

**SOFIA UNIVERSITY ST. KLIMENT OHRIDSKI  
FACULTY OF ECONOMICS AND BUSINESS ADMINISTRATION**

**O P I N I O N**

**Of:** Associate Professor Milena Blagoeva Angelova, PhD  
Economic Research Institute, Bulgarian Academy of Sciences,  
professional direction „3.8 Economy“

**Regarding:** PhD thesis for granting educational and scientific degree “PhD”,  
professional direction „3.8 Economics“, Faculty of Economics and Business  
Administration, Sofia University St. Kliment Ohridski

**Author:** Lilyiana Vesselinova Georgieva

**Theme:** Grey economy in Bulgaria in comparative plan

**Basis for presenting the opinion:** As part of the Scientific jury regarding the  
PhD thesis defence of Lilyiana Vesselinova Georgieva, as per order ПД 38-  
282/03.06.2024 of the Rector of Sofia University St. Kliment Ohridski and the  
Minutes 1/11.06.2024 from the Scientific jury meeting

**The Author**

Lilyiana Vesselinova Georgieva is a part-time lecturer in Department  
“Economics“, Faculty of Economics and Business Administration, Sofia  
University St. Kliment Ohridski. She’s been following a PhD student program  
there, professional direction „3.8 Economy“.

**1. PhD thesis gist**

Certainly, the chosen topic is suitable to be developed in a PhD thesis,  
and it is meaningful and contemporary. Because the grey economy is a steady  
economic phenomenon that persists in any national economy around the world,  
irrespective the scope and type of the plethora of measures undertaken to limit

and prevent it. Likewise, grey economy is a permanent and stable element also of the Bulgarian economy, where it keeps its relatively significant share and is evolving and developing in time following the socio-economic trends. These facts, coupled with the negative effects of the grey economy, pose certain challenges and requests to economic theory and practice, as to study this phenomenon and to construct system to measure and tools to limit it.

The overall scope of the thesis is 300 pages. It is well structured in introduction, four chapters with paras and sub-paras, and conclusion – altogether 169 pages. Further, there are also: literature (21 pages) – 269 sources in total, of which 19 in Bulgarian, 245 in English and 6 in Russian language, and 100 pages of annexes. All parts are interlinked and well-balanced. The presentation is consecutive, without deviations, to which also contribute: the precise definition of the object, goal and scientific tasks of the research; the well-chosen and applied system of methods; precisely drawn limitations; good formulation of the research thesis and respective hypothesis; the wide literature basis.

## **2. Assessment of the scientific and scientifically applicable results**

Reading the PhD thesis crates an impression of a holistic, genuine and accomplished scientific research. The thesis analyses in a comprehensive and exhaustive manner not only the grey economy in Bulgaria and its special characteristics, but also compares it with EU, Eurozone and some particular member states. Using appropriate statistical methods, the author thoroughly examines tax moral and tax behaviour as factors determining the existence, size and characteristics of the grey economy. Her position is well-expressed and her conclusions – well formulated and grounded.

The author's main achievement can be found in:

**Firstly**, studying the main theoretical and methodological aspects of the grey economy and of tax moral. Appropriate working definitions are offered. The two aspects of the motivation for participating in grey practices are distinct, as well as the main groups of methods and models that allow to evaluate its size and *raison-d'être*. Tax moral indicator is constructed and

regression analysis is used to calculate the relations between its value and the values of the different factors analysed.

**Secondly**, ranking Bulgaria amongst other specifically chosen countries and regions on the basis of comparing main grey economy indicators and the feeling for it that the interviewed respondents express. The most affected sectors of the Bulgarian economy are identified, as well as the economic activities, goods and services that are exposed the most to grey practices. Similarities and differences are drawn between Bulgaria and the referent countries and regions chosen for comparison – both regarding the different aspects of the grey economy and the feeling about it.

**Thirdly**, identifying the quantitative relations between tax moral and tax behaviour and examining them through regression models at three levels, as well as the significance and influence that many factors exercise on them, including some side factors such as side of the employer.

**Fourthly**, identifying and analysing the similarities and differences in tax molar indicator of tax moral of the chosen reference objects for comparison – as a whole and regarding different social groups, formed by using 12 socio-economic criteria. Important relations between tax behaviour and tax moral are revealed, including for different groups of economic agents.

### **3. Evaluation of the scientific and scientifically applicable contributions**

The above characteristics and achievements of the PhD thesis define the main scientific and scientifically applicable contributions of the research, which are correctly formulated in the authors' essay. They can be summarized as follows:

1. On the basis of suggesting relevant for the research definitions of terms “grey economy” and “tax moral”, the significant factors and grey practices are defined, that affects the shadow economy and tax moral. Their impact and behaviour are further analysed.

2. The main significant characteristics of the grey economy are identified for all objects chosen for comparative analysis. On this basis, similarities and differences between them are indicated and studied.

3. The importance of the relation “tax moral – tax behaviour” is identified and studied, as well as their importance as factors affecting the grey economy.

4. Tax moral indicator is constructed and by applying regression models, the relationships and impacts of significant set of factors and grey practices is studied, including by social groups, defined on the basis of 12 socio-demographic and socio-economic criteria. As a result, important similarities and differences are revealed for the objects that are compared.

### **5. Evaluation of the publications based on the PhD thesis**

The research results and the scientific and scientifically applicable contributions of the PhD thesis are publicised by the author within the specialised scientific and professional audience through number of publication and participation in scientific fora, such as – co-author in a monography, 8 own and in partnership scientific articles and a report and 8 participations in scientific fora with scientific announcements, posters, presentations, etc.

### **6. Evaluation of the author’s essay**

In total of 50 pages, the author’s essay reflects the structure, content, specificities, conclusions, achievements and contributions of the PhD thesis in a precise and correct manner.

### **7. Observations, recommendations and questions**

I do not have any critical comments regarding the PhD thesis and the author’s essay. While they do not undermine or blur the clearly important achievements and contributions of the work, some minor technical precisions can better the text, e.g.:

1. The author’s essay omits the relevant numbering of para 3.1. in Chapter 3.

2. Perhaps the scientific contributions in the author’s reference could be better perceived if they are presented more concise, because in their current form some identified, measured and proven impacts of important factors of tax moral, consecutively on grey economy are a bit blurred.

3. I would suggest to the author in her future studies to consider using the regression models that are proven to be effective in order to identify and exhibit the quantitative impacts of the analysed factors and grey practices on the grey economy and tax moral and its indicator, and to range them on this basis.

4. Future research avenues of the author may consider focusing on potential relations and dependencies, including by possibly measuring their significance and directions, between tax moral and indicators such as: tax system, share of GDP redistribution via the budget, public services quality and accessibility, etc.

### **8. Conclusion**

I do support to grant the educational and scientific degree “PhD”, professional direction „3.8 Economics“ to Lilyiana Vesselinova Georgieva and I hope that such a view could also be a consensual one for the Scientific jury as a whole, so that we can vote on granting the educational and scientific degree “PhD”, professional direction „3.8 Economics“ to Lilyiana Vesselinova Georgieva.

13.08.2024  
Sofia

Signed:



(ass. prof. M. Angelova)