

*To the Specialized Academic Council DF 58.082.068\_ID 9102  
at the West Ukrainian National University  
of the Ministry of Education and Science of Ukraine*

## **REVIEW**

of the opponent, Olha Ivanivna Bala,  
Candidate of Economic Sciences, Associate Professor,  
Associate Professor of the Department of Management and International  
Entrepreneurship  
Lviv Polytechnic National University,

on the qualification thesis of Zhu Lihong on the topic:  
“The impact of fiscal policy on small and micro enterprises under  
global economic crisis”,  
submitted for the degree of Doctor of Philosophy in specialty  
292 “International Economic Relations”

**Relevance of the topic of the qualification thesis.** The global economy periodically experiences crises, the consequences of which are particularly acute for small and micro enterprises that have limited resources to counteract the negative impacts of the external economic environment. This sector plays a key role in ensuring employment, stimulating innovative activity, and maintaining social stability, yet it is highly vulnerable under conditions of economic instability.

Fiscal policy serves as one of the leading instruments of state influence, capable of significantly affecting the resilience of small enterprises and their ability to adapt during periods of crisis transformations. In the context of increasing global challenges, the research of the effectiveness of tax incentives, government grants, and other financial mechanisms in stabilizing the activities of small business entities is gaining particular relevance.

However, scientific attention to this issue, particularly in terms of assessing the impact of fiscal instruments specifically on small enterprises, remains insufficient. This highlights the need for a comprehensive study aimed at developing practical recommendations for improving the tools of state support. Such research is crucial for the formation of an effective fiscal policy capable of mitigating the negative

consequences of economic crises and promoting the sustainable development of small entrepreneurship.

In view of the above, it can be concluded that Zhu Lihong's qualification thesis, which aims to scientifically substantiate the theoretical foundations of fiscal policy and the concept of its transformation under the conditions of a global economic crisis, as well as to develop a comprehensive fiscal policy model focused on supporting the development of small and micro enterprises in China, is both relevant and timely.

The dissertation submitted for defense is part of the scientific research conducted at the West Ukrainian National University, in particular: the fundamental research project "The concept of recovery and green reconstruction of Ukraine" (state registration No. 0124U000003); the implementation of the international Erasmus+ Jean Monnet Module project "European inclusive circular economy: post-war and post-pandemic module for Ukraine" (registration No. 101085640); business funding research on the topic "Formation of the company's ecological brand in foreign markets" (Contract No. MEV-37-2024 dated 25.04.2024); business funding research on the topic "Transformation of business in conditions of sustainable development of the global economy" (Contract No. MEV-33-2023 dated 05.10.2023).

**Degree of justification of the scientific provisions, conclusions, and recommendations formulated in the qualification thesis.** The qualification thesis is logically structured, with clearly defined objectives and tasks, as well as methodologically grounded approaches to their implementation. All conclusions and recommendations regarding the impact of fiscal policy on small and micro enterprises under conditions of a global economic crisis are properly substantiated and possess practical relevance.

The dissertation employs a variety of general scientific and specialized research methods, including: the method of theoretical generalization (to systematize the macroeconomic evolution of fiscal policy), the historical method (to define the operational environment and classify micro and small enterprises), the dialectical cognition method (to study the role of fiscal policy for micro and small enterprises), the method of analogies and comparative analysis (to analyze the impact of China's

fiscal policy on real GDP growth, net public lending, and its transformation under global economic crisis conditions), methods of induction and deduction (to formulate directions for adjusting MSE development policy in China), methods of analysis, synthesis, and data processing (to assess the status and role of micro and small enterprises in the PRC in the context of the crisis), the monitoring method (to analyze geopolitical risks and internal challenges in the context of the impact of fiscal policy on micro and small enterprises in China), and the data visualization method (to graphically present key points and research findings).

The main theoretical and applied propositions of Zhu Lihong's dissertation have received positive evaluations at national and international conferences and have been published in Ukrainian and international scientific journals.

Thus, all of the above allows for a positive conclusion regarding the scientific level, reliability of the presented material, theoretical justifications and arguments submitted for defense, and the practical significance of the conclusions and recommendations derived from Zhu Lihong's dissertation.

**Structure and volume of the qualification thesis.** The qualification thesis is written in formal English and includes abstracts in Ukrainian and English, an introduction, three chapters, conclusions, a bibliography, and appendices.

In the first chapter, "The Theoretical and Methodological Foundations for Studying the Impact of Fiscal Policy on Small and Micro Enterprises," the author provides a theoretical justification of the evolution of fiscal policy based on the main economic schools – Keynesian, Classical, Neoclassical, Supply-side Economics, and Modern Monetary Theory (pp. 12–27). The research analyzes the approaches of these schools to government intervention during economic fluctuations, with particular emphasis on the role of automatic stabilizers, which prove more effective in developed countries due to stronger institutions and a broader tax base (pp. 7–18).

The author finds that the effectiveness of fiscal interventions directly depends on the existence of fiscal space – the government's ability to increase spending or reduce taxes without endangering financial stability (p. 18). In a constrained budget environment, spending cuts may occur automatically, which, in turn, exacerbates the

crisis. The research also substantiates the risks of excessive fiscal stimulus in times of high inflation or external deficits, calling for an adaptive fiscal policy approach – one that simultaneously supports economic recovery without hindering long-term growth or private investment (pp. 19–20).

In the context of small and microbusinesses, the author highlights the role of MSEs as key drivers of employment and economic development, especially in developing countries, where these enterprises account for over 70% of jobs (pp. 28–29). The main systemic barriers to MSE growth are analyzed, including administrative inefficiency, corruption, weak infrastructure, limited access to finance and justice (pp. 29–30). It is argued that political instability and weak institutions also complicate business environment reforms (p. 30).

From a theoretical perspective, the dissertation explores different approaches to state support of MSEs: the “equal treatment approach,” which implies equal regulatory treatment for all enterprises, and the “differentiated approach,” which recognizes the unique needs of small businesses. The theory of formalization is also adapted, suggesting that a favourable environment can encourage informal enterprises to transition into the formal sector (pp. 30–31).

The author examines fiscal support tools for MSEs, such as tax incentives, public procurement, credit guarantees, and subsidies, and their effects on innovation, job creation, and investment activity (pp. 43–44). The limitations of these measures are also outlined, including insufficient funding, fragmented information systems, inefficient administration, and risks of abuse (pp. 44–45).

Based on the theoretical analysis, the author substantiates the need to combine short-term fiscal stimulus with long-term structural reforms, particularly in areas such as access to technology and skill development. This combined approach would allow small and micro enterprises to fully realize their potential in the process of sustainable economic growth (p. 58).

In the second chapter, “Research on the Impact of Fiscal Policy on Small and Micro Enterprises in China,” the applicant substantiates that fiscal policy plays a key role in regulating economic activity and supporting social priorities (pp. 61–75). The

mechanisms of budgetary stimulation are analyzed, particularly through net government lending, as well as the functioning of local authorities in the allocation of special bonds for strategic needs – such as land reservation and the construction of affordable housing (pp. 63–65).

Based on the conducted research, it is proven that during economic downturns, expansionary fiscal policy (through increased spending and reduced taxes) is more effective than monetary policy in stimulating aggregate demand and real GDP growth (pp. 67–68). At the same time, during periods of economic stability, fiscal restraint, including the maintenance of a budget surplus, contributes to reducing the debt burden and enhancing long-term economic sustainability.

The applicant also investigates the issue of access to finance for small and micro enterprises, which has worsened due to the COVID-19 pandemic. Despite support measures, particularly within the framework of the 14th Five-Year Plan, financial institutions remain cautious due to high risks and low profitability in this segment (pp. 76–78). However, positive trends have been identified – in 2022, the loan rejection rate for MSEs was only 3.6%, while the loan utilization rate reached 87.7%. The applicant emphasizes that interest rates for MSEs remain higher compared to large enterprises, which confirms the existence of financial inequality (pp. 78–79).

Based on correlation analysis, a relationship was identified between the growth of average wages and the increase in the number of corporate enterprises, indicating the positive impact of industrial development and demand for skilled labour on economic activity (pp. 79–81). It is confirmed that private enterprises account for more than 96% of all business units in the country, highlighting their critical importance to China's economy.

The chapter also analyzes external factors affecting fiscal policy: in particular, geopolitical risks, rising protectionism, and the global shift toward higher financing rates, all of which create additional pressure on entrepreneurial activity and fiscal stability (pp. 91–93). It is revealed that in response to the challenges of population aging, governments are implementing fiscal reforms, including raising the retirement age, as part of a strategy for long-term budgetary sustainability.



In the third chapter, “Prospects of development the fiscal policy and MSEs under global challenges,” the applicant analyzes key areas of government intervention aimed at supporting micro and small enterprises (pp. 108–110). Based on the results of the conducted analysis, emphasis is placed on the importance of targeted fiscal policy adjustments to overcome structural imbalances in the development of MSEs and to enhance their competitiveness. In particular, the significance of adaptive taxation mechanisms is highlighted those that take into account the size of the enterprise, industry specifics, and the economic environment which contributes to the effectiveness of state support (pp. 110–111).

The applicant notes that measures aimed at developing the digital economy play an important role in strengthening the capacity of MSEs, including the implementation of e-commerce, cloud technologies, and artificial intelligence. These measures ensure increased operational efficiency, market expansion, and greater flexibility of business models (pp. 112–114). In the context of sustainable development, special attention is given to access to green and sustainable finance, including targeted loans, environmentally oriented bonds, and grants, which make it possible to combine environmental objectives with market-based mechanisms of small business support (pp. 114–116).

The importance of ensuring access to financial resources is also addressed, particularly through credit guarantees, interest rate subsidies, venture financing mechanisms, and the reduction of administrative burdens. The applicant proposes the use of preferential lease terms, subsidies for utility costs, and simplified regulatory procedures to strengthen the viability of small enterprises (pp. 116–118). At the same time, the need to expand MSE participation in public procurement, integration into supply chains, and export promotion is emphasized as a means of stimulating demand.

Based on the conducted research, the applicant proposes a model of fiscal policy for the development of micro and small enterprises in China, which includes a comprehensive set of measures for tax incentives, direct subsidies, improved access to finance, and support for innovation (pp. 144–147). The thesis highlights the need to develop digital and green technologies, support artificial intelligence and cross-border

e-commerce as drivers of future economic growth. At the same time, the importance of regional and international cooperation in the field of fiscal policy is emphasized as a tool to strengthen the ability of states to jointly address crisis phenomena and ensure sustainable economic recovery (pp. 147–155).

The aggregate of scientific propositions, conclusions, and recommendations presented in the qualification thesis, along with their practical significance, allows for a conclusion about the completeness, coherence, and structured nature of Zhu Lihong's dissertation.

**Assessment of the scientific novelty of the provisions and results obtained in the qualification thesis.** The results substantiated in the qualification thesis, which have theoretical and practical significance and determine the scientific novelty of the dissertation, include the following:

- developed the comprehensive fiscal policy model aimed to promoting the development of small and micro enterprises in China, which includes a holistic financial support strategy, reducing the tax burden and creating a favorable business environment, direct fiscal subsidies (including R&D grants, employment subsidies and support for digital transformation), providing expanded access to finance through loan guarantees, interest subsidies;;

- improved the concept of implementing fiscal policy in the system of international economic relations by adapting organizational mechanisms to short-term and long-term objectives, combining expansionary and contractionary types of its implementation, taking into account potential challenges and threats, which made it possible to propose an appropriate structure-logic scheme that describes the cause-and-effect relationships and key factors of its transformation;

- improved the methodical approaches to assessing the fiscal policy of the PRC by studying indicators of real GDP growth, net government lending, budget deficit, corporate tax revenue, and profit margins, which made it possible to methodically substantiate ways to transform fiscal policy instruments and measures in the context of the global economic crisis;

- improved the ways to adjust the development policy of small and micro enterprises in the PRC using adaptive taxation strategies, digital economy integration, and inclusive sustainable green financing, which made it possible to form directions for fiscal policy transformation using targeted tax incentives, subsidies, innovation grants, government procurement preferences, and to justify countercyclical fiscal measures of regional and global coordination;

- further developed the research into the relationships and key factors influencing the results of fiscal policy, in particular, the environment and structure of the functioning and classification of small and micro enterprises, which made it possible to establish the integration and logical connections of the organizational structure, operational processes and strategic decisions and their interaction with the external environment;

- further developed the substantiation of the benefits of fiscal policy stimulation and outlining potential challenges for the development of small and micro enterprises in the PRC, which made it possible to develop a mechanism for the influence of fiscal and tax policy on small and micro enterprises using tax incentives and relevant instruments of state procurement policy;

- further developed the research into geopolitical risks and internal challenges of the impact of fiscal policy on small and micro-enterprises in the PRC, which made it possible to establish regression relationships between the growth of employee income and the increase in corporate micro-units and the behaviour of economic entities in the PRC in times of crisis.

**Significance of the research results for science and practice.** The theoretical significance of the qualification thesis lies in addressing the scientific problem and developing proposals to improve the conceptual and methodological approaches to implementing fiscal policy aimed at the development of micro and small enterprises in the context of global challenges.

The practical significance of Zhu Lihong's dissertation results' lies in the fact that the main theoretical provisions dedicated to the study of key directions of fiscal policy transformation and ways to adjust it for the development of small and micro enterprises



in China can be applied in the practical activities of economic entities as well as in further scientific research.

The research findings, developed into practical tools and recommendations, were utilized and implemented during the forming and implementing the economic and social development program of Jui quan Vocation Technical College School of Economics and Management Ltd (Certificate JUI No. 19 dated 24/04/2025). The main results of research have been used and implemented by Jui quan Xing rongtong Accounting Agency Co. Ltd (Certificate JUI No. 21 dated 24/04/2025).

**Completeness of the presentation of scientific provisions, conclusions, and recommendations formulated in the dissertation in published papers relevant to the dissertation topic.** The key scientific propositions of the qualification thesis, which have scientific novelty, are comprehensively and substantively presented in the published papers. According to the results of the dissertation, 10 scientific papers have been published, including: 1 article in an international scientific periodic journal, 3 articles in Ukrainian specialized scientific journals of category “B,” and 6 publications in other approbation-type editions based on conference materials. The quantity and volume of the printed publications grant the author the right to publicly defend the dissertation.

**Assessment of the structure of the qualification thesis, language and style of presentation of the material.** The content of the qualification thesis corresponds to the defined purpose and objectives of the research, reveals the topic of the thesis, indicates its integrity and completeness. The qualification thesis is written in English in compliance with all the requirements for its scientific style.

**Absence (presence) of violations of academic integrity.** The scientific results of the qualification thesis were obtained personally by the author. From the co-authored scientific papers, only ideas and propositions personally obtained by the author have been used in the dissertation. No violations of academic integrity have been found in Zhu Lihong’s qualification thesis. The dissertation includes references to relevant sources of information, provides accurate information about the methods used and the results of the research conducted, and complies with copyright and related rights

legislation. This allows for the conclusion that the author has adhered to the requirements and rules of academic integrity. The qualification thesis was successfully verified for text similarity using the Turnitin Similarity online service.

**Discussion points and remarks on the dissertation.** Zhu Lihong's qualification thesis has been conducted at a sufficiently high scientific level; however, there are some comments of a discursive nature:

1. The dissertation emphasizes a comprehensive model of fiscal policy to support MSEs in China; however, it only briefly mentions the need to evaluate the effectiveness of the proposed instruments over time, which limits the possibility of quantitative verification of the results.

2. The developed fiscal stimulus model assumes significant state involvement, including subsidies, direct expenditures, and guarantees. This raises concerns about long-term fiscal sustainability and the risks of budget overload, especially in the context of local government deficits.

3. The thesis rightly highlights the problems of MSEs' access to financing but insufficiently reveals the role of the private sector, fintech innovations, and alternative investment channels (venture funds, crowdfunding, etc.) as additional mechanisms for off-budget support.

4. The adaptation of inclusive fiscal policy to gender aspects raises some scientific debate, as the dissertation does not provide a comparative analysis of the effectiveness of gender-targeted tax incentives in different institutional environments, which complicates the generalization of the conclusions.

5. Although the author stresses the need for digitalization of small businesses, a deeper exploration of the risks of the digital divide between urban and rural regions, as well as between large and small enterprises, could have broadened the analytical framework of the work.

These comments highlight some discursive aspects of the qualification thesis. However, they generally reflect the relevance, complexity, multifaceted nature, practical significance of the chosen topic and do not impact the quality of dissertation.

**General conclusion and evaluation of the qualification thesis.** Zhu Lihong's qualification thesis on the topic "The impact of fiscal policy on small and micro enterprises under global economic crisis" is a completed scientific research that results of which is the development of scientifically grounded proposals for advancing the theory, methodology, and practical implementation of fiscal policy's impact on small and micro enterprises under the global economic crisis.

In terms of content and professional orientation, the qualification thesis meets the specialty 292 "International Economic Relations" of the field of knowledge 29 "International Relations", and in terms of quality and the level of theoretical and practical developments, it corresponds to the level of a PhD degree dissertation.

Overall, the qualification thesis "The impact of fiscal policy on small and micro enterprises under global economic crisis" meets the requirements of the Resolution of the Cabinet of Ministers of Ukraine dated January 12, 2022, No. 44 "On the Approval of the Procedure for Awarding the Degree of Doctor of Philosophy and the Cancellation of the Decision of a One-time Specialized Academic Council of a Higher Education Institution, Research Institution on Awarding the Degree of Doctor of Philosophy" in terms of content, substantiation of scientific provisions and recommendations, and level of scientific novelty. The author, Zhu Lihong, deserves to be awarded the degree of Doctor of Philosophy in the specialty 292 "International Economic Relations".

Official Opponent:  
Candidate of Economic Sciences,  
Associate Professor, Associate Professor  
of the Department of Management and  
International Entrepreneurship  
Lviv Polytechnic National University



Olha BALA

Scientific secretary

Lviv Polytechnic National University

Roman BRYLYNSKYI

*З оригіналом вірно*

*Вчений секретар НДЗ Ол. Тимішова Р.Р.*