational activities of IFIs is also an essential part of banking activities. When assessing the operations of IFIs, the importance of rating agencies is emphasized, especially the usefulness of information on the economic condition of member countries.

The conclusion is a summary of the results made in the dissertation work, as well as proof of the hypotheses. The special adaptability of the international monetary and financial organizations IMF and WB and the increased capabilities of IFIs to counteract crises are emphasized. The proven functionality of IFIs is an incentive for the creation of new institutions and the introduction of appropriate tools to counteract undesirable events affecting regional and international aspects.

7. Contributions and significance of the development for science and practice

- The dissertation is based on extensive economic theoretical literature, empirical data from reports and annual reports of these organizations, which allowed the doctoral student to present a study rich in facts and conclusions regarding the evolution of FIs and their role in individual regions and in international economic relations.
- It has been proven that the historical-theoretical basis of the study allows for the clarification of the essence and activities of IFIs and the development capabilities of these organizations. Their theoretical essence and evolution are intertwined with the prevailing neoliberal paradigm and the roots of their adaptability are explained when significant changes occur in the balance of economic forces in the world.
- It is emphasized that IFIs continue to defend their core business, namely, promoting international cooperation, banking practices and risk aversion. As institutions established to safeguard global sustainable development goals, this activity has been repeatedly proven during financial and political turmoil and demonstrated by empirical data.
- The multifaceted activities of IFIs in a transitional period, when their neoliberal nature and toolkit cannot serve the objectives that IFIs pursue, are explained. It is emphasized how their adaptability finds expression in elevating the role of

state institutions in times of crisis, which is of particular importance for the indebted country (mainly from the developing world).

- A certain contribution of the dissertation work is the clarification of the policies of IFIs in the period of expansion of protectionist trends in international trade and payments, which some authors classify as deglobalization. The fact is that IFIs are increasingly reorienting the ideology of sustainable development towards policies for the promotion of small and medium-sized enterprises (SMEs), projects in agriculture, green energy, etc.
- The reasons for the reorientation of the ideology of providing external financial assistance are clarified, especially during the COVID 19 pandemic crisis and the increase in the debts of a number of countries, which determines the massive financing of public projects and the coverage of various payments, which inevitably affects the state of the external debt of highly indebted countries. It is emphasized that the role of IFIs as financing institutions in different regions of the world has a contradictory effect on the economic state of the indebted countries.
- An interesting point is the experience of IFIs in assisting with the taxation of multinational companies.
- A complete information base is provided regarding the development of IFIs' payment relations, which are illustrated with tables, graphs and other data.
- The study has scientific and scientific-practical qualities and definitely complements economic knowledge in the field of international monetary and financial relations in a regional and international context.

8. Assessment of dissertation publications

The doctoral student has published 2 articles, which were presented in the form of reports at 2 conferences and 1 article, published in a collection of the University of Plovdiv. The first article – “Bulgaria and the Covid 19 crisis” was published in a publication of VUZF and its content coincides with the main concepts underlying the dissertation. The second article – “International financial institution: an opportunity to prompt the Green Transition in Bulgaria” is a publication of the University of Plovdiv. The third article is “When international financial institutions switched to neoliberalism”. All three publications are on the issues of the dissertation. The publications meet the requirements.

9. Abstract

The abstract is prepared based on the dissertation work. It contains the main thesis, hypotheses and tasks to which the research seeks an answer. It is written clearly and according to the requirements of the Plovdiv University.

10. Critical remarks, recommendations and questions

The recommendations made do not contradict my already expressed opinion:

The first chapter is significantly longer than the following parts of the dissertation. In the event of publication, and I recommend such, the author may, at his discretion, introduce some balancing. Highlighting the main stages of change in the IFI policy would contribute to a more complete clarification of the main thesis of the dissertation.

I ask the doctoral student the following questions?

During the pandemic crisis, developed countries had sufficient potential to support the economy, unlike developing countries. Do IFIs contribute to an increase in debt?

Will the change in the neoliberal paradigm in the world economy currently lead to a deepening of deglobalization and in what way will IFIs develop the tools and policies in the near future?

CONCLUSION

The dissertation work *contains scientific, scientifically applied and applied results, which represent an original contribution to the science* and practice of international economics. The results obtained meet all the requirements of the Law on the Development of the Academic Staff in the Republic of Bulgaria (ZRASRB), the Regulations for the Implementation of ZRASRB and the relevant Regulations of the PU "Paisii Hilendarsky".

The dissertation work shows that the doctoral student **Elitsa Vasileva Kantardzhieva** possesses in-depth theoretical knowledge and professional skills in the scientific specialty 3.8. Economics. She has demonstrated qualities and skills for independent conduct of scientific research.

Due to the above, I confidently give **my positive assessment** of the conducted research, presented by the above-reviewed dissertation, abstract, achieved results and contributions, and *I propose to the esteemed scientific jury to award the educational and scientific degree "doctor"* to Elitsa Vasileva Kantardzhieva in the field of higher education: professional field 3. Social, economic and legal sciences doctoral program Political Economy.

17.03. 2025

Sofia

Reviewer:

Prof. Dr. Iskra Christova-Balkanska