

OPINION

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member of the Scientific Jury in the competition for the academic position of

"Associate Professor" in the field of higher education "Social, economic and legal sciences", professional direction **3.8 Economics** (finances, taxes and taxation),

promulgated in SG no. 5 of 16 January 2024,

with a single **candidate Chief Assistant Professor Dr. Emil Serafimov Kalchev**

Pursuant to Order No. 3-PK-146/08.03.2024 of the Rector of the New Bulgarian University, I have been designated as a member of the scientific jury under the competition procedure for the academic position "associate professor" in professional direction 3.8 Economics (finances, taxes and taxation). With a decision taken at the first meeting of the scientific jury on March 26, 2024, I should prepare an opinion on the competition.

The form and content of this opinion are oriented to the requirements of the Law on the Development of the Academic Staff in the Republic of Bulgaria (LDASRB), the Regulations for its Implementation, the Ordinance on the Development of the Academic Staff at the New Bulgarian University (NBU) and the NBU's template for preparing an opinion in a competition for associate professor.

I. Assessment of compliance with the minimum national requirements and the requirements of the NBU for the occupation of the academic position "associate professor"

From the Self-Assessment Report of the candidate for the fulfillment of the minimum requirements in the competition, it is clear that Ch. Asst. Prof. Dr. Emil Kalchev meets the minimum requirements for scientific, teaching and research activities,

necessary for occupying the academic position "associate professor" in accordance with the requirements of the Regulations for the Implementation of LDASRB (RILDASRB) and the Regulation on the Development of the Academic Staff at the New Bulgarian University, as follows:

Part I. Minimum requirements for the scientific and teaching activities of the candidates for the occupation of the academic positions in professional fields, in accordance with RILDASRB (groups of indicators from A to D):

Group A: 50 (achieved) out of 50 (required) points;

Group V: 100 out of 100 points;

Group G: 270 out of 200 points;

Group D: 60 out of 50 points.

Part II. Implementation of criteria and indicators for long-term attestation for announcing a competition for a higher academic position, according to the current regulations of the NBU - academic work, organizational and public work (groups of indicators from J to I):

Group J: 95 (achieved) out of 50 (required) points;

Group Z: 70 out of 70 points;

Group I: 60 out of 50 points.

In summary, from the points presented, indicated in the attached table in the Self-Assessment of the candidate for the minimum required points according to the individual groups of criteria, required, respectively, by the LDASRB and the Ordinance on the Development of the Academic Staff of the NBU, it is evident that Ch. Aasst. Prof. Dr. Emil Serafimov Kalchev proves more points than required by both normative documents.

These facts are also confirmed by the report of the Attestation Commission from the NBU, which also duly assessed the candidate.

II. Research activity and results

The list of scientific publications of Ch. Asst. Prof. Dr. Emil Kalchev, with whom he participated in the competition for the academic position "associate professor", shows the following general structure:

- 1 monograph (150 pages) – Group V, Indicator 3;
- 1 article in a scientific journal, referenced and indexed in world-renowned databases with scientific information - Group G, Indicator 6;
- 24 articles and reports published in non-refereed peer-reviewed journals or edited collective volumes - Group G, Indicator 7.

All scientific works submitted for review are independent publications of the candidate Ch. Asst. Prof. Emil Kalchev. Out of these, one article is in English, one in Russian, and all other publications are in Bulgarian.

All works of the candidate are in the field of the announced competition 3.8 Economics (finance, taxes and taxation), with one article in the field of economics, a significant part of the articles/reports are in the field of finance, and the main part of them falls in the field of taxes and taxation, including and the monographic work. The scientific works submitted for review do not fall within the subject of the candidate's dissertation, which, according to its title, is oriented towards decision theory, entrepreneurship and aspects of international economic relations.

The publications submitted for review under the competition show that the center of the candidate's (Ch. Asst. Prof Emil Kalchev) scientific interests clearly focuses on tax topics, whereby the particular issues he deals with in these scientific works are related to: the theory of tax and taxation, tax efficiency and fairness, the influence of taxes on the decisions of business entities, the types of tax systems, the history of taxes, neutral taxes, the adequacy of taxes to get out of the economic crisis, the taxation of labor, business in Bulgaria, etc. These micro tax topics are framed by the candidate's macro tax and fiscal studies concerning the determinants of the state budget, municipal budgets, fiscal policy, fiscal decentralization, the place and role of public finance in the country's economy, etc. In the field of taxes, the monographic work clearly stands out, which summarizes,

supplements, structures and systematizes at a higher scientific level the research searches and scientific results of the candidate.

Around this research core from the public finance area gravitate scientific studies of Ch. Asst. Prof. Dr. Kalchev from the field of corporate finance: financial theory of profit, financial view of interested groups, financial system and capital market (micro perspective), which are again complemented by developments falling into the field of macro finance such as credit and crises, monetary sector problems.

III. Evaluation of the monographic work, including evaluation of the scientific and scientific-applied contributions of the author.

The monographic work of the candidate for the academic position "associate professor" Ch. Asst. Prof. Dr. Emil Kalchev "The Constructive Design of Taxes in the Economic Tradition", University Publishing House "St. Kliment Ohridski", 2023, has a volume of 150 pages, structured in an introduction, five chapters, conclusions and bibliography of 131 literary sources (67 in English and German and 64 in Bulgarian and Russian). The work is a complex, multifaceted, interrelated study of economic theory and (partly) history with the aim of extracting those normative statements from the theory that can serve as rules/principles for organizing the economic structure (tax bases and tariffs) of "realistic" taxes. This main objective of the monograph logically profiles it as a primarily theoretical study, the results of which, on the other hand, have a strong practical application - those statements, verified and proven by science, which the tax practice can and should adopt in the construction of the taxes.

In the *first chapter*, the work presents the "beginnings" of taxes, set out in a brief historical description of taxation in various ancient societies, which the author uses for an introduction to the complex subject of taxation, as well as for building a kind of time frame of the study, drawing multilayered parallels with modern taxation theory and practice. Thus, in the *second chapter*, modern definitions of tax concepts logically appear, elements of the economic construction of taxes, which the author appropriately selects

and structures in accordance with his plan to achieve the main research goal of the monograph. Now comes the identification and selection, *chapter three*, of the rules/principles contained in economic theory that can organize these elements so that practice has rational, reasoned, scientifically verified models for constructing taxes, as opposed to the current constructs resulting from tradition and the political process. A significant research challenge appears here, the overcoming of which makes the monograph non-trivial: there is no single economic, and therefore tax theory, containing the universally recognized coherent system of rules organizing tax bases and rates. On the contrary, separate competing theories and (to some extent) rules resulting from different economic paradigms are known, and all of them (the subject of research) represent an "ocean" of heterogeneous knowledge. How can we grasp and arrange it in order to extract from it the necessary normative propositions? After setting reasonable limits to the research (in the introduction), the author skillfully lays out the main lines of general economic theory based on key original literary sources, on which he projects the typology of tax theories and trends. Its clear structure allows him to derive promising theoretical propositions for subsequent analysis. Not surprisingly, these are the familiar (but not their scientific context) tax efficiency and fairness. Chapters *four and five* are dedicated to the author's critical retelling and discussion (mostly) with the German language interpretation of these key concepts, which is not sufficiently known in our country. After a justified rejection of a number of scientific postulates within these two key concepts, the author logically arrives at those rules and principles that can organize the economic construction (tax bases and tariffs) of realistic taxes. As a result of the cascading application of the analysis method, it turns out that the construction of the flat tax of Hall and Rabushka (not the Bulgarian personal income tax, called flat) to the most significant extent meets the scientific criteria of efficiency and fairness, followed, albeit with known trade-offs, from some other taxes/combinations of taxes.

A critical and thorough study of the monograph leads to the following reasonable conclusions:

First, it is a complete, competent and qualified scientific work, with a clear scientific result, professionally researching taxes in a very wide context, incl. cultural, theoretical and historical, that concentrates an impressive volume and diversity of scholarly content in a manageable 150 pages.

Second, the main goal and the achieved results of the monographic research are relevant, meaningful and significant, in theoretical and practical terms.

Third, the scientific analysis within the monograph is conducted logically, coherently and professionally, following a clear scientific methodology, the author demonstrates an excellent knowledge of a very wide range of scientific literature, and his scientific language is precise, concise and accurate.

Fourth, in each element of the monograph, the author's original critical interpretation of scientific problems and issues is clearly visible.

The habilitation thesis of Dr. Emil Kalchev contains a number of indisputable scientific contributions, which can be summarized as follows:

1. The author reasonably derives from tax theory those rules/principles (among many others) that can organize the tax bases and rates of realistic taxes so that taxation is as efficient and fair as possible. Thus, he substantiates the thesis about the role and place of economic science in building the construction of taxes - the only guarantor of the public interest.

2. A typology of tax theories (directions) has been derived, systematized and substantiated, which so far has no analogue in the Bulgarian scientific literature in terms of scope, depth of argumentation, as well as in terms of its connection with economic paradigms.

3. The scientific presentation of the habilitation work is original, as well as the applied research approach in it, which integrates historical and theoretical knowledge, drawing indicative parallels between history, theory and modern tax practice.

4. The author evaluates the construction of the flat tax by Hall and Rabushka, which is far more complex and well-founded than the one accepted in the public finance literature.

5. The habilitation thesis contains a number of original author's elements: such in relation to the analysis of effective taxes (especially the second optimal tax); others also regarding tax fairness (e.g. the interpretation of classical principles); some concepts (tax, taxation, economic construction of the tax, etc.) were introduced and specified, the use of which can be considered a contribution to the Bulgarian scientific literature.

2. Evaluation of the contributions in the other attached publications after the appointment of the academic position "chief assistant professor". It also includes an assessment of the peer review requirement of the publications.

All publications on the competition are in peer-reviewed, and one publication is in an edition referenced in international databases. Despite its considerable number and diverse researched topics, in the publications, other than the monograph, several distinct groups of contributions of the author Ch. Asst. Prof. Dr. Emil Kalchev. These, in my opinion, are:

1. Application of the tax planning model for researching the taxes in force in Bulgaria and reaching original author's conclusions and conclusions.

2. Elements of corporate finance are analyzed from the point of view of the neo-institutional theory of the firm/economy, which made a splash in our country only in the 20s of the 21st century with the books of Klaus Stwab, and their interaction with the prevailing neoclassical approaches in corporate finance is innovatively clarified .

3. The financial balance as a condition for sustainable growth of the enterprise, as well as the prognostic characteristics of the accounting profit, original ideas in the Bulgarian literature, are deduced.

4. Empirical studies of the fiscal and monetary sector in Bulgaria were conducted using the author's methodology, and original recommendations for solving and improving the identified problematic moments in these sectors were substantiated.

3. Quoting from other authors.

For the purposes of the competition, the applicant proves 2 citations in world-renowned databases of scientific information and 4 citations in monographs and collective volumes with scholarly editing. The total number of points from these citations is above the minimum determined by indicator D of the national requirements for occupying the academic position "associate professor".

4. Evaluation of the results of participation in research and creative projects and application of the obtained results in practice.

In the report on the implementation of the minimum national requirements and those of the NBU, provided by Ch. Asst. Prof. Dr. Emil Kalchev participation in scientific or educational projects is not indicated.

IV. Learning and teaching activity

1. Auditory and non-auditory employment, work in the electronic training module "MOODLE - NBU", provision of student practices and internships, work with students and doctoral students.

Ch. Asst. Prof. Dr. Emil Kalchev has been giving lectures to bachelors and masters at NBU for nearly twenty years. Some of them are: "Public Finance", "Management of Public Finance", "Taxation", "Taxes and Tax Policy", "Tax Planning", "Strategic Financial Management", "Corporate Finance", etc. In addition, he teaches courses in English in the joint program of NBU and University York, CITY College for bachelors and masters.

Dr. Kalchev is the author of four chapters of the collective textbook "Introduction to Finance", NBU Publishing House, 2019:

Chapter Seven. Taxes and fees – instruments for financing the public authority;

Chapter Eight. Taxes in Bulgaria;

Chapter Nine. Fundamentals of Corporate Finance;

Chapter Ten. Investment decision in the enterprise.

He also has authored learning materials on Moodle for courses: Corporate Finance, Tax Planning, Taxes and Tax Policy, etc.

It is clear from the applicant's reference that during the last ten academic years, he supervised 32 successfully defended diplomas - bachelors and masters. He has prepared 46 reviews and has participated in numerous committees for the defense of diploma theses, for the defense of internship, written material, etc.

All this testifies to a full-fledged and professional academic activity of the candidate until the announcement of the competition for "associate professor".

2. Work with Erasmus students

In the report on the implementation of the minimum national requirements and those of the NBU, provided by Ch. Asst. Prof. Dr. Emil Kalchev no work with Erasmus students is indicated.

3. Student survey ratings

The average score from the surveys for student satisfaction with the course and teacher is 4.16 on the five-point scale, with the requirement under Indicator 35 of Group 3 of the NBU's additional requirements that this score exceed 4.

V. Administrative and public activity

Ch. Asst. Prof. Dr. Emil Kalchev has a serious involvement in the academic administration of the NBU: for nine years he was the director of the bachelor's program "Finance", and then for a shorter time of the master's program "Accounting and Auditing", including participated in the creation of the Master's Program "Financial and Accounting Management". He is a member of the Faculty Council of the Undergraduate Faculty and the Program Council of the Department of Economics.

In addition to being an academic professor of finance, employed in the administration of the NBU, Dr. Kalchev is also a public figure, recognizable in our country for high-quality applied macroeconomic analyses, an activity he has been

engaged in for over 20 years, at the Center for Economic Development, the Institute for Economic Studies of the Bulgarian Academy of Sciences, Raiffeisen Bank, etc.

VI. Personal impressions of the candidate (if any)

I know Dr. Kalchev as a representative of the Center for Economic Development in an authoritative event in the field of municipal finances in the city of Veliko Tarnovo, in the organization of which I participated as the Chairman of the Municipal Council of the Svishtov Municipality. I have met Ch. Asst. Prof. Kalchev at scientific conferences, including I have come across his media appearances on economic topics. I have excellent collegiate impressions of him.

VII. Opinions, recommendations and notes on the activity and achievements of the candidate

I wish Ch. Asst. Prof. Dr. Emil Kalchev to invest his vast theoretical knowledge, his long-term (including international) academic experience and his recognized analytical skills for his considerable further academic growth and further elevation of the scientific authority of the Department of Economics at New Bulgarian University.

Conclusion

The candidate for the academic position of "Associate Professor" fully meets the requirements of the LDASRB, the Rules for its implementation, as well as the Ordinance for the Development of the Academic Staff of the New Bulgarian University. This gives me reason to propose the election of Chief Assistant Professor Dr. Emil Serafimov Kalchev for the academic position of "Associate Professor" in professional direction 3.8 Economics (finance, taxes and taxation) from scientific field 3. "Social and legal sciences".

23 April 2024 г.

Signature

/Prof. Dr. A. Zahariev/