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Ikonomicheskoto razvitiye Economic Development

“Ikonomikata v syanka” v predstavite na balgarskoto obshetestvo

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Shadow Economy in Perception of the Bulgarian Society

Emilia Chengelova 5

Current article offers a brief retrospective on approaches and research methods to study those particular segment of economic practices defined as shadow economy. A special place is given to clarify the ontological relevance of the construct „shadow economy“, thus overcoming the lack of consensus on the conceptual apparatus. A unique methodology for Social Survey Research on “shadow economy” has been introduced, with holistic approach taken as a core of the methodology.

The article highlights two basic aspects of “shadow economy” public opinion: first, what are the perceptions of the Bulgarian Society for the relative share of “shadow economy” in the national economy and, secondly, what are the prevailing public opinion models for “shadow economy” assessment and acceptance.

Based on the system of Social Survey research carried out in 2010-2013, key conclusions on the scope, trends and “shadow economy” forms are made. It is shown that the different participants in social and economic relations evaluated shadow practices in a distinct manner, which is a result of the specific place taken by individuals in the system of production, as well as a reflection of the direct benefits and harms experienced by different actors imple-

menting shadow economic practices.

Key words: Shadow economy, Social survey research methodology, Public opinion on shadow economy, Shadow practices, Tolerance and sensibility towards shadow economy.

JEL: E26, O17, D73.

Endogenen model na ustoychivo razvitiye i opazvane na okolnata sreda

Yuli Radev 23

Endogenous Model of Sustainable Development and Environmental Protection

Yuli Radev 23

Endogenous model of sustainable development and environmental protection is an alternative to neoclassical models. The model is called endogenous, as the economic growth is described in the framework of the model on the base of human capital and knowledge. Moreover, natural resources are presented in terms of biophysical laws. However, it was retained the neoclassical rule for sustainable development and environmental protection - permanent consumption and constant level of remaining natural resources, providing a favourable environment for living.

Key words: entropy, environment, endogenous economic growth, amenity.

JEL: O10, Q01, Q32, Q50.

Prognozni ochakvania za chislenostta na selskoto naselenie do 2020 g. po rayoni na planirane

Minka Anastasova – Chopeva 43

Predicted Number of the Rural Population by 2020 by Planning Regions

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Minka Anastasova – Chopeva 43

The serious challenges to the implementation of the Programme for Rural Development in the new programming period 2014 2020 (PRD) raises due to the heavy demographic crisis of country and especially of the rural areas. This defines the purpose of the article. On the one hand, the main forecasts the expected total number of rural population incl. in sex-age groups by 2020 for six planning regions are presented and analyzed. On the other hand, recommendations regarding the need for urgent, complex and unusual measures to get out of the demographic crisis are made.

The component method of population is used for preparing the forecasts. Years from 2001 to 2010. are selected for basic period. The specific features of the statistical regions in relation to the rural demographic development are discovered. A further tendency of the rural population decrease and continuing village depopulation are contoured. This trend is typical for all planning areas but level and pace of ongoing demographic processes are different. The impact of population growth on demographic development in the rural areas will continue to have a dominant influence than the impact of migration processes.

The summarizing conclusions from analysis of the expected demographic situation in rural areas are derived. An attempt to lay down recommendations to solve this with essential, as complex and difficult problem is made. Among them is a reasonable idea of creating a special fund under certain requirements to help the demographic salvation of Bulgarian villages. Among them is motivated the idea of creating a special fund subject to certain requirements to help the demographic rescue of Bulgarian villages.

Key words: demographic forecast, rural population, planning regions, 2020.

JEL: J11, R23, C65.

Vrazka mezhdu obshtestvenite naglasi i dvizhenieto na osnovni borsovi indeksi v konteksta na Hipotezata za efektivnite pazari

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Linkages between Public Sentiments and Stock Market Dynamics in the Context of the Efficient Market Hypothesis

Anton Gerunov 58

The paper studies whether the dynamics of stock market indices of twelve EU member states are in accordance with the Efficient Market Hypothesis and if any publicly available information can be used to forecast their movements. We fit GARCH(1,3) models to time series of the indices over the period 01.1998 to 05.2013 at monthly frequency in order to examine the informational efficiency of markets. All models show that some publicly available information is underutilized, which hints at the possibility to increase forecasting accuracy by inclusion of additional variables. Additionally in six out of the twelve studied countries information about the economic expectations of the public can forecast index movements. Those results underline the idea that more complex behaviorally-informed models can improve our understanding of the financial markets dynamics.

Key words: economic expectations, stock indices, rationality

JEL: G14, D84.

Ikonomika na otraslite Economic of Industries

Zhelezopatniat transport v Bulgaria – predstoyashti predizvikatelstva

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Rail Transport in Bulgaria – Upcoming Challenges

Borislav Arnaudov 72

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EU enlargement creates new challenges and opportunities that affect the market for rail transport services. While new business opportunities are developed with the growth of international trade, they would have to oppose the policy of deregulation, which will impact both on current concepts of secure and protected national markets and the accelerated development of infrastructure of transport competitive modes, in particular rail passenger transport.

To compete in this new global business environment the railway companies in Bulgaria have no other alternative but to expand their business beyond national transport market in rail services, including in the new pan-European perspectives. This will allow them to focus on large amounts of new market segments.

To be successful this new business needed rail transport to reach the best economic performance and productivity of work. Achieving this goal requires an adequate and efficient railway infrastructure which will be able to meet the ever-increasing demands on the transport service by users - transport time, reliability and quality of transport services that meet the specific needs of customers.

Key words: railway transport, sustainability, competitiveness, regulatory, transport market, competitive procedures.

JEL: N70.

Vazmozhni merki za podobryavane finansiraneto na naukata

Albena Vutsova, Emil Mitov 82

Possible Measures to Improve Science Funding

Albena Vutsova, Emil Mitov 82

Science funding as a share of the economy is a particularly important indicator of the quality and effectiveness of research, and at the same time gives a basis for comparison with the funds allocated in other countries. The main drawback of most studies examining the funding of science is that they provide abundant statistical

information on the amount of funding, a percentage of GDP at home and abroad, good practices of funding in Western Europe and America, and a historical overview of the funding throughout the ages, but does not propose specific solutions to improve the current situation in Bulgaria.

The article attempts to examine the status of funding of science and its development over the years, and specific recommended activities that would alter the critical level of allocations and the trend of science funding in the country to be one of the lowest within the EU.

The purpose of this study is to propose possible and mostly admissible solutions that satisfy professional research staff and potential future investors, as well as revenue administration which actually applies the solutions.

The researched possible changes in legislation could raise funds by up to 16.6% of the current funds allocated for financing of science, without changing the predetermined budget for this. There are solutions that could partially be alleviated by changing the current state or additions to existing regulations in the field of taxation. Objects of this study are the laws related to taxation in Bulgaria and in particular the Law on Income Tax of Individual, Law on Corporate Income Tax, the Law on Value Added Tax, Enforcement Act Value Added Tax, the Law on Promoting Scientific Investments and how their changes would encourage investment in the industry.

Key words: financing, policies, instruments, funds, science.

JEL: G3, K34.

Problemi na pozitsioniraneto na balgarskia turisticheski product

Nikolay Tsonev 96

Problems of Positioning the Bulgarian Tourism Product

Nikolay Tsonev 96

The article examines the problem of positioning Bulgaria as a tourist destination, particu-

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larly certain Bulgarian tourist destinations. It is proved that the critical factors for success of positioning are preliminary studies and solutions: the right segmentation of real and potential customers; the exact choice and focusing on specific target groups; the preliminary study of the ideas which should be presented to these markets.

It was concluded that Bulgaria did not take an advantage of the systematic approach to segment, define the target segments and position the tourism product (both as a whole and as certain destinations). This chaos and fragmentation of efforts reduce the effects of the individual actions and the effect for the country as a whole. Dirigisme in positioning the county as a tourist destination and coordinating the efforts of different stakeholders are needed is what the thesis justifies.

Key words: positioning, segmentation, tourism product, tourist destination, systematic approach.

JEL: L1, M3, O2.

Otsenka na effektivnostta na stopanskata deynost v balgarskite rechni pristanishta
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Evaluation of the Efficiency of Economic Activity of Inland Ports at the Bulgarian Section of the Danube River
Petya Korolova 109

The paper is devoted to the study of the efficiency of economic activity of inland ports at the Bulgarian section of the Danube River. In this regard a system of economic indicators (cargo turnover of Bulgarian river ports; total revenues; average number of persons employed; average stay of a vessel at inland ports; average wage costs and investment costs for maintenance and development of Bulgarian inland ports) will be analyzed. In the study is proposed a model for evaluation of the efficiency of ports traditional and complementary services. It is composed a rectangular matrix that reveals the correlations

between indicating factors and performance indicators. As a result of the analysis are summarized the problems that hinder the economic activity of Bulgarian river ports and their superstructure and key measures for their development are proposed.

Key words: efficiency; inland ports; evaluation; performance indicators; influential factors.

JEL: C13; R49.

Sotsialni mrezi i fondove **Social Networks and Funds**

Riskove i vazmozhnosti pred fondovete za dopalnitelno zadalzhitelno pensionno osiguryavane v Bulgaria
Zheko Milev 120

Risks and Opportunities for the Supplementary Compulsory Pension Funds in Bulgaria
Jeko Milev 120

Supplementary compulsory pension funds have been operating for more than 10 years in Bulgaria. For the time being some of the risks facing the insured individuals came into surface. These financial institutions should start paying benefits in the near future to those individuals insured for early retirement and/or for an additional pension. That's why it is necessary to analyze the risks insured individuals could face and to distinguish between the upcoming reality and the myths surrounding pension funds in Bulgaria. The current article discusses some of the dangers concerning insured persons, demonstrates the investment results of the Bulgarian pension companies for the period 2002 – 2013 and proposes some recommendations for possible changes into the current normative rules, whose aim is to make the system more efficient than it is now. The aging of the population both in Bulgaria and in most of the countries in Europe makes necessary the implementation of reforms within the pay-as-you-go pension sys-

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tems. At the same time the establishment of non-effective funded pillars could raise and not mitigate the future risks. There is one additional detrimental factor that should be taken into account within this complicated process – the significant increase of the public debt that accompanies the started transformation in most of the countries. This tempts the governments to use the assets of the pension funds for some short term rather than long term ends. The reversal of pension reforms in countries like Hungary and Poland makes it crucial to assess carefully the pro and cons of the pension fund activity by now and the factors that could trigger such processes in Bulgaria as well

Key words: pension funds, investments, financial risks, insured individuals.

JEL: G23.

Nasoki za razvitie na korporativnite komunikatsii chrez prilozhenie na sredstva ot sotsialnite mrezhi

Veselin Georgiev 127

Directions for Development of Corporate Communications through Social Network Tools

Veselin Georgiev 127

The progress of information technology, particularly Internet and Web, in the last ten years and widespread usage by people gave precondition for constructing new communication and information channels. Simultaneously, enterprise needs for new flexible communication tools increases more and more, especially in areas of collocated work units, dynamic workflows, large corporate structures, the need for asynchronous and mobile methods of communication and collaboration allow entering technologies such as web 2.0 and social networks. Social networks provide the necessary range of resources for internal communication, combined with the potential of building social circles and groups are dominating as a useful and indispensable tool, displacing the email messages in asynchronous

communication, phone and chat in synchronous. This way of interaction within corporations led to changes in work habits and approaches to interactions of employees on the one hand and on the other, allows all generated information in the process of collaboration between employees to be saved and used in the process of knowledge mining and stored as collective wisdom.

Key words: Social Networks, Corporate social networks, web 2.0, collective wisdom, wisdom of the crowd, BIS.

JEL: C61, C63, C8.

Bankova sigurnost

Bank Security

Proekti za povishavane na fizicheskata sigurnost v targovskite banki

Petya Biolcheva 138

Projects to Increase Physical Security at Commercial Banks

Petya Biolcheva 138

The article discusses current issues related to the operation of commercial banks in Bulgaria. The increase in the number of bank robberies and a number of other threats to banking security dictate the need for increased physical protection. The article offers a methodology based on which you can develop projects to improve the physical security of banks and by that to increase their goodwill. The article successively describes the process of analyzing the environment, risk assessment, development and evaluation of projects in their specificity.

Key words: commercial banks, physical security, project, risk groups.

JEL: G21, G32, O22, H55.

Contents and Article Summaries

Guide for Autors