

## **‘TRADE’ MAJOR AT VARNA UNIVERSITY OF ECONOMICS – TRADITION AND PRESENT PERSPECTIVES**

**A paper, dedicated to the 60th anniversary of the Department of  
Economics and Management of Trade (1953-2013) and the 65<sup>th</sup>  
anniversary of the Economics of Trade degree course (1948-2013)**

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The Department of Economics and Management of Trade at Varna Economic University is part of the large academic community which has not only kept the educational traditions in the area of trade but has also helped further the science of trade.

The founding fathers of the university and the Trade Department recognized the fundamental role which commerce was to play in the development of the national economy and society. The original idea of teaching the subject of trade can be traced back to the time when the Higher School of Trade was founded. The needs of the society, the region and the country were of primary importance in defining the mission of the university. The purpose and objectives of the Higher School of Trade were written down in its original rulebook: to formulate the socio-economic, commercial and technical sciences, which will be seen as the very basis for studies and research in the area of commerce and industry and thus meet the needs of the country.<sup>1</sup>

From ancient times up to the present day, trade has been based around free negotiations, and has been the core medium of any working economy. Trade can be associated with ‘wealth’ in terms of the word *commercium* – i.e., trade, goods and exchange of goods through interaction and communication to a place or market, and the right to enter into negotiations. Under Roman Law, one of the three basic rights is the right ‘*ius commercium*’ (the right for free negotiation) together with ‘*ius connubium*’ (the right to enter into a civil marriage with citizens of the Roman empire) and ‘*ius migrationis*’ (the right to become a citizen of the Roman empire) – until this very day, these three rights continue to be the very basis of the so-called ‘*European space*’. It is the free, enjoying full rights citizen who is entitled to conclude legal contracts. Also, it is not accidental that one of the statues sculptured on the gable of the university is that of Hermes (the Greek god of trade, weights and measures) and his Roman counterpart Mercury (the Roman god of trade, knowledge and merchants). Without knowledge there is no trade or communications.

Thousands of years ago, trade routes were used not only for the exchange of goods but for the exchange of knowledge and ideas as well. From a social, economic and political point of view, free negotiations are also seen as the very foundation of

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<sup>1</sup> Rules of the Higher School of Trade at Varna Chamber of Commerce, *Izvestiya*, magazine of Varna University of Economics., 1995, issue 1, p. 82.

modern day societies. Awareness of common interests and their significance finds expression in the doctrine '*res extra commercium*' which means 'things outside commerce', i.e. things that are outside the scope of private rights as they represent public or communal interest and as such cannot be subject to trading.

Studies of the trade industry provide trainees with functional and industry sector knowledge and skills. On the one hand, trade can be the integrating function of the business entity. It serves to govern the complexity of informational, legal, marketing, logistic and financial relationships between the seller and buyer.

On the other hand, with the development of supply chains, the importance of trade as an economic sector is increasing. Through employment, domestic consumption, export, investments in IT and communication technology, infrastructure, logistics and transport services, the sector of trade has an overriding influence on other industry sectors and local communities' development. Trade encourages innovations, helps distribution of new information and communication technologies. The World Trade Organization (WTO) forum, held in October 2013 was dedicated to the expansion of trade, furthered by innovation and digital economics. The focus of the EU plan for the development of retail trade (approved in 2013) is the creation of a single retail market.

In the 18<sup>th</sup> century, British economists divided the economy in three major sectors – agricultural, industrial and commercial. The origins of the higher education in trade could be traced far back, in 1900 when the first higher school of trade was established at the University of Birmingham. Only 11 years later, the idea for a higher trade school came into life in the city of Varna which was then a thriving trade and regional centre.

The creation of the Higher School of Trade can be seen as an important first step in the institutionalization of trade training in Bulgaria. The teachers invited by Professor Tsani Kalyandzhiev (the first rector of the trade school) were graduates of some of the best European universities providing instruction in this area: Naum Dolinski, Dinko Toshev, Assoc. Prof. Dimitar Georgiev, Lyubomir Stanev, Assoc. Prof. Tsvetan Stoynov, Marko Valkanov, to name but a few.<sup>2</sup> These are the authors of the first publications on the subject of trade in Bulgaria. Professor Oscar Anderson (Associate Professor in 1921, extraordinary professor in 1924, given full professorship in 1928) wrote the first textbook on trade entitled Notes to Trade Politics (1926), in which he had summarized the best of the theory in the field of commerce.

Over the period 1920-1953, the science of trade was further developed by Prof. Feodor Belmer, Assoc. Prof. Dr. Georgi Petkov, Prof. Stancho Cholakov, Prof. Georgi

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<sup>2</sup> The information in this paper is based on the following sources: Salova N. et al. 50<sup>th</sup> anniversary of "Economics and management of trade" department, Varna: University Publishing House, University of Economics, Varna, 2003, p. 4-6; Tsonikov, G. 50<sup>th</sup> anniversary of the department "Economics and management of trade", Varna: (1953-2003) and 55 years of the degree subject «Economics of trade» (1948-2003) at Varna University of Economics, in collective works "Modern challenges for trade" Varna: University Publishing House, University of Economics, Varna, 2003, p. 17-29, Danchev D. 55 years of the department "Economics and management of trade" (1953-2008) and 60 years of specialty «Economics of trade» (1948-2008) at Varna University of Economics, published in the collective works entitled "Modern Challenges for Trade", Varna: University Publishing House, University of Economics, Varna 2008, p. 19-28.

Svrakov, Prof. Boycho Boychev, Assoc. Prof. Konstantin Stoyanov, Prof. Georgi Georgiev, Assoc. Prof. Goran Ivanov, Prof. Lyubomir Stanev, Prof. Tsvetan Stoynov, Prof. Marko Varbanov, which suggests that “the foundations of the trade science were laid down here in Varna, at the University of Economics”<sup>3</sup>.

The report of the Higher Trade School for the academic 1924/25 gives evidence that the first graduates had studied and taken oral and written exams in the subjects of Trade Politics, Trade Calculations and Trade Knowledge. The founder of the school and its first rector read lectures in the discipline Organization of Trade Education.<sup>4</sup> In 1930 another step in the institutionalization of trade training was made. The subject “Organization of Trade and Business Enterprise” was also included in the school curriculum as an interdisciplinary subject.

With the development of the national economy, and specialization of business enterprises, 6 new functional economic degree subjects were launched at the Faculty of Economics during the 1948/1949 academic year. During the same year, the faculty was renamed Faculty of Economic and Social Sciences. Some 60 years ago, 140 sophomore students of the same faculty who had started their education in 1946 would be the first to graduate the major “Economics of Home Trade”.

Education and training in the area of trade continued improving. With the introduction of European educational standards in 1995/1996, a Bachelor’s Degree course in Economics of Trade and a Master’s Degree course in The Business of Trade were launched, followed by the PhD program Economics and Management of Commerce.

In the context of the *European space* of higher education, instruction and training in the discipline of ‘trade’ at Varna University of Economics embrace a wide scope of subject matter. Students study different types of trade operations: wholesale and retail trade, foreign trade, e-commerce, etc. The interdisciplinary approach is also applied, encompassing knowledge and expertise in the field of economics, finance, risk management, marketing and logistics.

Since the creation of the Economics of Trade degree course in 1948, a total of 7 965 students of economics have successfully graduated among which 46 PhD students and 4 overseas students. 29 PhD (doctoral) students have defended their theses, out of whom two have won a second doctorate: Prof. Dr. of economic sciences Nikolinka Salova – with a doctorate on the subject Effectiveness of Home Trade in Bulgaria (1980) and Prof. Dr. of economic sciences Nikolay Vinogradskii whose doctorate was on the subject Labour Issues in Trade (1980).

The creation of Economics and Management of Trade Department in 1953 helped further the institutionalization of trade education. Prof. Dr. Georgi Georgiev, Assoc. Prof. Dr. Stephan Dinev, Prof. Dimitar Ganev and PhD Yosif Petkov were among the

<sup>3</sup> Salova, N. “The problems of trade and science” seen from a 90 year old historic perspective of Varna University of Economics. // *Izvestiya*, magazine of EU – Varna, 2, 2010, p. 60.

<sup>4</sup> A report published by the Higher School of Trade, Varna for the academic 1924/25. Varna: Publishing House and Chromolithography “Prosveshthenie” P. Zenginov, 1926, p. 11-14.

first members of staff and teachers in this department. The founder and first head of the department became Prof. Dr. Dimitar Georgiev. He was succeeded in this position by prof. Georgi Georgiev. It is worth noting that the first heads of this department had defended their doctoral dissertations and habilitated as associate professors and professors in European universities. Not only were they distinguished scholars and proponents of the idea for trade education, but they manifested high moral values and ethical conduct - qualities that are highly respected within the academic community even today.

The above academic traditions have been well preserved and cherished over the years. For more than 20 years, Prof. Dr. of economic sciences Nikolinka Salova had been head of this department (from 1973 up to 1993). On the 90th anniversary of Varna Economic University, Prof. Nikolinka Salova was conferred the honour Professor Emeritus for her lifetime achievement in the field of science and academic studies. Over the period 1993-2000, the department management was taken over by Assoc. Prof. Dr. Georgi Nyagolov, later succeeded by Assoc. Prof. Dr. Georgi Tsonikov (from 2000 to 2005). From 2005 until 2011 head of department was Prof. Dr. Dancho Danchev.

Staff records cover several periods in the department's history. During 1956-1971, Assoc. Prof. Georgi Ivanov, Prof. Dr. of economic sciences Nedelcho Enev, Assoc. Prof. Dr. Elena Atanassova, Prof. Dr. of economic sciences Nikolinka Salova, Assoc. Prof. Dr. Nikola Stoyanov, Assoc. Prof. Dr. Mariya Alexandrova, Assoc. Prof. Dr. Nikola Nyagolov, Assoc. Professor Dr. Elena Georgieva, all of them have worked as active members of this department. Among other distinguished lecturers, Prof. Stanislav Hadzhiev, Prof. Stefan Tsonev and Prof. Karol Telbizov can be singled out. Since 1974, members of department staff had been many other prominent scholars: Assoc. Prof. Dr. Georgi Tsonikov, Assoc. Prof. Dr. Hristina azashka, Chief Assist. Prof. Yovcho Yovchev, Assist. Prof. Petar Yordanov, Assist. Prof. Rossitsa Markova, Senior Assist. Prof. Albena Stoyanova. At present, academic staff on the payroll of the Economics and Management of Trade department comprise 12 lecturers, two professors, five associate professors, three chief assistant professors, holding a PhD degree, one chief assistant professor, withdrawn from a PhD and one assistant professor who joined a PhD program.

Celebrating the 65 anniversary of the degree course Economics of Trade and the 60<sup>th</sup> anniversary of the Economics and Management of Trade Department, we cannot but pay due respect to the memory of those who are no longer among us – Assoc. Prof. Georgi Ivanov, Assoc. Prof. Dr. Nikola Stoyanov, Assoc. Prof. Dr. Georgi Nyagolov, Chief Assist. Prof. Yovcho Yovchev, Assoc. Prof. Dr. Georgi Tsonikov and Assoc. Prof. Dr. Dobri Angelov.

Owing to their active research work, all members of this department have greatly contributed to the advancement of the science of trade in our country. The founders of the department marked the beginnings of valuable research in the field of economics of trade and marketing, trade culture and consumer behavior in Bulgaria. The following two books: *Types of Consumers and Related Services* by Prof. PhD Dimitar Georgiev and *The Culture of Trade Service* by Prof. Georgi Georgiev have been much acclaimed.

The above authors have also co-written and published a book entitled “Reserves necessary to accelerate turnover of working capital in commercial organizations”. Prof. Dr. Dimitar Georgiev has written the first textbook in the subject “Economics and Planning of Domestic Trade in Bulgaria” and a monograph on clearing payments. Prof. Dr. Georgi Georgiev has yielded more than 40 publications on the subjects of Economics of the Enterprise, Economic Analysis, Company Accounting and Balance Sheet and Economics and Trade Organization.

One of the most commendable efforts of the Department of Economics and Trade Management seems to be the creation of a scientific school dedicated to extensive research in the area of trade efficiency, the foundations of which were laid down by Prof. Dr. of economic sciences Nikolinka Salova. There came a series of publications written independently or under the guidance of Prof. Nikolinka Salova among which the following could be specifically mentioned: “A study on the market and market risk in terms of consumer goods trade in Bulgaria”, “Issues arising from competitive positioning of trade” and “Regional behavior within the trade cycle limits”.

In recent years, as a result of staff habilitation, a number of monographs have been developed and published, among which the monograph of Prof. Dr. Dimitar Danchev entitled *Taxonomy of Consumer Goods* (2012), *Transport as a Key Function in Logistics* written by Assoc. Prof. Dr. Zhelyazkova D. (2011), and *Modern Trade Formats on Consumer Goods Markets in Bulgaria* by Assoc. Prof. Dr. M. Stoyanov (2011). Over the past years, during the period between the last two scientific conferences, the number of publications by staff members has risen to 120, out of which 4 monographs, 10 papers, 42 articles and 64 research papers. Departmental staff have also participated in the development of 15 textbooks and study materials.

One of the successful traditions of this department is to organize and hold international scientific conferences every five years. In the 2008 conference, entitled ‘Trade in the Modern Society’ there participated more than 74 presenters, representing 19 higher schools from 11 different countries. In the scientific conference held in 2013 on the topic ‘Trade – Regional and Global Dimensions’ there were more than 75 lecturers and practitioners from home and abroad who participated with papers, out of which 18 foreign lecturers, representing universities from Austria, Russia, Slovakia, Slovenia and Ukraine.

The cooperation among three different university departments: Economics and Management of Trade department at Varna University of Economics, the Economics of Trade department at Sofia University of National and World Economy and the department of Trade and Tourism Business at the Business Academy D. A. Tsenov has largely helped to establish the institutional basis of the training and science of trade in Bulgaria. Teaching and research objectives of department staff are pursued via close partnership relations with the scientific and branch organizations in Varna and on a national level. Co-operation with corporate partners is arranged on the basis of contract agreements and joint initiatives in the area of education, R&D, consultancy work and practical training. (Piccadilly, Vartek, Stamatovi to name but a few, whose managers had graduated the degree subject Economics of Trade).

In conclusion, we use the historic perspective to evaluate the present and outline future perspectives for development. Furthermore, environmental changes call for continual modelling of the educational content to ensure the right course for professional and career development for those students who obtain a degree in trade. A clear sign in this direction is the fact, that many universities have combined majors on their agenda.

Many universities today offer degree courses in trade at Bachelor and Master's degree level which only confirms the viability of this long standing tradition focusing on a wide scope of interdisciplinary training. More importantly, university graduates with such degrees have the competitive advantage of finding better job opportunities in today's extremely dynamic economic environment, which calls for an integrated approach in resolving the complex issues of trade and economy as a whole.