

R E V I E W

by prof. Tsvetan Iliev, PhD

of the dissertation work for acquisition of the scientific degree „Doctor of Sciences “in the field of higher education: 3. Social, business and legal sciences.

Professional field: 3.8 Economics.

Author: prof. Julia Georgieva Dobрева

Topic: Global, regional and national dimensions of social inequalities

1. General presentation of the received materials

The review was prepared on the basis of Order 698/16.12.2024 of the rector of the University of Insurance and Finance (VUZF) – Prof Boris Velchev, in accordance with Art. 13 of the Law of the Development of Academic Staff in the Republic of Bulgaria and Art. 40(1) and Art. 41 of the Regulations for its application. The documentation submitted to me for the competition includes: dissertation work, self-abstract, list of scientific publications for participation in the procedure, reference for the implementation of the scientific requirements, CV and reference with the scientific contributions. In compliance with the requirements of Art. 12 of the LDASRB, there is evidence that the candidate for the procedure prof. Julia Dobрева has a PhD Degree, she has submitted a dissertation work on the topic “**Global, regional and national dimensions of social inequalities**”, which meets the minimum national requirements of Art. 2b(2) and (3) of the same law, as well as Art 37 of the law for its application. This gives me reason to indicate that the legal requirements for admission to participation in the procedure for the protection of the dissertation work for the award of the degree “Doctor of Sciences” to prof. Julia Dobрева have been met.

2. Brief biographical information about the candidate

Prof. Julia Georgieva Dobрева was born on 16.07.1978 in Ispirih. In 2001 she graduated with Bachelor’s Degree in English Philology from Sofia University “St. Kliment Ohridski”, then in 2002 she obtained a Master’s degree in “British and American Literature and Culture” at the same university. Since 2005 she has received a Master’s degree in “Business management” from Sofia University “St. Kliment Ohridski”. In 2011 she obtained a PhD degree in specialty 3.8 Economics (Political economy), successfully defending a dissertation on the topic: “Optimizational moderation in the study of sustainable development” (Diploma of Sofia University 35-2011, published on 20.12.2011).

The candidate in the competition Julia Dobрева began her professional development in 2000 as an expert and chief expert and chief expert in “State Fund “Agriculture”- Payment Agency”, where she worked as a specialist and chief expert in the Corporate banking directorate of Central Cooperative Bank AD. From December 2017 to June 2028, she continued professional development at Commercial Bank D AD as a “Shareholder Advisor” and from June 2018 until now she has held the position of “Head of Corporate Banking” at the same bank.

Prof. Julia Dobрева’s academic career began in 2012, initially as an honorary assistant and later as a chief assistant at VUZF. In the period 2016-2021, she held the academic position of “Associate Professor” in “Economics (Sustainable development)”, and from September 2021 until now she has held the academic position as Professor at VUZF until now. In parallel with the academic position the candidate in the competition also has administrative commitments as a director of the “Economics department” at VUZF.

From 2013 to 2024, Prof. Julia Dobрева, PhD participated in the development and implementation of many scientific projects financed by ESI and national sources.

3. Topicality of the topic and appropriateness of the set goals and tasks

The chosen research area can be described as particularly relevant event today, despite the technological level of development of socio-economic processes. Despite the growth of the productive opportunities and unprecedented scientific advances, countries still fail to solve one of the most pressing contemporary problems, the relations of which can be traced at various levels, namely social inequality. As the author rightly notes at the beginning of her dissertation work, inequality should be perceived not only in terms of its income dimensions, but also in terms of the opportunities to ensure a certain pattern of life and development of each member of society today. In this sense, income inequality is a significant problem for both developed and developing countries because its high levels reflect the fact that there are more poor at a certain median income level. It also means that the poor will benefit relatively less from economic growth than in a society with a higher degree of equality. Moreover, although the thesis focuses on economic inequalities in society, inequality matters beyond its impact on poverty. It reflects on opportunities and access to social services such as healthcare and education, as well on deepening the gender gap in socio-economic life.

In the study of such a topical problem, prof. Dobрева **aims** in her dissertation to make an in-depth study of the contemporary characteristics of global, regional and national socio-economic inequalities. The **object** of the study is income inequalities and the trends in income inequalities in different regions and the possibilities for their comparison with dimensions of socio-economic inequalities in Bulgaria, as the **subject** of the study, are covered.

In view of the purpose, object and subject, the candidate under the procedure sets herself the following **research tasks**:

1. To make a theoretical review of the main terms and indicators measuring inequality and their application.
2. Examine the relationship between inequality and economic growth.

3. To analyze how through innovation and creative destruction, through highly productive investments, income inequalities can be overcome in conditions of financial and economic crises and transitions in economies.
4. To trace the manifestation of inequality in different regions of world (Asia, Africa, Latin America), noting its distinctive characteristics.
5. To highlight the specifics of inequality in Europe, comparable to inequality in a leading economy such as the United States.
6. To make an analysis of inequality in Bulgaria in the context of the region, outlining the trends for the period 2000-2022, and to propose ways to reduce it in the future.

I consider that the tasks formulated in this way fully support the achievement of the aim of the thesis and the proof of the thesis: inequalities on a global, regional and national scale are caused by region-specific factors with economic, social and political origin. To defend her author's position, Prof. Dobreva tested two hypotheses: 1) Different crises and changes in economic models contribute to the deepening of inequalities; 2) Overcoming inequalities is an achievable goal if all institutional mechanisms are engaged, by strengthening the policy of promoting innovation and directing financing towards highly productive investments.

4. Knowledge of the problem

For the in-depth knowledge of the problem, there is a lot of evidence in the dissertation research presented by prof. Dobreva. In particular, I believe that this is evident from the choice of methodological approach. It covers the main trends and factors contributing to socio-economic inequalities at the global, regional and national levels. By applying the methods of synthesis, induction and deduction, attention is directed to the indicators of inequality and the main trends and factors, which contribute to the unequal distribution of income, are interpreted. The applied methodology of the study uses the Eurostat database for the Gini index, as well as the income polarization measured by the quintile S80/S20. Also of interest is the innovative comparison between countries on a regional basis, in which similarities in the development of economic and social processes were identified. In the last part, factors that contributed to the respective values of the Gini index and S80/S20 were identified, among them: level of education, social transfers, tax policy, labor force participation and the role of highly skilled labor and gender pay gap

5. Methodology of the research

I consider the methodology applied to achieve the objective, to prove the thesis and to test the hypotheses to be completely adequate and allow the generation of research results. It is worth noting that in addition to traditional methods, specific ones have been applied, which make it possible to shed more light on the problem under consideration.

6. Characteristics and evaluation of the dissertation work

The thesis presented by prof. Julia Dobрева has a total volume of 208 standard pages and from a content point of view corresponds to the subject, object and purpose of the research. Structurally, it consists of: introduction, presentation in three chapters, conclusion and bibliographical reference, including 137 sources in English.

Chapter One of the dissertation begins with a detailed presentation and assessment of the scope and capabilities of the known – from a theoretical and practical-applied perspective – indicators for measuring inequality. These are the Gini index, developed on the basis of the Lorenz curve and the Teil index. An evaluative concept was used for both, identifying their advantages and disadvantages. Particular attention is paid to the author's distinction between the categories “social inequality” and “poverty”, which are often confused by researchers. To outline the differences between them, prof. Dobрева takes into account a considerable volume of factual material and studies by many world-renowned researchers. In this regard, she gives her understanding, which is further explained in the chapter.

Another important distinction introduced by the author is between the categories of “equality” and “equality of rights.” As a result of its clarification of p.15, it is concluded that “equality can only be achieved by distributing equally to all, but by creating conditions for the equal participation of individuals and ensuring fair opportunities for their development”.

An essential point in the presentation of Chapter One, which must necessarily be taken into account, is the approach applied by the author to identify the main components of inequality found in the ability to meet human needs. In this regard, a number of social indicators of needs – universal basic income and physical quality of life index – were identified and analyzed. Dynamic rows of data for many countries from different regions of the world were used to assess their capabilities, which are a serious prerequisite for the credibility of the conclusions.

From a research point of view, important for me is the theoretical foundation that prof. Dobрева uses to analyze and evaluate possible solutions to the problem of social inequality/ attention is paid to the ideas of D. Ricardo on the distribution of income and the opportunities for growth, the ideas of K. Marx on the origin of economic inequality in the genesis of capitalism, the neoclassical theory with its model of surplus labor with the development of the NTP and the concept of Y. Schumpeter on creative destruction as a prerequisite for transforming the economic structure of production and achieving growth. In reviewing the individual concepts and ideas, prof. Dobрева demonstrates critical view of the possibilities for fully explaining the causes of inequality and for finding ways to overcome it.

What was presented in Chapter One allowed the author to draw a number of important conclusions.

Chapter Two of the dissertation has directed the author's efforts to establish the specifics of the global and regional conditions of economic development, which are a prerequisite for the emergence and retention of a certain level of social inequality. For this purpose, the starting point of the study is the establishment of the essential characteristics of the concept of “inequality”. The political and economic point of view for its definition are taken into account. In this way, the relationship between the social and economic prerequisite for the emergence of inequality is sought. To shape her review on the issue, prof. Dobрева

draws on the opinions of numerous world-renowned researchers on the problem of unequal distribution of opportunities and the results of economic development of countries at the global and regional level.

One axis on which the global and regional characteristics of social inequality are analyzed is developed-developing countries. Another axis of interpretation and analysis of the problem is the comparison between Europe and the US. Analyzing a substantial body of data on Europe, the author concludes that the level and development of income inequality in Europe is due to what happens within individual countries rather than differences in average living standards or macroeconomic growth rates between countries. It also highlights that there are several driving factors that need to be addressed as drivers of growing market inequalities in Europe and the US. Aggregate demand and the labor market have an important influence. Low labor force participation rates, persistently high unemployment especially among young people, weakening of social protections and stagnant productivity lead to lower incomes across the life cycle of people, with poor households most affected.

Chapter Two analyses the factors and conditions that lead to social inequalities in Asia, looking for opportunities in income and economic opportunities. A large set of statistical information on individual countries, especially those from Southeast Asia, was used for this purpose. On this basis, the prospects for reducing inequalities are outlined – sustaining high economic growth, promoting social inclusion, creating social safety nets, developing and implementing better targeted fiscal instruments and stimulating good governance practices and stable institutional functioning.

In order to outline the regional determinants of social inequality, the same approach has been applied to African countries. It is worth noting that inequality in Africa has very complex characteristics and is due to a number of factors, including political instability, poor institutional functioning and climate change. One of the main causes of inequality in Africa, according to prof. Dobрева. One is the existence of sectoral imbalances, i.e. the predominance of economies. Another is related to climate change. At the same time, industry and services are under-developed and present only in developed regions where access to resources creates the necessary environment for industrial growth. A third major cause of inequality is institutional weakness, high levels of corruption and negative experiences of functioning. Regarding income distribution as a prerequisite for achieving inequality, the author identifies a serious polarization. As for identifying inequality through its regional characteristics, it is mostly the fact that agriculture is a major source of income and a predominant economic sector in the economic structure of economies.

A similar analytical approach prof. Dobрева also applies in determining the sources of inequality in the countries of South America. On the basis of the analyzed data, it is found that the countries of Sub-Saharan Africa and South America are characterized by the most severe income polarization. The reasons for this situation are identical for both regions. Regarding the situation in Latin America, it is concluded that income inequality follows the trends of the development of the world economy, but also highly dependent on public policies, as well as on the reforms of the institutions responsible for the sustainability of the social sector. Among the main drivers of inequality in this region, prof. Dobрева highlights the sources of income. Most important among them are wages. The trend of change in them follows the global trend and leads to a reduction in inequality, in parallel with an increase in the

educational level of the workforce. Thus, education is established as an important factor in solving in social problems.

In the assessment of global and regional trends in social inequality, special attention is paid in Chapter Two to the impact of the Covid-19 pandemic on socio-economic processes.

On the basis of what is presented in this chapter, the author makes some important conclusions, in my opinion, which are even useful in researching the causes and possibilities for overcoming social inequality.

Chapter Three of the dissertation continues the line of assessment of social inequality at global and regional level, but already exposed at the level of socio-economic processes in Bulgaria. Here, the author argues that income inequality in our country is a consequence of the dynamic changes in the last 30 years as a result of the socio-economic development of the country especially the difficult transition from a planned economy in the 1990s to an open market economy today. One of the main causes of inequality in Bulgaria is the unjust distribution of income and wealth. At the same time, it is noted that inequality in Bulgaria is not as polarized as in the countries of Africa and South America. One major factor contribution to the lower inequality is economic growth combined with high-quality education and an effective tax system to ensure state social transfers. With the importance of factors that would cause growth of social inequality in the future, were taken into account: demographic trends, the effectiveness of public administration, the green transition, digitalization, overcoming the consequences of Covid-19 crisis, as well as those of the unfolding inflation since 2022. As a negative trend, the effect of these factors has been taken into account the increasing value of the Gini coefficient relative to the European average in recent years. Another worrying indicator of increasing inequality is the growing gap between the incomes of the richest and poorest Bulgarians. According to the author, it is larger than in many countries in the EU and in the Balkans.

Interpreted by prof. Dobreva, good statistics have given her the opportunity to draw some serious conclusions about the causes of social inequality in our country, but also about the possibilities of reducing it.

In conclusion of the dissertation, the most important conclusions are deduced and summarized and recommendations are made for overcoming social inequality, which could serve for the formation of effective policies not only in Bulgaria, but also at the world level.

7. Contributions and significance of development for science and practice

In my opinion, the six scientific contributions mentioned in the reference correspond to what was requested in the dissertation thesis. I consider them to be an entirely authorial achievement. The first three are theoretical-methodological in nature and the next three are practical and applied.

8. Assessment of the publications on the dissertation work

The scientific publications on the topic of the dissertation work, in which the ideas of the author are popularized also speak of a well-formed research perspective. For her participation in the procedure, prof. Dobрева has indicated a total of 11 publications, including a chapter in a collective monograph, one study, 6 articles and 3 reports from international conferences in peer-reviewed non-refereed scientific publications. The studies and one of the reports are in Bulgarian and the rest are in English. All publications are related to the topic of the thesis work and have found a place on the pages of prestigious Bulgarian and foreign publications.

9. Assessment of compliance with minimum national requirements

On the basis of the reference provided to me in the candidate's documents, I confirm that the author's research work meets the requirements of the procedure for obtaining a scientific degree "Doctor of Science"

10. Personal involvement of the candidate

I accept what is presented in the dissertation research and the candidate's publications as entirely authorial achievement, the fruit of her research efforts and scientific pursuits. In evaluating the dissertation, I have not established any practices of plagiarism. The information presented in the research is correctly presented and sources are cited according to established professional standards.

11. Abstract

The abstract has been developed as required and has all the necessary for such a development. It fully reflects the structure and content of the dissertation and is in volume of 64 standard pages.

12. Critical remarks and recommendations

Like any such development, the dissertation presented by Julia Dobрева, PhD has some shortcoming. They do not belittle the achievements and do not question the theoretical-methodological and practical nature of the contributions. I have no critical notes.

13. Personal impressions

I know prof. Dobрева, PhD and based on my personal impressions of her, I can say that she is well-built researchers with her own scientific approach and style, facing serious challenges in under-researched subject areas of the socio-economic field. In preparing my review, I have been guided only by what is presented in the dissertation work and publications.

14. Recommendations for future use of dissertation contributions and results

My recommendation is that she continues to boldly deepen his scientific research on such a significant problem as social inequality.

CONCLUSION

In conclusion, I consider that prof. Julia Dobрева, PhD meets the scientific and legal requirements for awarding a scientific degree “Doctor of Sciences” in the Field of Higher Education 3. Social, business and legal sciences, professional field 3.8 Economics and possesses the necessary professional and personal qualities. Therefore, I confidently **give my positive assessment** for the conducted research, presented by the above reviewed dissertation work, abstract, achieved results and contributions, and I propose to the venerable scientific jury to award a scientific degree “Doctor of Science” to prof. Julia Dobрева, PhD.

Date: 10.02.2025

Signature:



/Prof. Tsvetan Iliev, PhD/