

REVIEW

on a dissertation for the award of the educational and scientific degree “Doctor”
in professional field 3.8 Economics, doctoral program “Political Economy
(General economic Theory)”

Reviewer: Prof. Penka Dimitrova Shishmanova, PhD, “D. A. Tsenov” Academy
of Economics - Svishtov, Department of “General Theory of Economics”,
scientific specialty “Political Economy”

Basis for Writing the Review: Order No. RD-06-41/07.03.2024 of the Rector of
the University of Economics - Varna and decision of the first meeting of the
scientific jury from 11.03.2024

Author of the dissertation: Slavena Stefanova Tsoneva, a doctoral student at the
Department of “General Economic Theory” at the University of Economics-
Varna

Topic of the Dissertation: “Transnational Corporations and the Development,
and Upgrading of Human Capital in Bulgaria”

I. Data about the Doctoral Candidate

Slavena Tsoneva, a doctoral student, obtained her bachelor’s degree in
Business Management from the University of Economics-Varna in 2004.
Subsequently, between 2007 and 2009, she pursued her master’s degree in
Banking Management at the same university.

Her professional journey began in 2005 within the banking sector, where she
held various positions until 2019. In 2021, she joined the University of
Economics-Varna as an employee in the department of Research and PhD
Programs, and later moved to the International Relations department, where she
currently serves as the head.

In 2018, Slavena was admitted to the doctoral program in Political Economy
(General Economic Theory) at the Department of General Economic Theory
within the University. During the period from 2018 to 2019, she successfully
completed doctoral exams in: International Economics, History of Economic
Thought, Methodology and Methods of Scientific Knowledge, and English
Language. However, upon the expiration of her doctoral studies, she was
dismissed with the right to defend her dissertation, as per Order No. RD 14-

442/04.03.2021. In February 2024, during a meeting of the instructing department (Protocol No. 8/19.02.2024), Slavena Tsoneva's dissertation work on the topic of "Transnational Corporations and the Development, and Upgrading of Human Capital in Bulgaria" was discussed, and the defense procedure before the academic jury was initiated.

II. General presentation of the dissertation

The dissertation work is dedicated to a relevant and significant issue related to the role of Transnational Corporations (TNCs) in improving human capital quality. The focus lies on knowledge transfer and absorptive capacity in Bulgaria, with the aim of enhancing productivity and achieving economic growth.

The dissertation spans 225 pages and complies with the requirements outlined in Art. 27, Para 2 of the Regulations for the Implementation of the Law on Academic Staff Development in the Republic of Bulgaria. Structurally, it includes an introduction, four chapters, a conclusion, and a bibliographic reference. The list of utilized sources comprises 302 titles, including 26 in Cyrillic and 276 in Latin script, along with 30 electronic sources, demonstrating a thorough understanding of the literature related to the examined problem. Within the main text, 38 tables and 23 figures provide suitable visualization of the analyzed processes.

The object and subject of the dissertation work are clearly defined. The *object* of study is the development and upgrading of human capital in the recipient country, while the *subject* focuses on the effects of TNCs on the human capital development process.

The primary *goal* of the dissertation is to determine, based on existing theory and empirical research, the impact on human capital development in Bulgaria (as a recipient country of Foreign Direct Investment). This impact results from the activities of TNCs and the extent to which this knowledge can be effectively assimilated.

To achieve this goal, the author formulates six detailed *research tasks*: Systematization, analysis, and synthesis of theories related to human capital from various sources, clarifying the conceptual framework within the context of the current dissertation work; Derivation of key theoretical assumptions regarding the contemporary functioning of TNCs and the role of human capital within them; Identification, systematization, and examination of the effects of FDI on the quality of the workforce in the recipient country; Categorization, analysis, and synthesis of the types of knowledge and competencies that TNCs can transfer within their global networks. This includes investigating the mechanisms for

knowledge transfer and the extent to which TNCs are willing to invest in enhancing human capital; Clarification of the conceptual characteristics of absorptive capacity, along with its determinants, using both micro and macro approaches. Additionally, exploring the relationship between absorptive capacity and Foreign Direct Investments; Evaluation of the impact of FDI and absorptive capacity in Bulgaria, including a comparative analysis of human capital development and upgrading by TNCs versus local firms; Furthermore, assessing the statistical significance of results using econometric analyses, specifically the Welch and Mann-Whitney tests.

The main research *hypothesis* posits that TNCs have a significant and comprehensive impact on human capital development in Bulgaria, surpassing that of local businesses. Over time, this difference gradually diminishes due to spillover effects from TNCs to local firms and the presence of absorptive capacity, which facilitates the assimilation of this knowledge.

Although the introduction does not explicitly delineate the specific methodological framework of the research, a multitude of *scientific methods and approaches* were employed during its execution. These include: literature review and critical analysis, microeconomic approaches, systemic approaches, synthesis, descriptive statistics, econometric methods, comparative analysis, modeling, and more.

The difficulties and *limitations* encountered during the research process have been appropriately and substantively addressed.

III. Assessment of the Structure and Content of the Dissertation Work

The presented dissertation work is of sufficient volume, well-structured, and relatively balanced. This facilitates the coherent development of the problem and the substantiation of the main idea. The exposition demonstrates excellent logical consistency and coherence across its various parts.

In the **first chapter**, the evolution of the concept of human capital is explored from different aspects and levels. It begins with the ideas of the pioneers and extends to interpretations by contemporary authors, including Bulgarian scholars. A definition of human capital is presented, serving as the foundation for the subsequent dissertation research. The role of human capital in the successful development of TNCs is outlined, emphasizing the significance of the recipient country's absorptive capacity. A comprehensive review of numerous studies on these issues highlights the research niche addressed in the peer-reviewed dissertation work.

The **second chapter** systematically categorizes and investigates various types of knowledge and the specific mechanisms for their transfer and multiplication within TNC systems. The analysis is supported by numerous examples of best practices, innovations, and positive experiences from companies. Based on Dunning's OLI Paradigm, the author develops a model describing the motivating factors for TNCs to invest in human capital development in the recipient country.

The **third chapter** logically focuses on the recipient countries' ability to assimilate new knowledge and enhance human capital. Theoretical foundations related to absorptive capacity at both micro and macro levels are thoroughly examined. Key indicators of absorptive capacity are derived, forming the framework for a comprehensive assessment. The interrelationship between absorptive capacity (largely determined by the presence and quality of human capital) and FDI attraction is substantiated.

The **fourth chapter** delves into empirical research conducted by the author, where the theoretical studies presented in the preceding chapters find practical application specific to Bulgaria. The analysis of inward FDI reveals a relatively high degree of penetration (i.e., potential for national human capital development), despite fluctuating trends and an unsatisfactory structural profile. The absorptive capacity at the micro level is investigated, leading to the conclusion that there is sufficient capability to assimilate knowledge transferred by TNCs. Comparative analyses across various dimensions highlight the predominant direct effects of TNC activities and their stimulating impact on Bulgarian firms concerning human capital development. This confirms the hypothesis formulated at the beginning of the dissertation work. Additionally, the author measures human capital levels through wage levels, considering training investments in firms. The real dependence between training investments and human capital quality is demonstrated.

The abstract is 54 pages long and adequately reflects the content of the dissertation work. It provides a synthesized overview of the main theoretical premises, empirical research, achieved results, and conclusions. The abstract includes information about the author's key contributions, a list of publications, and a declaration of originality.

The list of presented publications includes one article and two scientific reports that are related to the topic of the dissertation and contribute to popularizing key parts and results of the research. All three publications have been realized in editions of the University of Economics-Varna. The two reports stem

from the doctoral candidate's participation in international scientific conferences organized by the University of Economics- Varna.

Appropriate use of literary sources has been demonstrated, and there are no instances of unauthorized borrowing of external texts. The author exhibits a strong command of the subject-specific terminology, employing a sound scholarly language and style of exposition.

IV. The identification and assessment of scientific and Scientific-Applicative contributions in the dissertation work

In the reviewed dissertation, the following contributory aspects can be highlighted, which are conditionally categorized into two groups:

Scientific Contributions:

1. A model has been constructed to analyze the impact propensity of TNCs on the quality of human capital in the host country, based on J. Dunning's OLI Paradigm.
2. A system of indicators has been developed for analyzing and assessing the absorptive capacity at micro and macro levels.
3. Scientific knowledge has been enriched regarding the interrelation between TNCs, human capital development, and the enhancement of the host country's absorptive capacity. This has been achieved through the synthesis and systematization of TNC penetration forms and motives for implementing FDI.

Scientific-Applicative Contributions:

4. Building upon the author's theoretical constructs, the impact of FDI on human capital development and upgrading in Bulgaria has been investigated. Additionally, an assessment of the country's absorptive capacity has been conducted.
5. A comparative analysis has been performed to evaluate the contributions of TNCs versus local firms to the development of national human capital. The relation between their investments in training and the level of human capital has been measured.

V. Critical Remarks, Questions, and Recommendations on the Dissertation Work

Alongside the highlighted merits of the dissertation, as is typical for any scientific research (especially that of a young researcher), certain critical remarks and recommendations can be made:

1. Considering the formulation of the dissertation topic with a focus on Bulgaria, a relatively large portion of the theoretical research on the “TNC-human capital” relationship pertains to contexts beyond the Bulgarian economy.
2. The empirical study in the fourth chapter, conducted on a broad information base, would be more convincing if the presented data in certain paragraphs (mainly section 5) were analyzed in greater detail, and the conclusions (in sections 3 to 5) were expanded and enriched.
3. Although the dissertation occasionally comments on negative effects of knowledge transfer from TNCs, it would be beneficial to pay particular attention to this issue, especially its specific manifestations in Bulgaria.

These critical remarks do not diminish the qualities of the dissertation, and they do not detract from the overall favorable impression. In this regard, I recommend that the doctoral candidate prepare and publish works related to the discussed issues beyond the University of Economics-Varna editions. This would help disseminate their ideas and achieved results to the broader scientific community both domestically and internationally.

The presented dissertation study provokes the following questions:

1. In many definitions of human capital, including those cited by the doctoral candidate, authors incorporate health as a fundamental element. Are there any specific reasons why health is absent from the definition adopted by the candidate in their dissertation work?
2. What priorities can be identified for developing the interdependence between FDI and human capital in Bulgaria at both micro and macro levels?

VI. Conclusion

The reviewed dissertation work represents an original, logically coherent, and comprehensive scientific study on a relevant and important economic issue. It has been developed at a high level, achieving significant results and highlighting valuable aspects of both scientific and applied nature. Through this work, the author presents themselves as a serious researcher, demonstrating qualities for further scientific development and career advancement.

In conclusion, considering the merits of the dissertation and its compliance with the minimum national requirements according to the Law on the Development of the Academic Staff in the Republic of Bulgaria, I unequivocally

express *my positive assessment* and recommend to the esteemed Academic Jury that the educational and scientific degree of “Doctor” be conferred upon doctoral candidate Slavena Tsoneva in the scientific specialty of “Political Economy (General Economic Theory).”

5.4.2024 r.

03.04.2024

Заличена информация съгласно
ЗЗЛД и регламент (ЕС) 2016/ 679

Reviewer:
/Prof. P. Shishmanova, PhD/



REVIEW

ИКОНОМИЧЕСКИ УНИВЕРСИТЕТ ВАРНА

Bx. № 220-508/95.04.2024

Reviewer: Prof. Zoya Mladenova, PhD

Basis for Writing the Review: participation in the composition of the Scientific Jury for the defense of the dissertation according to Order № ПД 06-41/ 07.03.24 г. of the Rector of VUE and the decision of the first meeting of the Scientific Jury held on March 11, 2024 regarding which members of the jury will write a review.

Doctoral Candidate: Slavena Stefanova Tsoneva

Topic of the Dissertation: "Transnational Corporations and the Development, and Upgrading of Human Capital in Bulgaria"

1. Data about the Doctoral Candidate

Slavena Tsoneva received her higher education at UE - Varna. In 2004, she graduated with a bachelor's degree in "Business Management." Later, in 2009, she obtained a master's degree in "Banking Management." Her professional journey began in the banking sector, where she worked for over 13 years. Starting as a cashier, she eventually rose to the position of director at a regional business center handling corporate clients. In February 2018, she enrolled in the regular doctoral program in "Political Economy (General Economic Theory)" at the Department of General Economic Theory at UE-Varna. During her three-year training, she diligently followed her individual plan, excelled in doctoral exams, and actively participated in national and international conferences. She also published two reports. Slavena Tsoneva engaged in three doctoral-level courses and participated in a research competition aimed at supporting the empirical part of her doctoral dissertation. After successfully completing the planned activities in her individual plan, she was granted the right to defend her dissertation on February 1, 2021. She submitted her doctoral dissertation for the first discussion at the General Economic Theory Department in December 2023. The second discussion took place on February 19, 2024, leading to the decision to initiate a public defense procedure (Protocol No. 8/19.02.2024 by the General Economic Theory Department Council). Currently, Slavena Tsoneva is part of the administrative team at UE-Varna, serving as the Head of the "International Relations" department since October 2023.

2. General presentation of the dissertation

The dissertation comprises a total of 225 pages and is structured into an Introduction, 4 chapters, and a conclusion. At the end of the dissertation, there is an annotated bibliography that includes 302 titles, with 276 of them in English and 30 electronic addresses. Within the



text, you'll find 38 tables and 23 graphs, which are integral components of the dissertation's content.

In the Introduction of the dissertation, the topic's significance is justified in the first place. It is determined, on the one hand, by the significant presence of FDI in the Bulgarian economy - 80% of GDP (stock), and on the other hand - by the negative natural growth and migration processes. In this context, the doctoral candidate emphasizes the need to enhance human capital quality to achieve higher productivity despite a declining economically active population (p. 7).

The Introduction clearly formulates the object and subject of the research. The goal is defined as follows: Based on existing theory and empirical research, determine the impact of TNCs on human capital development in Bulgaria. Six primary tasks are derived from this goal.

The Introduction provides explanations regarding the theoretical and empirical research methods employed. Precise limitations of the analysis are also formulated.

Chapter 1 serves as the theoretical and methodological foundation for the entire study. This is justified by the questions it encompasses: The essence and content of the concept of "human capital." The role of human capital within TNCs. The impact of TNCs on human capital in the host countries. These questions constitute the core theoretical concepts upon which the subsequent analysis is based. The doctoral candidate demonstrates in-depth knowledge of each of these concepts. For instance: The introduction of the concept of "human capital" incorporates a historical approach (paragraph 1). The theoretical analysis of the TNCs' influence on human capital in host countries is clarified through the well-known OLI Paradigm by J. Dunning (paragraph 3).

Another fundamental concept in the dissertation is "TNC" (also included in the dissertation title). The reviewer positively acknowledges that Slavena Tsoneva has avoided explicitly defining this term (as well as MNC and FDI), recognizing that these terms are well-established and widely known in the field of economics. Additionally, the reviewer accepts the use of TNC and MNC interchangeably within the dissertation.

An essential part of Chapter 1 involves a comprehensive review of prior research, related to the dissertation topic (paragraph 4 of Chapter 1). Slavena Tsoneva has conducted an extensive survey and analysis of publications on this subject in the global scientific community. In her summary, she notes that existing studies do not allow for a definitive and unambiguous conclusion regarding the impact of TNCs on human capital in host economies. The reasons for this include the utilization of different methodologies and analyses conducted at various levels (micro and macro approaches) (p.44).



In conclusion to Chapter 1, explanations regarding the methodology used in the theoretical study are provided. The doctoral student emphasizes that in the work, human capital is primarily examined at the micro level based on the Theory of International Business and the Eclectic OLI Paradigm by J. Dunning. Particularly important is the approach, chosen by the doctoral student and declared in paragraph 5 of Chapter 1. According to this approach, the resolution of the scientific problem will be approached from two different starting positions: on one hand, from the perspective of the strategy and motivation of multinational corporations regarding human capital development and knowledge transfer to host economies; on the other hand, from the perspective of the absorptive capacity within the host economies themselves. This approach implies conducting two separate studies to address the research problem. Once again, the limiting conditions that define the framework within which the analysis will take place are declared.

Chapter 2 focuses on knowledge transfer from TNCs. First and foremost, the various types of knowledge that TNCs transfer are analyzed and systematized. Among these, the doctoral student pays attention to the transfer of technical and specialized knowledge, managerial and organizational expertise, intercultural competence, innovations, and entrepreneurship, among others (see paragraph 1 of Chapter 2).

In Chapter 2, the mechanisms for knowledge transfer and implementation are thoroughly examined. The research reveals that MNCs utilize diverse channels for knowledge transfer to local economies, which holds the potential to enhance the quality of local human capital. Similar to paragraph 1, numerous examples from TNC activities are used here as well. Simultaneously, the review of TNC practices demonstrates that some actively engage in knowledge transfer to local economies, while others do so to a more limited extent. This brings to the forefront the question of assumptions regarding knowledge transfer from TNCs to host economies. The answer to this question is provided in paragraph 3 of Chapter 2. For the purposes of analysis in this section, the doctoral student develops an original model to assess the propensity for TNC impact on the development and upgrading of human capital in the host country (p. 69). The model is developed within the framework of the Eclectic paradigm. The propensity to transfer diverse forms of human capital from MNCs to their foreign subsidiaries depends on multiple factors, which the author categorizes into three groups: firm-specific, location-specific, and internalization-specific. The applied approach contributes to a comprehensive understanding of knowledge transfer within the TNC network.

Chapter 3 directs attention to the absorptive capacity of the host economy: its essence, measures, and significance. Due to the diversity of approaches and definitions of the concept of "absorptive capacity" in scientific literature, the doctoral student first introduces the concept by providing their own definition (paragraph 1 of Chapter 3, p. 91). The author points out that two approaches are applied in defining absorptive capacity in the literature: micro and macroeconomic, and subsequent analysis operates within this framework.



An essential part of understanding absorptive capacity and a necessary condition for its use as a tool in scientific analysis lies in its measures. The dissertation extensively reviews existing perspectives on this matter based on numerous empirical studies. The acquired knowledge enables Sl. Tsoneva to construct an original factor model that encompasses, groups, and correlates the indicators determining the creation, dissemination, and development of knowledge at both micro and macro levels. These indicators are crucial for assessing the level of absorptive capacity. The model is presented in tabular form on page 100 of the dissertation. Within it, the primary factors influencing absorptive capacity are grouped into three major categories: scientific research and development activities, human capital, and channels for information dissemination. Additionally, in paragraph 2 of Chapter 3, the author underscores the vital importance of human capital.

The final paragraph of Chapter 3 addresses the relationship between human capital, foreign direct investment and absorptive capacity. It holds particular significance for the dissertation as it synthesizes the two main approaches developed and utilized in the work: From the perspective of TNCs and knowledge transfer through FDI to the host economy: This approach focuses on the development and upgrading of human capital within the local economy. From the viewpoint of the quality and state of the host economy's absorptive capacity: Absorptive capacity plays a critical role in attracting FDI and leveraging the positive effects it brings. To find the intersection between these two analytical aspects, in paragraph 3 of Chapter 3, the doctoral student presents their own interaction model between TNC activities, human capital, and absorptive capacity (p. 108). This model provides specificity to the central idea in this section: the relationship between absorptive capacity and FDI is bidirectional and causal. On one hand, economies compete to attract FDI. On the other hand, absorptive capacity enhances the attractiveness of countries in terms of both the quantity and quality of FDI inflows. Human capital is crucial for shaping the absorptive capacity of recipient countries and optimizing the direct and indirect effects (pp. 116-117) from existing TNCs that have already entered the scene.

The theoretical questions developed in Chapters 1-3 form a solid foundation for conducting the empirical study in Chapter 4. This chapter is dedicated to analyzing and evaluating the role of multinational corporations in the development and upgrading of human capital in Bulgaria. It commences with clarifications regarding the methodology used in the empirical study, including details about the time frames of analysis and the sources of information. Such clarifications are present throughout all other sections of Chapter 4, resulting in an empirical study that impresses with its precision.

The review of inward FDI into Bulgaria since 1990 reveals that they currently hold significant importance in the national economy. This underscores the particular significance of studying the effects of their presence in the Bulgarian economy, which is the focus of investigation in Chapter 4 (paragraphs 3-5). Consistent with the factor model developed in paragraph 2 of Chapter 3, paragraph 3 of Chapter 4 examines the state of Bulgaria's



absorptive capacity (micro analysis). The study relies on a substantial volume of robust data. The assessment of absorptive capacity is conducted across three main factor groups: investments in research and development (R&D), human capital, and channels for knowledge dissemination, along with their respective indicators. The primary conclusions from the study are presented in tabular form through the application of a SWOT analysis. In summary, the country possesses a sufficient level of absorptive capacity, which creates conditions conducive to the assimilation of knowledge facilitated by TNCs.

The assessment of the effect of transnational corporations on human capital in Bulgaria is presented comparatively with that of local firms (paragraph 4, chapter 4). The focus is on the conducted training programs, which are a crucial factor for human capital development and upgrading. Through this indicator, the scale, scope, and intensity of investments in human capital, as well as the types of knowledge and dissemination methods, are analyzed in both groups of companies. The hypothesis formulated in the Introduction is fully confirmed by the research conducted in this section. It is established that TNCs exert a significant effect on human capital development in Bulgaria, surpassing that of local firms. However, this difference tends to decrease due to spillover effects from foreign direct investment and the observed absorptive capacity in the Bulgarian economy.

The analysis carried out in paragraph 4, chapter 4 is complemented by econometric research conducted in the final paragraph 5 of chapter 4. This research tests the relationship between inward FDI and human capital development and upgrading by comparing the average wage levels between firms that have conducted training and those that have not. Once again, a comparative analysis is performed, distinguishing between two groups of firms: TNCs and local firms. The dimensions analyzed include firm size, technological intensity of production, and industry distribution. Based on the types of samples examined, Welch and Mann-Whitney tests are applied. The study reveals that, for all groups, the average wage in firms that have conducted training is higher than that in firms that have not. Another conclusion drawn from the conducted tests is that there exists a connection between FDI and the level of human capital, as measured by differences in wage levels.

The dissertation ends with a Conclusion in which well-founded conclusions are drawn.

In a comprehensive assessment of Sl. Tsoneva's dissertation, the following points can be highlighted. The selection of topics covered in the dissertation allows for a comprehensive and competent addressing of the dissertation's theme. The research stands out for its clear structure and logical coherence, with consistency between different sections. A balanced approach is evident across the various chapters. A positive aspect of the dissertation is that each chapter concludes with a summary synthesizing the main scientific results. The manuscript demonstrates precision in analysis, including well-defined concepts and explanations regarding the approaches and methodology used, as well as the formulation of limiting conditions. The extensive use of literature is impressive, reflecting solid and in-depth



knowledge of the problem across all parts of the dissertation. The style and language adhere to scholarly standards. All the aforementioned aspects of Sl. Tsoneva's dissertation are indicative of mature scientific research.

3. Abstract

The abstract is developed in accordance with the requirements. It adequately reflects the content of the dissertation.

4. Scientific and Scientific-Applicative Contributions

The reviewer identifies the following scientific contributions in the dissertation:

1. Firstly, the chosen approach contributes significantly. Within the context of Dunning's Eclectic Paradigm, the doctoral candidate analyzes human capital as an ownership advantage and a location advantage. In other words, the dissertation addresses the topic from two perspectives: the strategy and motivation of TNCs, as well as the presence of absorptive capacity in the host economy. It is worth noting that in global scientific research, one of the two approaches typically dominates. This necessitated conducting two separate studies, each of which could have been an independent doctoral dissertation. The combination of both approaches and their application to specific research in Bulgaria imparts significant and highly unique characteristics to the dissertation.
2. The author introduces a definition of absorptive capacity (paragraph 1, chapter 3) and constructs their own factorial model (paragraph 2, chapter 3). This model encompasses, groups, and correlates the indicators that determine the creation, dissemination, and development of knowledge at both micro and macro levels. These indicators are crucial for assessing the level of absorptive capacity. Thus, the doctoral candidate creates a toolkit necessary for conducting the research in chapter 4.
3. The model developed by the author for the interaction between TNC activity, human capital, and absorptive capacity, considering all possible forms of TNC penetration.
4. Analysis and assessment of the absorptive capacity of the Bulgarian economy, based on the factor model developed in Chapter 3. The results of this study, presented through the application of SWOT analysis, are particularly valuable.
5. The comparative analysis, based on descriptive statistics, conducted in paragraph 4 of chapter 4, holds independent significance and contributes to understanding the effects of TNCs on human capital in Bulgaria, on one hand, and the effects of local firms, on the other. The hypothesis formulated in the Introduction is confirmed: TNCs exert a significant effect on human capital development in Bulgaria,



surpassing that of local firms. Simultaneously, this difference tends to decrease due to spillover effects from foreign direct investment and the presence of absorptive capacity in the Bulgarian economy.

6. Econometric study conducted in paragraph 5 of chapter 4. This study tests the relationship between inward FDI and the development and upgrading of human capital. It does so by comparing the average wage levels between firms that have conducted training and those that have not. Once again, a comparative analysis is performed between TNCs and local firms. The research reveals that, for all groups of firms, the average wage in firms that have conducted training is higher than that in firms that have not. Furthermore, there is a statistically significant correlation between FDI and the level of human capital in Bulgaria. The results from the conducted tests in the econometric analysis strongly support this relationship. The accumulation of new knowledge and skills resulting from investments in training by companies is directly linked to higher wages.

The importance of empirical research in Chapter 4, focused on the Bulgarian economy, should be explicitly emphasized. It is based on classified databases provided to the doctoral student by the National Statistical Institute, which have not been publicly disclosed or used in other studies until now. This gives the work a highly unique character. The scientific research conducted by doctoral candidate Sl. Tsoneva can be considered a significant contribution and an expansion of knowledge in the field of still scarce but crucial scientific literature in Bulgaria, focusing on studying the consequences of the inward FDI in the country.

5. Publications, related to the dissertation

In the abstract, three publications by the doctoral candidate are mentioned: one article and two reports. They are all related to the dissertation topic and, according to the reviewer, provide sufficient visibility to the ideas, presented in the dissertation. This also fulfills the requirements outlined in Article 35, paragraph 1, items 1-4 of the Regulations for the Development of Academic Staff at the University of Economics - Varna, as well as the minimum national requirements for awarding the academic degree of 'Doctor' in accordance with the Law on the Development of Academic Staff in the Republic of Bulgaria.

6. Detected or undetected plagiarism in the dissertation and abstract

The reviewer do not identify any plagiarism in either the dissertation or the abstract. They are entirely the work of Sl. Tsoneva.

7. Critical Remarks and Recommendations

The following critical remarks can be made regarding the dissertation:

1. Paragraph 2 of Chapter 2 analyzes the mechanism of transferring human capital from multinational corporations to local economies. In Paragraph 3 of the same



chapter, the factors determining TNCs' propensity to transfer knowledge within their networks are discussed. It would be advisable, first and foremost, to clearly distinguish between these two aspects: knowledge transfer from TNCs to the local economy and knowledge transfer from parent companies to subsidiaries. Additionally, highlighting the relationship between these two forms of knowledge transfer would enhance clarity. The critical remark made should by no means diminish the merits of the dissertation; rather, it serves as a recommendation for the doctoral candidate's future scholarly pursuits.

2. Regarding Mergers and Acquisitions (M&A), it is preferable to spell out the terms in full—e.g., "Mergers and Acquisitions" instead of using abbreviations like "M&A." – p.37 down, p.42 and other. This clarification should be applied consistently throughout the text, especially before page 83, where the concept is defined and introduced. While not as recognizable as terms like TNCs, MNCs or FDI, this adjustment would enhance readability and precision.

8. Questions for the Doctoral candidate

1. What conclusions and recommendations can be drawn from the dissertation regarding the economic policy of the state (government)?
2. What are the main dynamic characteristics of the inward FDI in Bulgaria after 2015?

9. Conclusion

Slavena Tzoneva's dissertation represents a comprehensive scientific study on a relevant economic issue. It comprises both theoretical and empirical components and has been developed at the level of contemporary science. The research adheres to the highest standards for development of this nature. The dissertation contributes scientifically and practically, offering an original contribution to the field. It is entirely the work of the doctoral candidate, who demonstrates erudition, in-depth knowledge of the problem, and the ability for independent thinking. To some extent, the research is pioneering, especially considering that analyses of the effects of inward FDI in Bulgaria remain scarce. This fact underscores its significance even further.

Taking all of the above into account, I strongly support the awarding of the academic title of "Doctor" to Slavena Stefanova Tzoneva, and I encourage the Scientific Jury to vote positively.

Reviewer:

Заличена информация съгласно
ЗЗЛД и регламент (ЕС) 2016/ 679

(Prof. Zoya Mladenova, PhD)



UNIVERSITY OF ECONOMICS - VARNA

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