

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

**OPINION**

**By: Prof. Dr. Maria Petrova Vidolova, Faculty of Economics and business administration, Department of "Finance and Accounting", Scientific Degree 3.8. Economics**

Subject: Competition for Professor in Direction 3.8. "Economics", scientific field "Social, Economic and Legal Sciences" (Institutional Economics, Behavioral Economics and Economic Theories - in English and German), published in State Gazette no. 52 dated 02/07/2019

Dear Mr.Chairman and Members of the Scientific Jury,

The competition was announced for the needs of the Faculty of Economics of Sofia University. I am a member of the jury for the competition in accordance with Order RD № 38- 461./26.07.2019 of the Rector of Sofia University.

The only candidate who has submitted documents for the competition is Assoc. Prof. Theodor Venkov Sedlarski, Associate Professor at the Faculty of Economics and business administration.

The opinion is in accordance with the requirements of the Academic Staff Development Act in the Republic of Bulgaria and the Regulation on the Terms and Conditions for Acquisition of Academic Degrees and Occupation of Academic Positions at Sofia University "St. Kliment Ohridski". No violations were detected during the fulfillment of the procedural requirements.

**Fulfillment of the requirements for occupation of the academic position**

In the competition for achieving the academic position of "Professor", Assoc. Prof. Theodor Sedlarsky has presented sufficient number of publications in terms of volume, content, subject matter orientation and variety of issues, which fully correspond to the scope and scientific classification of the announced competition for professor. They have been published in scientific journals, referenced, abstracted and indexed in world-renowned databases of scientific information, as well as in scientific journals and unreferenced journals with peer-reviewed scientific papers, or edited collective volumes. The required number of citations in scientific journals, refereed and indexed in world-renowned databases, or scientific peer-reviewed, non-refereed scientific peer-reviewed journals has been fulfilled. The candidate participates in this competition with 63 publications, incl. 4 monographs /one of which is co-authored/, 2 studios /one of which is co-authored/, 3 chapters in collections and compilation /in co-authored/, 50 articles in scientific journals /7 of which are in foreign language and 21 are co-authored/, 2 publications in conference collections and 2 textbooks/ one co-authored/. The candidate has fully met the quantitative and qualitative criteria of the minimum national requirements under Art. 2b of the Academic Staff Development Act in the Republic of Bulgaria /incl. a dissertation thesis for the award of an educational and scientific degree "doctor", habilitation work (monograph), as well as the required number of articles and reports.

### **Teaching experience and level of preparedness of the candidate for the academic position in the competition**

At the time of submission of the documents the candidate has achieved 13 years, 8 months and 25 days of relevant experience in the field. In 1999 he graduated Business Administration at the Vienna University of Economics, between 1999 and 2002 he studied at the Faculty of Economics at the University of Sofia and received a Bachelor's degree in Business Administration, 2002 - 2004 completed his Master's degree in Business Administration / Organizational development at the Faculty of Economics of Sofia University "St. Kl. Ohridski" In the period February 2005 - March 2009 he worked towards and completed a PhD in Economics and defended his dissertation on the topic: Institutions, Transaction Expenditure and Economic Development: The Transition in Bulgaria. He has completed specializations at the University of Economics - Vienna, Austria and the University of Economic, Law and Social Sciences - St. Gallen, Switzerland. After successfully passing a competition in 2005, he was appointed Assistant Professor in Microeconomics; Macroeconomics; Money, banks and financial markets; Economic theories; Economics of the Public Sector. In 2009 he was elected Senior Assistant and in 2010 Chief Assistant. In September 2011, he was elected Assistant Professor at the Economics Department of the Faculty of Economics, delivering lectures on Public Sector Economics and Institutional Economics in the Master's Program in Public Economics and Management; Lectures on Economic Theories in Bachelor's Degree Programs in Economics and Finance and Business Management. In October 2011, he was elected Vice-Dean for Academic and International Affairs. In April 2014 he was appointed Academic Director of the Center for Economic Strategies and Competitiveness at Sofia University "St. Kliment Ohridski", affiliated with Harvard University's Institute for Strategies and Competitiveness. Since October 2015, he has been elected Dean of the Faculty of Economics at Sofia University "St. Kliment Ohridski".

I know Assoc. Prof. T. Sedlarski since his student years. During the course of his studies, and later on in his work on the doctoral dissertation, as well as in conducting lab exercises as an assistant and giving lectures in the mentioned disciplines as an associate professor, the candidate has shown exceptional responsibility, integrity, presented teaching material with the most up-to-date developments from the national and international economy. He has always exhibited a high theoretical level of preparedness, and his aim has been to present the material as readily understandable as possible with the inclusion of specific examples and empirical evidence. I consider that his excellent theoretical background is supported by his administrative and organizational experience as Director of the Center for Educational Services at Sofia University "St. Kl. Ohridski", Academic Director of the Center for Economic Strategies and Competitiveness at Sofia University "St. Kliment Ohridski", Deputy Dean and Dean of the Faculty of Economics, and as Minister of Economy.

### **Brief description of the submitted scientific papers / publications**

In the monograph "Behavioral and socio-psychological dimensions of the market order: status, happiness and well-being" presented by the candidate in the competition, the author analyzes the phenomenon of social status and the formation of preferences towards status in the context of the traditional economic theory, as well as examines the effects of the status rush in the functioning of modern market economies. The author presents an interesting analysis related to improving the understanding of the nature of human satisfaction in the so-called economy of happiness. When studying the nature of specific markets /e.g. big stars/ the reasons for the growing inequality in modern economies are highlighted.

As part of the emerging “political economy of social status”, the study titled “Political Economy of Social Status: Economic and Socio-Psychological Effects of Status Competition in Markets in which Winners Get Everything” analyzes the problems associated with the rush for social status and distribution in markets where winners get everything.

The study “From Classical to Behavioral Financial Theory” extends the concept of traditional financial models, which is complemented by behavioral core concepts that underpin the emerging behavioral financial theory.

Similar issues are addressed in the articles “Political Economy of Social Status: Happiness in the Current Socioeconomic Order from a Behavioral Economy Perspective”, “Economic Growth and Happiness”, “Economics and Social Status: Methods for Empirically Determining Status Effects in Satisfaction from income”, “A behavioral approach to the sustainability of the current socio-economic order”, “The economics of happiness: the relative nature of human subjective well-being”, “The economics of happiness: general The Social Nature of Human Happiness, Behavioral Public Finance, et al., The Emerging Purpose of Happiness, Integrating Social Status into Economic Theory: Robert Frank’s Status Economy, Establishing Social Preferences in an Experimental Economy”, “Basic Concepts in the Theory of Behavioral Finance” /et al./, Some conference reports – “Political Economy of Social Status: Status Competition as an Engine of the Market Socio-Economic System”, “The Economy of Happiness”, “Here, the relative nature of human subjective well-being” and others.

A large group of publications is devoted to the problems of the economic theories, tracing aspects of the works of Keynes and his followers, as well as of his opponents - the representatives of economic neoliberalism, the school of monetarism, and Milton Friedman. The introductory article in the anthology “Economic Theories” synthesizes key aspects of the work of early neoclassical economists (Alfred Marshall and Irwin Fischer, representatives of the German School of History, Thorsten Veblen, and Austrian economists von Hayek and Schumpeter). In the co-authored introductory study in item I “Economic Theories. Anthology”, (of which the author is also the compiler), the candidate presents in-depth analysis of the researchers of economic science, as well as of the basic concepts and trends in the development of the economic science from the XVIII to the XXI century. The candidate is also the author of a textbook on “Economic Theories (History of Economic Thought)”, a co-authoring tool on International Economics, articles dedicated on the theoretical contributions by David Ricardo in the history of economic thought, joint articles on “Fundamentals of Modern Economics: William Baumol and Entrepreneurship”, “The Keynesian Revolution “in Teaching Economic Theories”, “Fundamentals of Modern Economics: Alexander Gershenkron” /co-authored/, “Fundamentals of Modern Economics: Gottfried Habler” /co-authored/, as well as a number of articles related to the analysis of contemporary problems of the institutional economy.

### **Areas of research activity**

The main areas of the candidate’s research and teaching activity are related to: analysis of the development of economic theories, behavioral finance, as well as study of the economic effects of the race for social status and the teaching of economic theories and international economics;

As important scientific and applied scientific results from the author's research activity we can distinguish:

- ❖ the thorough analysis of the different economic schools of thought, which examines the methodological similarities and differences between them. In this context, the new interpretation of business history is highlighted by including in the study key factors contributing to the emergence of open access societies, as well as refining the analytical approach in the new institutional economy. Discussion on the evolution of schools contributes to enriching the university education in this field.
- ❖ proposals for enrichment of the new institutional analysis, incl. recognizing the role of societal phenomena such as power, status competition and the challenges posed by enhanced choice, which certainly contributes to the search for solutions related to the long-term sustainability of a market-based public system.

### **Major scientific and applied contributions**

- ✓ Based on a thorough theoretical analysis, the author has successfully systematized and highlighted the methods used to empirically test the hypotheses related to the influence of social status on economic behavior, as well as satisfaction with the material standard of living;
- ✓ As a theoretical contribution of the author we can highlight the justification of the effects of the status race on the functioning of modern market economies, as well as the implementation of social status in economic analysis. An interesting point in this aspect is the author's views related to the introduction of measures in the field of economic policy in order to limit the adverse effects of the status race on the efficient allocation of resources in the economy;
- ✓ The further development of the concept of the markets with the so-called Veblenov effects has a definite applied contribution, by analyzing theories of conspicuous consumption, the importance of relative income, social status, differences in equity and socio-psychological effects on the sustainability of the business order;
- ✓ The author's work in expanding the traditional financial models with a behavioral aspect is of great interest, making the assumption of inefficient markets and limited rational behavior of participants in times of financial crisis;
- ✓ From the point of view of modern achievements in the field of the economy of happiness, the specifics of formulating and conducting economic policies are outlined and justified. We can view as a scientifically applied contribution the author's supported theory to use certain indicators to assess personal subjective well-being and national levels of happiness as part of an institutional set-up that creates conditions for sustainable economic growth and social development.

I have no remarks on the author's work. As a recommendation to his further research and teaching activities, I can direct him to deepen his research on behavioral economics towards expanding the traditional financial models with behavioral aspects in the conditions of inefficient markets and the irrational behavior of participants in them, which is definitely of interest to the specialized audience.

The candidate's professional and teaching experience and the above mentioned scientific and applied contributions meet the requirements for achieving the academic position of "Professor" at Sofia University "St. Kl. Ohridski". This gives me solid grounds and conviction to support and recommend Assoc. Prof. T. Sedlarsky to be granted the academic position of "Professor" in accordance with Section 3.8. Economics, Social Sciences, Business and Legal Sciences (Institutional Economics, Behavioral Economics and Economic Theories - English and German).

Sofia, 10.10.2019

Prof. Dr. Maria Vidolova

