

REVIEW

of the dissertation work for the award of the educational and scientific degree "Doctor" in sphere of higher education 3. Economic, social and legal sciences, professional field 3.8 Economics, scientific specialty Economics and Management (Agriculture)

Author of the dissertation work: Ivanka Dimitrova Dimitrova, full-time doctoral student at the Department of Economics at the Agricultural University, Plovdiv

Topic of the dissertation: Institutional problems and challenges of tour operator and agent activities

Reviewer: Prof. Plamena Georgieva Yovchevska, Dsc, Institute of Agricultural Economics - Sofia, Agricultural Academy, 3. Social, Economic and Legal Sciences, 3.8. Economics, Economics and Management (Agriculture), appointed as a member of the scientific jury by order No. RD-16-1430/20.12.2024 of the Rector of the AU.

1. Brief presentation of the doctoral student.

After studying at NBU during the period 1996-2001, specialty Economics and Business Administration with a specialization Management in the Tourism Business, Ivanka Dimitrova acquired the educational and qualification degree of Bachelor of Science. After studying at the Agricultural University of Plovdiv, specialty Tourism Management, in 2014 Ivanka Dimitrova received a Master's degree. On 17th January 2019, she was enrolled as a full-time doctoral student in the Department of Economics with scientific supervisor Assoc. Prof. Dr. Minko Georgiev. Doctoral student Dimitrova had extensive work experience working with people in various positions, which helped her to develop as an expert in the field of her acquired educational qualification. Her rich experience in the field of tourism was a reliable basis for working out a dissertation research. This allowed Ivanka Dimitrova, while fulfilling her professional commitments, to define a research question that had grown into a dissertation.

2. Timeliness of the problem

Macrosocial transformation changes the economic system of societies. During the transition from a planned to a market economy, the economic situation in our country is transformed. New institutions are emerging, a process from which a number of challenges arise for tour operator and travel agent activities/business, which after Bulgaria's accession to the European Economic Area grow institutional problems.

3. Purpose, tasks, hypotheses and research methods.

The purpose of the dissertation research is to identify and assess legal, economic and organizational problems in the tour operator (TO) and travel agent (TA) sector. The subject is defined in the field of "public relations relevant to institutions", the structure of organizations, participants in the processes in the TO and TA sector, the effects related

to the costs incurred by them and some forms of unjustified benefit-seeking, known as "rent-seeking". The object is the reproduction/activity of TOs and TAs and their related organizations. The tasks are relevant to the research objectives and are oriented towards: A critical review of the essence of institutional problems in the context of NIE as a scientific discipline that joins the economics of social and legal norms related to economic activity; Adapted methodology for analyzing the functioning of TOs and TAs for a 10-year period; Analysis of institutions, research of the structure and processes in TO and agent activities, definition of TAs and risk assessment; Determining transaction costs and other non-market effects; Changes to improve TO and TA activities.

The author formulates one main hypothesis: "The institutional impact on the tourism and travel agency sector often leads to increased administrative and operational costs, which in turn stimulates the process of rent seeking" and four additional ones covering/detailing the goal setting in the author's research, divided into two groups.

The methods have been tested and applied depending on the empirical evidence used and the needs of the analysis.

4. Visualization and presentation of the results obtained.

The dissertation work is developed in a classical structure, including an introduction, four chapters, conclusions, recommendations, and a bibliography. The research was completed in a volume of 191 standard pages. The visualization is presented in 15 tables and 24 figures. The chosen structure and method of visualizing the research allows the doctoral student to present the results of the research in a way that is accessible to readers. In the first chapter, the doctoral student presents theoretical directions, research schools and authors whose works reveal/show the genesis and development of the neoclassical school and the main components of the concept of the NIE. The richness of the critical literature review is a reliable basis for the development of the second chapter, organized around the choice of a methodological approach for the analysis of TO and TA activity in Bulgaria. The author presents the analytical framework and hypotheses, three, organized around the factor "rent seeking". Discrete-structural analysis is presented, variables, transaction costs, benchmarking in tourism, rent seeking, etc. are presented. The third chapter of the dissertation is the structure of the study, analyzing institutional problems at the macro, meso and micro levels, changes in formal institutions and mechanisms, the distribution of financial support, institutional and technological processes and problems, costs of services, travel costs relative to the number of travel agencies, risks in intermediation in the activity, nature of the activity, dynamics, actors, rent seeking, risk in TO and TA, characteristics of transaction costs, starting and ending an activity, analysis of hypotheses. The fourth chapter contains six recommendations for improving the activities of TO organizations and TAs.

5. Discussion of the results and literature used.

Modern theoretical schools are carriers of a quintessence created over the millennia of scientific development. The critical reading of the rich set of literature used by the author in the first chapter brings out a number of examples in confirmation of this statement and is the result of her attempt to highlight the logic of the study. Mrs. Dimitrova refers to the philosophy of Giovanni Battista Vico (1668-1774) (influenced by Plato), of Thorstein Veblen (1857-1929), of the dissertation "Risk, Uncertainty and Profit" by Frank Knight

(1885-1972), which had a strong influence on the growth of Ronald Coase (1910-2013), who received the Nobel Prize for deducing the importance of transaction costs and the role of property rights. In the literature review, the doctoral student shares theoretical ideas of authors who believe that taking into account institutional changes in economic analyses is imperative for objectivity. Douglas Nord (1920-2015), as a long-time lecturer in the history of economic thought, contributed to the development of the NIE and in 1993 was awarded the Nobel Prize. In 1997, Coase, Nord, and Oliver Williamson (1932-2020) were among the founders of the International Society for Research in Institutionalism as a recognized need for theoretical expertise to be useful to the networked society of institutionalists. If individuals rationally assess opportunities, economic structures in all societies will be productive and efficient. The phenomenon of century-long or decade-long economic decline of nations and states provokes questions, the answers to which we find in analyzing the impact of the factors "property rights", "transaction costs", public choice, rent seeking, etc. In this sense, the doctoral student refers to Williamson's finding that the contract is the most important institution and, in this capacity, is the foundation for the coordination/management structure. Coordination in the economy is built on mutuality/cooperation, in this regard, the doctoral student correctly derives the creation of value from the distribution of property rights, transaction costs, the presence of information asymmetry, and rent seeking in TO and TA activities. From the point of view of management theory, the specifics of the macro, meso and micro institutional levels are skillfully identified.

The critical reading of works by authors who lived in different societies, elements of whose work are fundamental to the concept of institutionalism, on the one hand, and the expertise of the doctoral student, the ability to formulate the research question, to shape the goals of the dissertation thesis, on the other hand, form the peculiar coordinate system in which the methodological tools of the dissertation are presented. I believe that the logic of deriving the work process when performing tasks motivated the author's decision to formulate the main and four additional hypotheses in the second chapter. The derivation of the analytical part of the study confirms the rationality of embedding the hypotheses in the methodological part of the dissertation, and this decision, in itself, is also loaded with methodological connotations. The complex relationship between economic activity, economic science, and economic theory is captured. The choice of variables, the method of measuring transaction costs, the review of regulations and the role of the benchmark in the tourism activities of organizations and agencies, imply the registration of some of the "bottlenecks" in the sector. The doctoral student focuses rent seeking on the potential of the systemic relationship: the dynamics in legislation, the resulting changes in the market, followed by adaptation of the activities of agents in the tourism business. Comparative analysis of rent seeking has potential and could be expertly used to assist in shaping strategic decisions and improving operations in the sector with a view to expanding TOTA business's participation in value creation.

The presented data on the GVA created by tourism in countries from different continents and types of economic systems introduce the institutionalization of the role of intermediation in the sector. Its supporting role is not limited to logistics, tour guiding, and translation services. Creating employment, strengthening the local economy, producing and processing local products, organizing animations, and maintaining traditions is a way to bring informal institutional norms "into circulation" and embed them in the economic system. These are probably processes that have been registered in our northern neighbor. In the pandemic environment, the trend in the creation of GVA is relatively stable. The doctoral student expertly evaluates the system in TOTA business by deriving

changes caused by the dynamics in technologies, the common European Economic Space, changes in legislation and the accompanying regulatory change, the pandemic, the crisis with Ukraine, separately and jointly create instability in the institutional environment with an impact on the economic situation. Rent-seeking, changes in transactions, in the number of subjects, trends in opening and closing companies, information asymmetries, broken connections are not able to be recovered by the intended financial support, which is distributed asymmetrically towards small businesses and does not neutralize institutional "shocks". A specific case of introducing uncertainty into the environment is Regulation No. 18 of December 13th 2006 on registering and reporting sales in retail outlets through fiscal devices, the requirements for the software for their management and the requirements for persons who make sales through an electronic store. By 2021, the point-of-sale management software underwent 34 changes. The institutional stress of on the average two amendments introduced annually makes communication with the revenue agency difficult, leads to bankruptcy of small companies in TOTA business and goes to litigation. The regulation was repealed by the court on the grounds that "serious violations of administrative procedures were committed when introducing amendments to the regulation" and that substantive law was violated (p. 103). The dozens of changes in the Commercial Law and the Electronic Communications Law have also been correctly identified as aggravating factors for management structures. From 2008 to 2019, the number of changes affecting government structures doubled. The dynamics and imprecisely oriented institutional change adversely affect the economic results of TOTA business's operation, as well as the operating agents. For a 15-year period from 2005 to 2020, a significant decline in registration and an increase in the closure of TO and TA has been recorded. At the end of the observed period, 200 companies were newly opened, and 120 ceased operations (p. 130, Fig. 16), besides the costs of terminating the activity exceeding the costs of starting the activity. The results of a study conducted with the author's participation show symptoms of ineffectiveness of the changes, possibly also of improperly distributed rights. This assumption is made on the basis that uncertainty increases from 2 to 18 units over the 15-year observation period, specificity from 1 to 8, and transaction frequency decreases from 5 to 2 units.

6. Contributions of the dissertation work.

I accept the completion of the tasks in the dissertation research and the doctoral student's assessment of the status of the formulated hypotheses. The role of economics as a social science in providing appropriate tools for studying the economic/ environment system in societies is confirmed.

I accept the doctoral student's attempt to situate the dissertation research in the expanded/upgraded field of neoclassical theory with the role of institutions. The ability to derive authors and scientific theses from literary sources in support of the chosen methodological and analytical framework of the study is a certificate of mastery of one of the most difficult tasks for the dissertation applicant.

Scientific contributions

The use of detached and distinct theoretical fields united by the current of "new institutional economics" is a contributing point of the author.

Scientific-applied contributions

The doctoral student presents the activities of economic agents in tourism as part of an economic system whose functioning is influenced/subjected to complex institutional influences. The author's highlighted manifestation/parallelization of the positive and

negative effects in the activities of TOs and TAs reveals opportunities for changes in institutional norms with a view to overcoming adverse effects in the economic situation and creating more GAV in the national economy.

7. Critical notes and questions.

I recommend that in future research in the field of this dissertation thesis, the achievements of established authors from the Bulgarian school of research institutes, with representatives in Plovdiv, Sofia, Varna, Veliko Tarnovo and other educational and scientific centers in the country, be more widely used.

8. Published articles and citations.

The presented abstract objectively reflects the structure and content of the dissertation work. The absence of author contributions in the dissertation research is striking, which is an atypical practice in the "doctoral" training at the ESD.

A report on publication activity is attached, containing four articles published in authoritative Bulgarian and foreign scientific journals during the period 2019-2024. One article is one-person published, the three are co-authored. This is a certificate of high appreciation and publicity of the results of the dissertation research.


CONCLUSION:

The content of this review is the result of a critical reading of the author's research and the documents presented, in connection with the public defense of the dissertation. I do not personally know Ivanka Dimitrova.

Based on the various research methods learned and applied by the doctoral student, the correctly conducted experiments, the generalizations and conclusions made, I believe that the presented dissertation work meets the requirements of the Law on the Development of the Academic Staff of the Republic of Bulgaria and the Regulations of the Agricultural University for its application, which gives me reason to evaluate it **POSITIVELY**.

I would like to propose that the esteemed Scientific Jury also vote positively and award Ivanka Dimitrova Dimitrova the educational and scientific degree of "doctor" in the scientific specialty of Economics and Management (agriculture).

Plovdiv, 15th February 2025


Подписите в този документ са заличени

във връзка с чл.4, т.1 от Регламент (ЕС) 2016/679

(Общ Регламент относно защитата на данни).