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Articles

Ivan Kinkel's (1883-1945) Theory of Economic Development

Nikolay Nenovski

The paper presents and comments on the "Attempt at Constructing a New Theory of Economic Development and Cultural Cycles" (published in 1921) of the Bulgarian economist and sociologist of Russian origin, Ivan Kinkel (1883-1945). Kinkel's theory, although unknown outside the Bulgarian academic circles, carries a range of original ideas and new insights within the frame of *Schmollerprogramm* stressing the importance of studying economic development as socio-cultural evolutionary change, the role of unity of social life and plurality of human motives, and methodologically trying to link theory and history into multidisciplinary approach. Kinkel's theory of cyclical development and his works in general can be of value not only for the study of economic thought and the diffusion of ideas, but in providing an insight into the forces underlying the profound changes that we've been witnessing these days.

Key words: history of economic thought, historical school, Bulgaria.

JEL: B10, B20, B30, N13, N14, G 01.

Adam Smith's Capitalism

Ivan Katsarski

The paper discusses Adam Smith's views on capitalism ("commercial society"). Three major groups of issues are considered: capitalism as triumph of progress and civilization; the free trade principle and its limitations; the three main classes of commercial society and their different

attitudes toward general interest. The author is looking for actual projections of some of Smith's basic ideas. The argument is advanced that in a series of aspects (control over financial sector, speed of opening of national economies, etc.) the dominant Neo-Liberal policy of the last decades has gone "much farther" in comparison to Smith the Liberal, which is the cause of some contemporary catastrophic tendencies. At the same time, Smith helps us realize a basic antinomy of capitalism: a significant degree of economic liberty is a prerequisite for it; at the same time, economic elite is not interested in that liberty and permanently undermines it by its actual behavior. Smith's ideas could serve to formulate a new economic strategy, much more radical than the Keynesian and the Neo-Liberal ones.

Key words: Adam Smith, capitalism, commercial society, progress, economic liberty, monopolies, classes, general interest, crisis.

JEL: B31, B41.

On the Sociology of the Time Budget

Nachko Radev

The study focuses on the sociology of budget time. Analyzed the stages of formation of sociology budget time. Explores the process of institutionalization of the social studies time. Defined core budget time, its structure, its factors change use patterns of time, the basic use of the budget time. It analyzes the main results from five nationally representative surveys of budget of time, which are evidence of huge transformations in the budget during the Bulgarians.

Key words: Sociology of budget time, budget structure of time models for time use, directions

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for use of time.

JEL: D 90, D 91, D 92, J 22.

Dynamic and Structure of the International Economic Relations

Ruska Dimova

The dynamic and structure of the foreign direct investment, international trade and international migration are analysed. Actual regional structures are represented. The factors of the outstripping of the emerging countries and transition countries are summarized. The conclusions about the new trends determine increasing importance of the corporative strategies and national policies for the economic growth and the sustainable development.

Key words: foreign direct investment, international production, international trade, international migration, dynamic and structural trends.

JEL: F20.

An Empirical Study of Present Interest on the Process of Regulatory Agencification in the World over the Last Four Decades

Atanas P. Atanasov

The attention is drawn and focused on a highly representative empirical study of the processes of the so called 'regulatory agencification' in the world in the period from 1966 through 2007. The diffusion and the sources of institutional transfer and institutional change are outlined in the context of the regulatory practice. Three stages of diffusion of regulatory agencies are defined, with different causal mechanisms of transfer at each of them.

This clarification of determinants and trend in the regulatory agencification is done in order to emphasize the aspects discussed and their instrumental role in further analyses of regulatory processes, and especially of regulatory practice and tendencies in the European Union.

Key words: regulatory agencification; diffusion process; channels of institutional transfer; stages of diffusion with different causal mechanisms.

JEL: A1, A13, H0, L99.

Approaches to the Interest in Law

Svetla Marinova

The aim of this article is to reveal some points in the relations between subjective and objective aspects in the concept of interest. The interest is a complex concept in law because it is manifestation of subjective and objective approach, attitude to the reality. The article treats the interest in the context of the cause and effect interrelations between concepts of existence-consciousness; The concept of interest reflects the interaction between external and internal world of the person.

Key words: The subjective-objective concept of interest.

JEL: K10.

View to the Legal Principles of Tax Process

Nina Chilova

The purpose of this piece of research is to frame legal principles on which tax process is based. The legal principles are perceived as a foundation, basic rule or guidance as well. It is a part of the legislative tradition in Bulgaria the principles of a legal specific legal regime to be formulated. On a basis of analysis of the legislation a conclusion is drawn that the tax process is subordinated not just to the principles which are typical for the whole legal system - the principle of legality and objectivity, but to specific principles - the principle of self initiative, of legal autonomy and independence as well. However, a well-grounded understanding is raised that the principles of openness and predictability, proportionality, considered as general principles of European Community law have their subsidiary

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implementation. The article critically analyzes some legislative solutions and proposals are made for their improvement. The proposals are mostly focused on the lack of special legal guarantees tailored to ensure the application of the tax process legal principles.

Key words: legal principles, legality, objectivity, legal autonomy, openness and predictability, proportionality.

JEL: K34.

The Bulgarian Currency Board Arrangement in the Context of the Future Membership of Bulgaria in the Euro Area

Ivan Todorov

The type of the exchange rate regime has specific impact on the effectiveness of macroeconomic policy and on the integration of national economies in economic unions and currency areas. Currency board arrangement (CBA) is a hard form of currency peg, where monetary policy does not work and only fiscal policy is effective. The characteristics of macroeconomic governance in a currency board arrangement are similar to those in a currency area membership: lack of autonomous national monetary policy and functioning fiscal policy under the control of national (though the Euro area debt crisis may be expected to bring about some transfer of fiscal competence from national to communitarian level of governance). This paper outlines the specificity of macroeconomic policy under a currency board arrangement and analyzes the Bulgarian CBA from the standpoints of the future membership of Bulgaria in the Euro area. Recommendations are made on the macroeconomic policies Bulgaria should pursue on its way to adopting the Euro.

Key words: Bulgaria, currency board arrangement, Euro area, macroeconomic policy.

JEL: E60, F36, F41.

The Eurozone Crisis – Is There a Solution?

Stoimenka Tonova

The eurozone faces three interlocking crises that together challenge the viability of the currency union. There is a sovereign debt crisis where a number of countries have faced rising bond yields and challenges funding themselves. At the same time, there is a banking crisis where banks have appeared to be undercapitalized and have faced liquidity problems. Lastly, there is a macroeconomic crisis with both a low overall level of growth in the eurozone and an unequal distribution across countries. The purpose of this paper is to summarize and explain the potential solutions to the eurozone crisis, to explain their advantages and disadvantages and recommend the use of particular measures to solve the crisis.

Key words: crisis, eurozone, debt, sovereign risk, yield, banks, bonds, economic growth.

JEL: G01, G21, G24, G28.

Financial Risks to Spain in the Context of Euro Zone Debt Crisis

Neli Popova

The present article is devoted to the issues of Spain's financial stability in the context of the Economic and Monetary Union debt crisis. Object of research are the main factors and premises for the increase of the public indebtedness of Europe's second largest economy; the purpose is to identify the potential risks to its solvency. The topicality of the subject is determined by the size of Spanish economy and the risks to other Eurozone member states stemming from its growing indebtedness. In the present paper public debt is considered in interconnection with external debt of the country, the latter being a serious burden. An attempt is made to answer the question is Spain confronting a debt crisis like Greece and what are the most important threats to its financial stability.

Key words: public debt, external debt, crisis.

JEL: F34, H63.