OPINION

on a dissertation submitted for the award of the academic degree “Doctor of Sciences” at Varna Free University “Chernorizets Hrabar”

Prepared by: Assoc. Prof. Nikolina Grozeva, PhD, Department of Economics, Varna Free University “Chernorizets Hrabar”, Professional Field 3.8 Economics, pursuant to Order No. 316/18.06.2026 of the Rector of Varna Free University “Chernorizets Hrabar”.

Author of the dissertation: Dr. Sylwester Bogacki

Dissertation title: *Economic Determinants and Methods of Measuring the Fiscal Stability of Local Government Units*

I. General Characteristics and Evaluation of the Dissertation

The dissertation submitted for review presents a well-structured analysis of public finance management and fiscal stability in local government authorities in Poland. The study examines key aspects of fiscal policy, systemic conditions, influencing factors, and measurement methods related to fiscal stability at the local level.

The dissertation comprises 324 pages and consists of an introduction, four chapters, a conclusion, a bibliography, and appendices. Each chapter is divided into separate sections. The main text contains 78 tables and 8 figures. The research is based on an extensive review of the relevant literature, including 95 monographs, 124 scientific articles, 21 legal acts, and 60 scientific and other reports and analyses.

The introduction clearly justifies the relevance of the research topic and defines the aim, objectives, object, subject, and research hypotheses. The topic is highly relevant, as Poland has experienced increasing indebtedness of local governments, accompanied by a decline in the investment share of public expenditure. This trend indicates a shift toward financing current expenditures, thereby threatening long-term development opportunities and the effective absorption of European Union funds. Furthermore, fiscal sustainability at the local level remains insufficiently explored due to conceptual ambiguities, methodological limitations, and data constraints, thus highlighting the need for more comprehensive and multidimensional analytical frameworks capable of capturing the complexity of fiscal processes.

The **first chapter** examines economic and financial stability from both theoretical and practical perspectives, encompassing microeconomic and macroeconomic concepts. Particular attention is devoted to the dynamic analysis of public finances, efficient public spending, and transparency, while also addressing decentralisation and the structure of local government budgets.

The **second chapter** focuses on the systemic conditions for fiscal stability, drawing upon the theory of fiscal federalism and the Polish legal framework. It provides a definition of local fiscal sustainability, identifies its principal determinants and barriers, analyses financial data from Polish municipalities for the period 2019–2024, and proposes practical models and indicators for assessing their financial condition.

The **third chapter** analyses the factors affecting the fiscal stability of local governments, classifying them according to their nature (institutional, economic, demographic, social, and environmental-spatial) and origin (internal and external). It discusses their impact on local public finances and summarises the principal findings of both Polish and international research.

The **fourth chapter** examines methods for measuring fiscal stability, highlighting challenges arising from the absence of standardised methodologies. It compares indicator-based approaches with methods employing composite indices. The chapter also includes an empirical study of small Bulgarian municipalities and proposes a model for assessing their financial sustainability.

The conclusion presents the principal findings and results of the research and outlines the scientific contributions of the dissertation.

The dissertation is logically structured and consistently developed. The writing style meets the standards expected of a scholarly work. The study is complete and of an appropriate scope for a dissertation submitted for the degree of Doctor of Sciences. The issue of fiscal stability is highly topical. The research highlights the ongoing transformation of the economy toward sustainable and inclusive growth, moving away from neoliberal models focused primarily on profit maximisation and placing greater emphasis on social and environmental dimensions. It also presents moderate forecasts for global economic growth in the context of geopolitical risks and regional disparities. Furthermore, the dissertation provides detailed information on the financial position of Polish local governments in 2024, illustrating the challenges posed by budget deficits, increasing indebtedness, and diverse fiscal management strategies. For these reasons, I consider the study to possess significant academic merits. The referencing is accurate and appropriate.

II. Evaluation of the Results and Contributions

Dr. Bogacki's contributions are substantial and multifaceted and may be classified as **theoretical, methodological, and practical**. The most significant among them are the following:

- **Theoretical contributions:** The dissertation develops a new understanding of the fiscal stability of local governments by conceptualizing it as a complex and dynamic phenomenon rather than merely a function of indebtedness or budget balance. The study advances the existing theoretical framework in the field of local public finance by demonstrating that fiscal stability depends on the interaction of financial, institutional, and socio-economic factors and manifests itself differently across various types of municipalities.

- **Applied scientific contributions:** A practically applicable model for assessing the fiscal stability of municipalities has been developed, enabling comprehensive analysis, comparison, and monitoring of fiscal stability over time. The findings provide a sound basis for improving fiscal monitoring systems and formulating more effective policies and governance mechanisms for local public finances. These results are of practical relevance to local authorities, supervisory institutions, regional audit offices, and public policy makers.

- **Methodological contributions:** The dissertation proposes an integrated methodological framework combining various quantitative approaches into a unified analytical model for the assessment of fiscal stability. The methodology enables simultaneous evaluation of differences among municipalities and changes over time while also allowing for the identification and measurement of the determinants of fiscal stability. I consider this contribution to be original and highly valuable for research and practice in the field of local public finance.

In summary, I conclude that Dr. Bogacki's research provides new and profound insights into the dimensions and maintenance of fiscal stability in public finance. Consequently, I regard these contributions primarily as applied scientific contributions that further develop and enrich the existing body of knowledge.

III. Evaluation of the Publications Related to the Dissertation

The author has submitted a list of scientific publications directly related to the dissertation topic. These include **seven articles** published in peer-reviewed international journals indexed in Scopus and Web of Science, as well as numerous publications in national journals, monographs, and conference proceedings. These publications demonstrate the consistent development of the research topic and confirm the author's active and well-recognized scientific activity. The number, quality, and visibility of the publications (50 citations, including citations indexed in internationally recognized databases) not only satisfy but substantially exceed the requirements for the award of the academic degree Doctor of Sciences.

IV. Evaluation of the Dissertation Abstract

The dissertation abstract provides a comprehensive, accurate, and clear presentation of the entire dissertation. It is well structured and fully accomplishes its purpose of informing the academic community about the achievements and contributions of the research.

V. Critical Remarks and Recommendations

I have no critical remarks or recommendations, as those raised during the preliminary discussion were duly addressed and incorporated by the author.

VI. Conclusion

The submitted dissertation complies with the requirements of the Academic Staff Development Act of the Republic of Bulgaria, its Implementing Regulations, and the relevant internal regulations of Varna Free University “Chernorizets Hrabar.”

Dr. Sylwester Bogacki's dissertation constitutes a serious, original, and scientifically sound study with significant theoretical, methodological, and practical contributions in the field of Economics.

Therefore, I give a **positive evaluation** of the dissertation entitled **"Economic Determinants and Methods of Measuring the Fiscal Stability of Local Government Units"** and recommend that the distinguished members of the Scientific Jury vote in favour of awarding **Dr. Sylwester Bogacki** the academic degree of **Doctor of Sciences** in **Professional Field 3.8 Economics**.

Varna, 14.07.2026 Signature…………….

(Assoc. prof. Nikolina Grozeva, PhD)