

**PROGRAM / BOOK OF ABSTRACTS**

**CONFERENCE FOR BALKAN ECONOMIES:  
NORTH MACEDONIA AFTER 1991**

**April 12, 2025, Saturday, 11:00-16:30, Balkan Studies Foundation**

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The Balkan Studies Foundation is the continuation of the Fettah Efendi Education and Thought Association, which was founded in September 2016 by young academicians, students, and young businessmen based in Skopje. It has been reorganized under a different institutional framework due to the expansion of activities carried out under the association's umbrella and the necessity of including all of the Balkans. Between 2016 and 2022, it conducted thousands of educational activities and undertook significant research and publication endeavors. Since September 2022, it has continued its activities through research centers, training centers, and publishing houses under the name of the Balkan Studies Foundation.

# Speakers

## **Bujamin BELA**

Bujamin Bela was born in 1986. In 2009 he obtained his bachelors degree from the Department of Business Administration at St. Cyril and Methodius Univeristy. In 2013, he obtained his masters degree in the MBA program at St. Cyril and Methodius Univeristy defending his thesis titled “The creation of integrated reward systems in the food industry organizations and a research on this topic”. In 2019, he completed his doctorate thesis in the Department of Business Administration at Istanbul University, in the Department of Human Resources on the topic “The Effect of the Perception of Pay Equality on the Intention to Leave the Work and the Moderation Role of Working Conditions and a Research on the Subject”. He now works as a lecturer at Mother Theresa University in Skopje and pursues his studies on business, management, pay equality and equity, and the economics of Northern Macedonia and the Balkans.

## **Tatjana DRANGOVSKA**

Tatjana Drangovska is working as an Associate Research at the Center for Strategic Research “Ksente Bogoev” at the Macedonian Academy of sciences and Arts. She is a PhD student in the field of Economic sciences. Currently she is preparing her doctoral dissertation in the field of sustainable development, with overview on the case of North Macedonia. Her research interests are related to sustainable development, economic growth, innovation, human capital. She is an author and co-author of a series of paper published in national and international publications and has participated in numerous conferences.

## **Bekim FETAJI**

Bekim Fetaji is Full Professor of Informatics (Computer Sciences) at University Mother Teresa, Skopje, North Macedonia. Received his PhD in Computer Sciences at the Faculty of Computer Sciences in Graz University of Technology in 2008. He received his Master Degree from Oxford Brookes University, Oxford, England UK. He was Visiting Professor at Staffordshire University UK, Tokyo University of Agriculture and Engineering, Japan, OREBRO University, Computer Science, Sweden, Computer Science at University of Technology Graz, Austria; Canadian Institute of Technology, Tirana, Albania, Rochester Institute of Technology RIT, Prishtina, Kosovo, University of Novi Pazar, Serbia; South East

European University at Tetovo, North Macedonia and many other Universities. More than 25 years of teaching experience and working in higher education in different Universities in the region and abroad. Lectured in 4 languages in different Universities: English, Albanian, Macedonian, Serbian language. Participated in several project within different programs such as Tempus, Erasmus and other national and international research projects. Published more than 160 scientific papers in international conferences most of them in IEEE and ACM and more than 30 international journals, some of them with ISI Web of Science impact factor. Published 9 (nine) academic textbooks and 2 (two) books in English that can be found online at Amazon. Keynote speaker in many conferences among others also in IEEE Conferences. Main research interest and published work is in virtual learning environments, software engineering, programming and lately Data science with AI and machine learning, Data processing with Data Analytics and closely related fields.

## **Bukurije IMERI JUSUFI**

Bukurie Imeri-Jusufi, earned her doctoral degree from the “Ss. Cyril and Methodius” University in Skopje. Currently, she shares her knowledge and expertise as a lecturer at the Faculty of Economics at Mother Teresa University. Dr. Imeri-Jusufi’s academic pursuits extend beyond her classroom, as evidenced by her active participation in numerous international projects, including the renowned Erasmus program. Her scholarly contributions to the field are further highlighted by her extensive publication record in various international journals of repute. In addition to her academic and research endeavors, Dr. Imeri-Jusufi was a member of the national committee responsible for the approval of educational materials intended for schools.

## **Blerta KONDRI**

Blerta Kondri was born on September, 18, 1985 in Struga. She finished high school at the „Niko Nestor,, gymnasium in Struga with excellent results. She graduated in 2008 from the Faculty of business Administration, in the field of Finance at the Southeast European University of Tetovo. In 2012, she defended her master’s thesis „The effects of fiscal policy as anti-crisis measure against the Global Financial Crisis of 2008 in the Republic of Macedonia,, at Southeast European University where she obtained a master’s degree in the field of Finance. In 2012, she was hired as an assistant at the Faculty of Economics at the State University of Tetovo and was employed in this position until 2017. Since 2017 she has been employed at „Mother Theresa,, University in Skopje where currently works as a professor of Economic Faculty. She finished her doctoral studies in Economic Sciences at the University of St. Cyril and Methodius in Skopje. Blerta Kondri is a dedicated researcher specializing in public finance and macroeconomics. She has contributed significantly to the field through numerous publications in reputable scientific journals, focusing on the economic impact of the COVID-19 pandemic, the global financial crisis, and public procurement in North Macedonia. Additionally, she has actively

participated in various international conferences, presenting research on inflation determinants, capital structure, and sustainable economic development. With excellent proficiency in Macedonian and English, along with strong computer skills, Blerta Kondri continues to make valuable contributions to economic research and policy discussions.

## **Burim LATIFI**

Burim Latifi, born in 1988, is the Director-General and President of the Board of Directors at AD MEPSO, North Macedonia's electricity transmission system operator. Latifi's academic journey began with a Bachelor of Economics from the Faculty of Economics at the State University of Tetovo. He furthered his studies with a Master of Business Administration from the University American College Skopje. Demonstrating a commitment to advanced research, he earned a PhD in Organizational Sciences and Management from the Faculty of Economics at SS Cyril and Methodius University in Skopje. Professionally, Latifi has amassed experience across various sectors. From 2011 to 2014, he served as a Public Officer in the Cabinet of the Minister of Economy. He then transitioned to the Macedonian Air Navigation (M-NAV) company, where he was an Advisor in the Department of Finance and Administration between 2014 and 2018. His academic career includes roles as an Assistant (2018–2023) and later as a Professor (2023–August 2024) at Mother Teresa University. In 2024, he assumed his current leadership position at AD MEPSO.

## **Marica Antovska MITEV**

Marica Antovska-Mitev is a Scientific Collaborator at the Center for Strategic Research "Ksente Bogoev", Macedonian Academy of Sciences and Arts. She holds her PhD in Management. She specializes in aspects of entrepreneurship, innovation and innovation policies. She has published more than 20 research papers (articles) in domestic and international journals and she is author of one and co-author of three scientific publications (books). She actively participates in domestic and international scientific conferences with her papers and presentations as well as in the realization of national and international scientific projects.

## **Arbresh RAVENI**

Arbresh Raveni is a distinguished university professor specializing in Macroeconomics and Public Finance. She completed her undergraduate studies at the South East European University in Tetovo, earning a Bachelor's degree in Business Administration with distinction in 2006. She pursued her postgraduate education at Staffordshire University in the United Kingdom, where she obtained a Master's degree in Economics

for Business Analysis in 2010, graduating with highest honors. Her master's thesis focused on "Uncovered Interest Rate Parity in Southeast European Countries." In 2020, Dr. Raveni successfully defended her PhD at Staffordshire University, receiving top academic recognition for her dissertation titled "Fiscal Policies in Small Open Transition Economies: A Special Reference to North Macedonia." In acknowledgment of her academic excellence, she was awarded two prestigious scholarships from the Open Society Foundation for both her Master's and Doctoral studies. Dr. Raveni has an extensive international academic background, including active participation in the ERASMUS+ (Staff Mobility for Teaching) program, where she delivered lectures at Università degli Studi di Sassari in Italy. Her academic career began in 2009 as a Research and Teaching Assistant at the Faculty of Economics, State University of Tetovo, where she served until 2017. During this period, she engaged in a wide range of teaching and research activities, publishing numerous scientific papers and participating in various international conferences and training programs. Currently, Dr. Raveni is a faculty member at the Faculty of Economics, "Mother Teresa" University in Skopje, where she continues to contribute to academia through teaching, research, and scholarly publications. Her research interests encompass Macroeconomics, Fiscal and Monetary Policies, and more recently, Migration Studies, with a particular focus on its economic implications in the Western Balkans.

## **Neritan TURKESHI**

Neritan Turkeshi is an economist and professor from Skopje, North Macedonia, specializing in banking management and economic sciences. Born on July 6, 1982, he holds a Master's degree (2009) and a Doctorate (2013) in Economic Sciences. With over 15 years of academic experience, he currently serves as a professor at the State University «Mother Teresa» in Skopje, lecturing on management, marketing, and enterprise economics. Dr. Turkeshi has authored multiple university textbooks and published over 30 scientific papers focusing on monetary policy, banking systems, and economic development. His research has been presented at numerous international conferences, contributing to global discussions on finance and economic policy. He has also played a key role in mentoring students, supervising over 40 graduation papers, 25 masters theses, and three doctoral dissertations. Beyond academia, he has actively participated in various national and international economic projects, working as a coordinator in initiatives aimed at modernizing education and economic development. He has been involved in programs supported by organizations such as USAID and the Economic Chamber of North Macedonia. Additionally, he holds certifications in accounting, financial operations, and professional road traffic competence, demonstrating his multidisciplinary expertise. Dr. Turkeshi's contributions extend beyond research and teaching, as he is also a dedicated academic leader involved in curriculum development and higher education policy. His work continues to shape the field of economics in North Macedonia and beyond, making him a key figure in both academia and economic policy discussions.

## **Abil BAUSH**

Abil Baush is a researcher, economic analyst, and university professor specializing in innovation, entrepreneurship, and economic development. He serves as a research professor at International Balkan University, where he lectures on Management and E-business Strategy, and is currently pursuing a PhD focused on investments in human capital and educational disparities in the Republic of North Macedonia. His academic work explores the intersections between education, labor markets, and sustainable growth, combining data-driven research with practical economic insight.

As an active economic commentator and columnist, Abil frequently contributes to public debates on fiscal policy, social equity, and economic reforms in the Western Balkans. He is known for his sharp analyses of national budgets, wage policies, and public debt, and has appeared in media and conferences across the region to provide critical, yet constructive perspectives on economic strategy.

In addition to his academic and analytical work, Abil is the CEO and Co-founder of INNOX Innov

## **Gunter MERDZAN**

Gunter Merdzan was born in 1994 in Bitola. He completed his primary and secondary education in Resen. He graduated in 2017 from the Faculty of Economics - Skopje at the Ss. Cyril and Methodius University in Skopje, at the Department of Economics, awarded the best student of the 2016/2017 academic year. He completed his master's studies in 2020 at the Faculty of Economics - Skopje, where he studied Economic Development and International Finance. Currently, he is enrolled in doctoral studies in Economic Sciences at the University School for Doctoral Studies at the Ss. Cyril and Methodius University in Skopje. He is working on his doctoral thesis entitled: "The Role of Institutions in the Process of Economic Growth in Post-Transition European Countries with Emphasis on the Republic of North Macedonia". During his university education, Merdzan has received awards for outstanding achievements in the educational process from the Faculty of Economics - Skopje. By the Ss. Cyril and Methodius University in Skopje was awarded a "Gold Coin" for the best-graduated student in 2016/2017. In addition, he received the "July 26th" award for the best student in the academic year 2016/2017 from the funds of the Mur-Munning Trust at the Rectorate of the Ss. Cyril and Methodius University in Skopje. Merdzan has worked as a secondary school teacher of economic subjects at High School "Josip Broz - Tito" in Skopje. From 2017 to 2020, he worked as a teaching fellow at the Chair of Economics at the Faculty of Economics - Skopje. In 2021, he was elected to the position of Teaching and Research Assistant at the Chair of Economics. He is responsible for exercise preparation and

performance, participating in teaching under the guidance of a teacher, providing student consultations, contributing to scientific research projects, publishing scientific and professional papers, and engaging in a range of other activities. His primary areas of scientific interest are economic growth and development and institutional economics. He publishes scientific research papers and articles in his field of interest and participates in various domestic and international projects, conferences, seminars, and training sessions.

## **Kujtim HAMELI**

Dr. Kujtim Hameli is a dedicated and accomplished young researcher and lecturer in the Department of Business Administration at the University Ukshin Hoti in Prizren. He earned his Ph.D. in Business Administration from Istanbul University. With a burgeoning career in academia, Professor Hameli has already contributed significantly to the field of Business, boasting several published papers. Furthermore, he has undertaken the important task of translating various books on Research Methods into Albanian, making valuable knowledge accessible to a wider audience in his native language.

# **SCHEDULE**

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## Conference for Balkan Economies: North Macedonia after 1991

April 12, 2025, Saturday 11:00h | Balkan Studies Foundation, Skopje-North Macedonia

Opening Remarks: 11:00-11:30

I. Session: 11:30-12:45

Historical Context, Crises and North Macedonian Economy | *Moderator: Assoc. Prof. Dr. Bujamin Bela*

Early Economic Policies, Post independence Challenges, and Macroeconomic Stability in the North Macedonia

*Assist. Prof. Dr. Arbresh Raveni*

Analysis of Economic Crises and Responses: Studying Macedonia's Approach to Handling Economic Crises

*Assist. Prof. Dr. Blerita Kondri*

Current Trends, Challenges, and Opportunities: Predicting Future Economic Trends and Identifying Potential Challenges and Opportunities for Macedonia

*Tatjana Drangovska, Marica Antovska Mitev*

## II. Session, 13:15-14:30

### Macro - Economic Issues, Development and North Macedonian Economy | Moderator: Assist. Prof. Dr. Blerta Kondri

The Role of Inflation on Economic Growth, with Special Emphasis on the Republic of North Macedonia

*Assoc. Prof. Dr. Neritan Turkeshi*

The Impact of FDI on Economic Growth and Development in North Macedonia Since 1991

*Assist. Prof. Dr. Bukurije Imeri Jusufi, Assist. Prof. Dr. Burim Latifi*

Human Impacts of Economic Changes: Labor Productivity in North Macedonia 1991-2024

*Assoc. Prof. Dr. Bujamin Bela*

Service Sector Surge: A New Economic Frontier Analyses of the Information and Communication Technology (ICT) Sector in the North Macedonia

*Prof. Dr. Bekim Fetaji*

## III. Session, 15:00-16:15h

### Western Balkan Economies and North Macedonia | Moderator: Bukurije Imeri Jusufi

The Contribution of Total Factor Productivity on Economic Growth in Selected Southeastern European Countries

*Gunter Merdzan*

Comparative Perspectives on Digital Entrepreneurship and Economic Growth: A Focus on the Western Balkans

*Abil Baush*

Foundations of Organizational Culture: A Comprehensive Review

*Dr. Kujtim Hameli*



# **ABSTRACTS**

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# EARLY ECONOMIC POLICIES, POST-INDEPENDENCE CHALLENGES, AND MACROECONOMIC STABILITY IN THE NORTH MACEDONIA

**Assist. Prof. Dr. Arbresh RAVENI**

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**Abstract:** This chapter thoroughly analyzes North Macedonia's economic transformation following its independence from Yugoslavia in 1991, focusing on the country's efforts to transition from a centrally planned economy to a market-oriented system. As one of the least developed republics within the socialist federation, North Macedonia faced severe economic vulnerabilities, compounded by regional instability, trade embargoes, and internal inefficiencies. The chapter critically examines key policy measures adopted to stabilize the economy, such as privatization of state-owned enterprises, trade liberalization, and fiscal and monetary reforms, including introducing the Denar to curb hyperinflation and restore monetary stability. Despite the comprehensiveness of these reforms, the analysis reveals their often-contradictory outcomes, with persistent structural weaknesses limiting long-term economic development. External pressures, including regional conflicts and trade restrictions, further impeded progress, while underdeveloped financial systems and inefficiencies within key sectors constrained macroeconomic stability. The chapter delves into the socio-political complexities surrounding these economic policies, emphasizing how both external shocks and internal limitations shaped their effectiveness. Ultimately, this chapter provides a critical evaluation of North Macedonia's early economic reforms, highlighting the limitations of rapid stabilization efforts in achieving sustainable growth. By situating the country's economic trajectory within the broader context of post-socialist transitions, the chapter contributes to the scholarly understanding of the intricate challenges faced by transition economies, offering insights into the complex interplay between political instability, economic reform, and institutional development in the process of building a fully functional market economy.

**Keywords:** North Macedonia, transition, macroeconomic stability, fiscal policy, monetary policy



# ANALYSIS OF ECONOMIC CRISES AND RESPONSES: STUDYING MACEDONIA'S APPROACH TO HANDLING ECONOMIC CRISES

**Assist. Prof. Dr. Blerta KONDRI**

*Mother Theresa University, Skopje, North Macedonia blerta.kondri@unt.edu.mk*

**Abstract:** After the fall of the Former Yugoslavia, the economy of North Macedonia experienced several shocks which negatively affected the local economy, but the two biggest crises that slow down economic activity are the Global Financial Crisis and Covid-19 Crisis, which are the subject of treatment in this chapter, as well as anti-crisis measures taken by the government of this country. The strong external shocks that were caused by Global Financial crisis and Covid-19 crisis were transmitted to almost all economies. They did not ignore also the North Macedonian economy, creating risk for financial stability, which however were limited. Unlike the financial sector, the real sector of North Macedonia was hit harder by both crises, especially from Covid-19 Pandemic, the negative effects from which were deeper, as a result of measures to limit social activities as well as a result of the war in Ukraine and economic sanctions and trade restrictions imposed by European countries on Russia. Such developments caused price shocks in the global energy and food market which affected the domestic economy through increased inflation. To overcome the negative consequences of both crises, the Government of North Macedonia, undertook a plan of anti-crisis measures, additionally fiscal and monetary measures to support the households and businesses, which mitigate the negative effects of the crises, although these effects will be felt for a longer time.

**Keywords:** North Macedonia, Global Financial Crisis, COVID-19 Crisis, Economic Recovery



# SERVICE SECTOR SURGE: A NEW ECONOMIC FRONTIER ANALYSES OF THE INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SECTOR IN THE NORTH MACEDONIA

**Prof. Dr. Bekim FETAJI**

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**Abstract:** This chapter delves into the transformative role of the Information and Communication Technology (ICT) sector in North Macedonia, emphasizing its contribution to economic diversification, innovation, and social advancement. Despite historical constraints such as inadequate infrastructure and limited skilled labor, the sector has witnessed remarkable growth, contributing 20% to the service sector's GDP by 2023. The chapter's key contribution lies in identifying critical gaps that impede further growth, such as regulatory inefficiencies, urban-rural digital divides, and educational misalignments with industry demands. These insights provide a roadmap for policymakers and stakeholders to address these barriers effectively. Additionally, the chapter introduces an innovative exploration of emerging technologies—artificial intelligence, blockchain, IoT—and their potential to revolutionize the ICT ecosystem, ensuring sustainability and competitiveness. Furthermore, challenges such as talent retention and limited funding for startups hinder the sector's ability to achieve its full potential. Addressing these gaps is vital to sustaining growth and maintaining competitiveness in a rapidly evolving global market. Key takeaways highlight the ICT sector's pivotal role in fostering economic resilience through the adoption of technologies like artificial intelligence, blockchain, and IoT. Initiatives promoting green ICT practices and sustainable development further underscore the sector's importance in aligning economic growth with environmental objectives. By offering actionable recommendations, including strengthening public-private partnerships, reforming regulatory frameworks, and fostering lifelong learning, this chapter contributes significantly to the discourse on ICT-led development. It provides a blueprint for North Macedonia to leverage its ICT sector to achieve sustainable economic growth, regional leadership, and global competitiveness.

**Keywords:** North Macedonia, ICT Sector, Economic Growth, Emerging Technologies



# CURRENT TRENDS, CHALLENGES, AND OPPORTUNITIES: PREDICTING FUTURE ECONOMIC TRENDS AND IDENTIFYING POTENTIAL CHALLENGES AND OPPORTUNITIES FOR MACEDONIA

**Tatjana DRANGOVSKA**

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**Marica ANTOVSKA-MITEV**

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**Abstract:** Analyzing the dynamics of North Macedonia's economic growth and its determining factors is crucial for designing effective policies that address key obstacles and enhance long-term development. Since gaining independence, North Macedonia has experienced relatively low, stagnant, and unsustainable growth rates. During the transition period (1991-1995), the country lost one-third of its GDP, and from 1993 to 2022, it maintained an average growth rate of only 2%, lagging behind its potential growth rate, regional peers, and the EU average. Additionally, recent crises, including the COVID-19 pandemic and the ongoing energy and cost-of-living crisis, have further disrupted economic progress. This study provides a comprehensive analysis of the country's growth trends and key drivers using three economic models: the aggregate demand approach, the production/sectoral approach, and the growth accounting model. Findings indicate that household consumption is the primary growth driver, reflecting low competitiveness and insufficient investment. A shift toward the service sector, particularly trade, has contributed to deindustrialization, while economic growth remains heavily dependent on capital accumulation and labor force expansion rather than technological progress. Key constraints limiting long-term growth include: (1) low levels of innovation, technological progress, and investment in R&D; (2) high income inequality, which weakens human capital and labor productivity; (3) environmental neglect, ineffective regulations, and underinvestment in sustainability; and (4) inefficient and corrupt institutions that hinder economic dynamism. The study utilizes both quantitative and qualitative methods, drawing on data from national and international sources, such as the Ministry of Finance, the State Statistical Office, and the World Bank. The findings serve as a foundation for policy recommendations aimed at transitioning North Macedonia toward a more sustainable and competitive economic model.

**Keywords:** Economic growth, Macedonian economy, GDP.



# THE IMPACT OF FDI ON ECONOMIC GROWTH AND DEVELOPMENT IN NORTH MACEDONIA SINCE 1991

**Assoc. Prof. Dr. Bukurie IMERI-JUSUFI**

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**Assist. Prof. Dr. Burim LATIFI**

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**Abstract:** Foreign Direct Investment (FDI) has become a key factor for growth for both developed and countries that are developing. FDIs are also considered one of the fastest growing economic activities in the world, affecting economic growth, export growth, technology development, new employments, etc. The potential benefits from FDI in the local economy are not realized automatically, but depend on the cooperation of foreign multinational enterprises (MNEs) and domestic small and medium enterprises (SMEs) in the area of information, technical assistance, technology transfer, know-how, trainings etc. This paper analyzes primary and secondary data on FDI in the Republic of North Macedonia for the period from 1991 to 2024, as well as research in this field. The aim of this paper is not to indicate ways of attracting FDI, but to explore ways to maximize their positive effect on the domestic economy. The purpose of the research is the examination of the impact of FDI in the improvement of innovation capacities, transfer of knowledge, technical-technological and organizational changes, the development of managerial skills and human resources, as well as in the improvement of the overall competitive ability of SMEs as a basis for policy making and positive practices for encouraging local economic growth and development in the Republic of North Macedonia.

**Keywords:** FDI – Foreign Direct Investment, MNE – Multinational enterprise, SME – Small and medium enterprises, Economic Growth, Economic Development



# THE ROLE OF INFLATION ON ECONOMIC GROWTH, WITH SPECIAL EMPHASIS ON THE REPUBLIC OF NORTH MACEDONIA

**Assoc. Prof. Dr. Neritan TURKESHI**

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**Abstract:** Inflation is one of the most important macroeconomic indicators that affects economic stability and the well-being of citizens. This paper analyzes the impact of inflation in the Republic of North Macedonia, focusing on the factors that cause it, the consequences it brings to the economy and the policies followed by the authorities to manage it. Through the analysis of economic data and measures implemented by the National Bank of North Macedonia, the main challenges and effects of inflation on the labor market, purchasing power and economic development of the country are identified. The study highlights the impact of external factors, such as fluctuations in energy prices and global crises, and recommends sustainable policies to stabilize inflation and protect the domestic economy. Inflation can have both positive and negative effects on the economy, depending on its level and persistence: a) Positive: A moderate level of inflation encourages consumption and investment, thereby boosting economic growth. b) Negative: High inflation can reduce purchasing power, increase economic uncertainty, and negatively affect citizens; savings. North Macedonia, as part of the Western Balkans, has been affected by various factors that affect inflation, such as:

Fluctuations in energy and food prices.

Changes in the country's fiscal and monetary policies.

The impact of global economic crises, such as the COVID-19 pandemic and the war in Ukraine.

The National Bank of North Macedonia (NBNM) pursues monetary policies to stabilize inflation using instruments such as:

- Increasing or decreasing the interest rate.
- Stabilizing the exchange rate of the denar against foreign currencies.
- Monitoring the money supply in the market.



Inflation is an important economic factor that directly affects the daily lives of citizens and the economic development of the country. In North Macedonia, controlling inflation remains a challenge for economic authorities, requiring balanced policies to ensure financial stability and sustainable development.

**Keywords:** Inflation, Monetary Policy, Economic Stability, North Macedonia



# HUMAN IMPACTS OF ECONOMIC CHANGES: LABOR PRODUCTIVITY IN NORTH MACEDONIA 1991-2024

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**Abstract:** This chapter offers an in-depth analysis of productivity in North Macedonia from 1991 until now. It explores the current state of productivity in the country, providing a comprehensive overview of the infrastructure, and business environment, including all industries that can affect economic growth. In North Macedonia, increasing productivity is essential to raising social well-being and economic competitiveness. One of the most crucial elements affecting a nation's economic growth is productivity. It is a crucial sign of how well resources are being used and how hard an economy is working to increase production while using fewer resources. Therefore, identifying the variables influencing worker productivity is a challenging task. This chapter includes an analysis of the factors contributing to productivity growth, such as innovation, technology, and investment in education and training. The chapter also delves into the challenges faced by industry, such as labor forces, education system, technology, limited access to capital, and market competition. Furthermore, the chapter critically examines the impact of these challenges on the growth and sustainability of the economy in North Macedonia. The chapter concludes with strategic recommendations aimed at enhancing the productivity of the prioritized industries in North Macedonia. Additionally, the chapter highlights the importance of fostering a more supportive environment for training and education to ensure their long-term success and contribution to the national economy. Improving productivity in these sectors is critical for the country's economic development and for raising the standard of living for its citizens. Developing productivity in North Macedonia requires a comprehensive and coordinated approach where investments in education, infrastructure, technology, and business support are key to achieving economic growth. These industries have benefited from modernization and the adoption of best practices, which have helped increase efficiency and competitiveness in the international market. Over the years, labor force trends have been influenced by various factors, including demographic changes, global labor trends, technology, and economic policies. In this context, labor shortages in sectors such as construction, information technology, and agriculture pose obstacles to economic growth. The state should continue to support key sectors such as industry, agriculture, and services, focusing on innovation and modernization.

**Keywords:** Human impacts on Productivity, Industry, economic growth, agriculture, services, technology



# COMPARATIVE PERSPECTIVES ON DIGITAL ENTREPRENEURSHIP AND ECONOMIC GROWTH: A FOCUS ON THE WESTERN BALKANS

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**Abstract:** This study explores how digital entrepreneurship drives economic growth in the Western Balkans by examining factors such as digital infrastructure quality, venture capital investment, digital literacy, and policy environment. Using a mixed-methods approach, the research analyzes data from regional statistical offices, interviews with digital entrepreneurs, and investment trends. Results indicate an average internet accessibility rate of 70% and annual venture capital investments of approximately \$100 million in the region. Correlation and regression analyses reveal a strong positive association between digital infrastructure quality and GDP growth, as well as between venture capital investment and the emergence of new startups. Additionally, while digital literacy shows a positive correlation with employment in the digital sector, its impact is less significant. Based on these findings, the study recommends focusing on enhancing digital infrastructure and literacy programs to

support economic development. This research highlights digital entrepreneurship as a crucial catalyst for economic advancement in the Western Balkans, offering actionable insights for policymakers and identifying avenues for future research.

**Keywords:** Digital Entrepreneurship, Economic Growth, Western Balkans, Venture Capital Investment, Digital Infrastructure



# THE CONTRIBUTION OF TOTAL FACTOR PRODUCTIVITY ON ECONOMIC GROWTH IN SELECTED SOUTHEASTERN EUROPEAN COUNTRIES

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**Abstract:** This paper delves into the impact of capital accumulation, effective employment, and total factor productivity (TFP) on the economic growth of five Southeastern European countries: Albania, Croatia, North Macedonia, Serbia, and Slovenia. The examination is based on the Solow-Swan neoclassical growth model and the Cobb-Douglas production function, which dissects economic growth into capital, labour, and productivity inputs. The analysis pays particular attention to the growth dynamics of North Macedonia over the entire period (1998-2019) and two sub-periods (1998-2008 and 2009-2019). The article seeks to provide a comprehensive evaluation of the primary drivers of economic growth in Southeastern European countries, emphasising the evolving roles of capital, labour, and productivity over time. Through a detailed analysis of these determinants, the study offers insights into the necessary policy actions to ensure sustainable long-term growth, especially in transition economies. The empirical analysis utilises the growth accounting framework and employs regression analysis to estimate the output elasticities of capital and labour inputs. The data analysis covers the period of 1998-2019, specifically focusing on two sub-periods to investigate shifts in growth drivers over time. Each factor's contributions are presented in absolute terms (percentage points) and relative terms (percentages) to provide a comprehensive understanding of their roles. The findings indicate that capital accumulation has been the predominant growth driver in most countries, especially Albania, Croatia, and North Macedonia. However, in Serbia and Slovenia, total factor productivity (TFP) played a more significant role, contributing substantially to growth. In North Macedonia, TFP showed strong contributions during 1998-2008 but declined sharply in 2009-2019, leading to increasing reliance on capital and labour inputs for growth. This study is valuable in emphasising the shift in growth drivers over time and highlighting the importance for Southeastern European countries to concentrate on productivity enhancements, innovation, and labour market reforms to sustain long-term growth. These findings provide significant insights for policymakers seeking to improve economic performance in transition economies.

**Keywords:** Total factor productivity, Economic growth, Southeastern Europe



# FOUNDATIONS OF ORGANIZATIONAL CULTURE: A COMPREHENSIVE REVIEW

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**Abstract:** This paper provides a comparative analysis of seminal cultural studies by Schein, Hofstede, and the Project GLOBE initiative, examining their influence on contemporary organizational contexts. Using a systematic literature review methodology, this study synthesizes and compares the cultural models of Schein, Hofstede, and Project GLOBE to assess their theoretical foundations and practical applications. Additional models from Schwartz and Trompenaars are briefly reviewed to contextualize their relevance. The analysis reveals that Schein's model emphasizes cultural artifacts, beliefs, and assumptions; Hofstede's model focuses on six dimensions of national cultures; and the Project GLOBE initiative identifies nine cultural dimensions impacting leadership and organizational processes. Together, these models offer a comprehensive understanding of organizational culture and its impact on behavior and performance. This paper contributes to the field by highlighting the enduring significance of these cultural models and their applications across various organizational settings.

**Keywords:** Organizational culture, Schein's culture model, Hofstede's cultural dimensions, Project GLOBE, Comparative cultural analysis



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