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Articles

Freedom, Competition and Market order
Assoc. Prof. Vyara Stoilova, Ph.D.

This article is an attempt to provide a close view to the social liberal order through the prism of the value triad *Freedom-Competition-Market order*. The perimeter of the research interest leaves aside the more general philosophical interpretations of freedom.

Every social order is built up on common values. This is the secret of its stability. Values are abstract concepts that direct people towards goals which they are willing to achieve together. This is possible just in case of conceptual synonymy in understanding the values and reaching an agreement to follow definite rules that guarantee achievement of these values.

In this article freedom is looked upon as an entirety of property rights; competition – as a compulsory game in which the players should take part in order to obtain property rights; and market order as the totality of all the market players and the rules which they follow in order to achieve their free choice of production and of market exchange of the property rights upon goods.

According to the author freedom and competition are in close relationship which is created by the property rights. The clearly defined rules as per which every player acquires property rights upon goods outline the scope of his free actions. The extension of this field in the presence of the institution of market as a regulator of the exchange can be achieved mainly through a competition play. This play should be organized through a set of rules which do not allow

turning the society to an arena for gladiator battles and so guarantee maintenance of compatibility as the most civilized achievement of men.

The triad *Freedom-Competition-Market order* is a creative achievement of human, developed through the creation of rules and order out of which it cannot exist. This achievement is one of the main features of modern society.

People are what they are. And whether they will show off the best of themselves depends only on the rules of society.

Key words: freedom, competition, market order, property rights, social liberal order.

JEL: A13, A14.

The Restructuring of the World: Challenges before the European Union and Bulgaria's Foreign Policy
Assoc. Prof. Dinko Dinkov, Ph.D.

Against the background of the deep transformations in the world Bulgarian foreign policy has defined its priority objectives as the integration to the international structures that have proven their vitality and prospects. Despite the combination of hesitation and determination Bulgaria has achieved an incredible change of its position in the international system. From the most loyal satellite of the USSR, a member of the Warsaw Pact and the Council for Mutual Economic Assistance (COMECON) Bulgaria underwent a transformation and became a member of the European Union, the North Atlantic Treaty Organization (NATO), the Council of Europe, etc. It is accepted that the country is integrated into the most reliable security systems. There are still some difficulties regarding the understanding of these radical

changes. But Bulgaria's foreign policy is facing some new challenges that are not easier to understand. They evolve from the deep structural changes in the international system.

The aim of this article is to call attention on the emerging new non-state factors in the international communication as a test for Bulgarian foreign policy.

Key words: European Union, restructuring of international system, supranational level, supranational approach.

JEL: F01, F59.

The M|G|1|K Queue with Multiple Vacation Times and Setup Times

Assoc. Prof. Mitko Dimitrov, Ph.D.

Assist. Prof. Miroslava Ivanova

We consider one line queuing system with Poisson arrival process and finite capacity. The service times are random variables and depend on queue length at service – start epochs. The exceptional first vacation time of a multiple vacation times and setup times are introduced.

The sample – path analysis introduced by Niu and Cooper is employed to find out the steady state distribution of queue length and remaining service time in the queue.

Key words: M|G|1|K, queue with vacation, queue length and remaining service time.

JEL: C6, C65.

Cloud 2.0 – Development Tendencies In Cloud Computing

Assoc. Prof. Dimiter G. Velev, Ph.D.

The paper is aimed at the future and natural development of the cloud computing, known as the Cloud 2.0 term. The current state of the cloud

computing technology is presented, as well as its components, possible applications with regard to the user type and implementation techniques. Afterwards the paper describes the newest developments in Cloud 2.0. The key factors in the technology individual components are pointed out, possible sphere of application. A short comparison with the features of Cloud 1.0 is given. The possible enhancements are outlined and some recommendations for the functional characteristics are given.

Key words: Cloud Computing, Cloud, Software As A Service (SaaS), Platform As A Service (PaaS), Infrastructure As A Service (IaaS), virtualization, online social networks.

JEL: C6, C63, C8, C81, D8.

Into Seeking of Solution of Two Fertility Main Problems

Assoc. Prof. Todor Kaloyanov, Ph.D.

The paper presents a general review of an different theoretical aspects and an empirical analysis of women fertility using total fertility rate.

The demographers try to find an acceptable solution of the following problems:

- transition from cohort to period and vice versa from period to cohort fertility measures;
- measure of quantity effect in total fertility rate due of average mother age change. The main goal is to find a precise assessment of the actual fertility level. According to the researchers it would be possible to make an acceptable foreseeing for future changes of fertility.

The author analyzed the theory of translation and the adjusted total fertility rate idea and presents his point of view.

Key words: fertility, total fertility rate, cohort and period analysis, tempo and quantity effects.

JEL: J10, J11, J13.

Long-term Motivation as Personal Dimension of Innovative Activity of Students from the UNWE Chief Assist. Prof. Donka Nikova, Ph.D.

This article presents an empirical exploration of long-term motivation as a personal parameter of the innovative activity of students.

The questionnaires for testing the innovative activity and the long-term motivation are used in the research.

The extract includes 1507 bachelor students from the main economic university in Bulgaria: 677 male and 880 female.

The statistical treatment is done in SPSS.

Some results and conclusions: The innovative activity of bachelor students from this economic university correlates with their long-term motivation. The long-term motivation has influence on the innovative activity of students. There are differences between the male and the female students in their innovative activity. The long-term motivation is a dimension of the innovative activity of bachelor students from this economic university.

Keywords: innovative activity, innovation, long-term motivation, personal dimension.

JEL: 12, 121.

About the Profit from the Loyal Customers Chief Assist. Krasimir Marinov, Ph.D.

Companies use loyalty programs as a main tool to build and sustain long-term customer relationships in many sectors. Return and profit are what justifies the implementation of these programs. It is widely accepted that in comparison with the short-term clients the long-term ones spend more, make more purchases, cost less to serve, easily disseminate positive word-of-mouth, pay premium price. Because of the above reasons, the scientists and

the managers think that loyal customers bring to a company more profit than the non-loyal ones, and strengthening loyalty is sufficient for a company to increase its profit. However, research reveals that neither all loyal clients bring company profit nor all clients who bring profit are loyal. Relationship between loyalty and profit is much weaker and multifaceted than what loyalty proponents argue for.

Key words: loyalty program, loyal client, customer relationship, customer lifetime value.

JEL: M31, M39.

The Role of Tax Harmonization in the European Union for the Reduction of Administrative Costs to Business Nelly Popova, Ph.D. Student, BAS

The present paper focuses on the administrative costs arising from the differences of EU Member States' tax systems and in particular on the tax compliance costs of businesses. The first part traces back the development of scientific research in the field of tax compliance costs. The empirical part of the study presents the results of a survey among Bulgarian firms concerning the main administrative barriers to their economic interactions with firms from other EU Member States arising from the differences in tax systems. The main thesis of the paper is that tax harmonization in the European Union would contribute to the reduction of these costs. The third part describes some of the latest legislative measures for tax harmonization and enhanced administrative cooperation between EU Member States. The empirical study was carried within Project BG051PO001-3.3.04/37 "Development of the potential of young scientist and PhD students for interdisciplinary socio-economic research" co-financed by the European Social Fund via Operational Programme "Development of human resources". The present paper is part of the dissertation "Tax policy in the context of Economic and Monetary Union of the EU – challenges and opportunities for Bulgaria with consultant Tatiana

Hubenova, Ph.D., Head of International Economics Department at the Economic Research Institute.

Key words: administrative tax burden, compliance costs to business, tax harmonization, administrative cooperation.

JEL: H32.

Discussion

Economics and Economic Sociology – the Argument Between Disciplines

Prof. Ivan Katzarski, D.Sc.

The paper discusses the historical development and temporary status of relationships between disciplines studying various aspects of economic reality and above all the relationships between neoclassical economics and economic sociology. A process of distancing and even growing contradictions amounting to hostility is observed between the disciplines. The reasons for this state of affairs as well as the expected future development of the present situation are discussed.

Key words: economics, economic sociology, political economy, institutional economics.

JEL: A12.

Strategic Models to Combat Human Trafficking

Prof. Stefan Hristov, Ph.D.

The article is devoted to current issues related to trafficking of human beings. It seriously threatens the freedom and security of person. There are presented are strategic models accepted in world practice for an effective counteraction to this crime. Expert evaluation of the key initiatives is made by applying the "5P" model to combat human trafficking.

Key words: human trafficking, strategic models, collective consensus, key initiatives.

JEL: D7, H56.

Political Thinking – Factor of Bulgarian Economic Transition Failure

Assoc. Prof. Alexander Tassev, Ph.D.

This article's aim is to accentuate on the leading role of the political factor for the Bulgarian economy management and development in the Transition period. The following main conclusions were made:

- After the Change from the end of 1989, twenty-two years later, Bulgaria occupies the last place in EU, as a whole, according the indices economic and social prosperity, so from this point of view the transition is unsuccessful;
- The political thinking and management is a leading factor for the Bulgarian economic transition failure;
- Bulgaria needs a rational and unusual pragmatic economic program and a corresponding program for its administration, aiming to change the unenviable economic and social situation. Such a program has to be a consensus for all political forces and to be executed by them when they have the power.

Key words: political thinking, economic transition, structural reform, investment climate, Eurozone, Euro plus pact, Europe 2020.

JEL: H10, O10.

Contents and Article Summaries

Guide for Authors