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РЕЦЕНЗИЯ

В конкурс за: ДОКТОР

направление: 3.8 ИКОНОМИКА (ИКОНОМИКА И УПРАВЛЕНИЕ ПО
ОТРАСЛИ (ИНДУСТРИЯ))

Докторант: Магдалена Вихренова Влахова-Велева

Тема на дисертационен труд:

УПРАВЛЕНИЕ НА РИСКОВЕТЕ ПРИ ПРИЕМАНЕТО НА
СТРАНА-ЧЛЕНКА НА ЕС В ИКОНОМИЧЕСКИЯ И ПАРИЧЕН
СЪЮЗ

Научен ръководител:

проф. д-р Георги Менгов, катедра „Икономика и управление по
отрасли“, Софийски университет „Св. Климент Охридски“

Candidate

The candidate Magdalena Vlahova-Veleva has been a doctoral student at the Faculty of Economics and Business since 2018. From 2015 to 2017 she was a Master's student and obtained a double degree from Sofia University (English program) and the University of Montesquieu. In the French program of the Faculty she obtained to double Bachelor's degree

from Sofia University and the University of Lille. Besides her studies the candidate has collected experience in private companies through employment and internships. She is currently working as a junior expert at the Ministry of Finance.

1. Content of the dissertation

The dissertation addresses the economic effects of the implementation of the EURO in the context of the Economic and Monetary Union (EMU) of the EU. Since all member states of the EU have the option to introduce the EURO, it is a sensible attempt to analyze the economic effects thereof. The major objectives of the candidate in her dissertation are to analyze the effects of EURO accession on production, consumption, trade and related economic indicators. The topic is relevant because of two reasons: Firstly, if the introduction of the EURO has no clear positive economic effects on EMU members, not only the introduction of the EURO would lack justification, but it would be also a threat to the process of EU integration as such. Secondly, the results are important for EU member states that intend to replace the national currency by the EURO, e.g. Croatia or Bulgaria.

The lead hypothesis that the candidate follows is that in those countries that have joined the EURO zone recently, i.e., since 2007: Cyprus, Estonia, Lithuania, Latvia, Malta, Slovenia, Slovakia, the central national economic indicators have been positively influenced by the accession. The empirical analysis is embedded in a wider context of economic integration and provides also a prognosis for two countries who may introduce the EURO soon.

The dissertation is structured in 4 chapters, plus a short conclusion, a reference section (pp. 194-212) and extended appendixes. The introduction (pp. 9-14) outlines the context, aim, hypothesis, and structure of the dissertation. The first chapter (pp. 15-73) is based on the theory of optimal currency areas with free movement of capital (see, e.g., Mundell, McKinnon, Balassa, Krugman). The theory of establishing a currency area assumes sequential steps of economic harmonization between the tentative member states. As a case in point the candidate outlines the development of the European integration in the EU and the emergence of the Eurozone. The monetary union became only possible after a sequential process of fundamental convergence with respect to labor, capital, and financial markets in the potential member countries. The candidate describes the central steps towards European integration and EMU in the context of the Maastricht convergence criteria implemented in 1992. The chapter concludes with potential effects on trade, production and output as a consequence of a deeper economic integration.

Chapter two (pp. 74-103) is a descriptive analysis. The candidate firstly outlines the development of specific economic indicators of selected new member countries of the Eurozone. The convergence of development paths between member states and non-member states of the Eurozone is of a particular interest. As a case in point the author elucidates the economic development of Bulgaria. Secondly, she deals in more detail with the development of exports and imports, production, and the industrial output. The conclusion of the descriptive analysis is that joining the eurozone had a positive effect on the economic development of the joining countries.

Chapter three (pp. 105-152) focuses on the empirical effects of EMU membership on GDP, prices, employment (as general indicators) and on industrial output, services and trade (as more specific indicators of integration). The candidate applies regression models on EUROSTAT data. As expected, the largest positive effects are found with respect to trade indicators (exports and imports) and production.

In chapter four (pp. 154-181) the author focuses on two potential members of the Eurozone, Bulgaria and Croatia. Both countries entered the exchange rate mechanism II (ERM II) in 2020 as an obligatory step to enter the monetary union. She calculates different scenarios and potential effects that may occur after accession to the eurozone. A short conclusion sums up the results.

Choice of literature and research methods

The author shows in the dissertation convincingly that she is familiar with the relevant international literature. She reflects the literature critically and sets it in context to her research. For her empirical analysis she uses national and international data, mostly from EUROSTAT and she also uses regression models.

2. Evaluation of the dissertation and critical remarks

This is an important and scientifically relevant topic in the realm of EMU. The candidate shows that she is able to address an up-to-date economic issue and work on it with econometric methods in order to derive an analytical understanding. Moreover, she shows the ability to provide policy recommendations based on her econometric analysis.

On two aspects I would have liked to see a (much) more critical discussion in the dissertation. First, the use of data from EUROSTAT. It has been proven with respect to the crisis in Greece that the data from EUROSTAT is highly flawed. Furthermore, it is very unlikely that

EUROSTAT provides data that shows that EMU is not a success. In short, the results are not a surprise. While the methods and data source are in-line with macroeconomic analysis I would have liked to read a detailed critical discussion on the reliability of the data used for the regressions. Second, a critical discussion and a critical reflection on the usefulness and applicability of the Maastricht criteria is required. Finally, I would have liked to see a comparison between a group of countries that introduced the EURO with a group of EU member states that have not introduced the EURO (e.g. Sweden, Denmark, Hungary, Poland, Bulgaria, Croatia). Are the economic developments described in the dissertation absent in the countries that have stayed with their national currencies?

3. Publications of the candidate

The candidate has already a remarkable list of publications that tackle economic problems related to her dissertation. Four of the publications are in the English language and are published in the Journal of Economic Thought, in Bulgarian Economic Papers and in conference volumes. Besides, the candidate has publications in the Bulgarian language in yearbooks and collected volumes. The articles also cover additional aspects and empirical analyses that have not been addressed in the dissertation. The publications of the candidate are more than sufficient to obtain the aspired degree.

4. Conclusion

The candidate shows in her dissertation and in her published articles that she is capable of addressing a relevant economic topic, of tackling a problem and of formulating a testable hypothesis. She is acquainted with the relevant international scientific literature related to her field of studies and demonstrates that she can apply econometric methods to provide answers to her questions. In the context of the topic she also provides an empirical analysis for policy recommendations. Given the profound argumentation and the high quality of the analysis, without reservation I highly recommend that the dissertation is accepted by the jury.


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