

# FOREIGN INVESTMENTS AS DEVELOPMENT FACTOR FOR OVERCOMING ECONOMIC STAGNATION IN THE REPUBLIC OF MACEDONIA

Nada Petrusheva<sup>1</sup>, Aleksandar Nikolovski<sup>2</sup>

<sup>1</sup>Ass. Prof. FON University, Faculty of Economics, Avenue Vojvodina, Skopje,  
R. Macedonia, natka.petrusheva@fon.edu.mk;

<sup>2</sup>Prof. FON University, Faculty of Economics, Avenue Vojvodina, Skopje, R. Macedonia,  
aleksandar.nikolovski@fon.edu.mk

**Abstract:** *Amongst economists there is a broad consensus that in order to overcome economic stagnation the economic growth model should be more directed towards increasing investments and export and less reliant on consumption. The stable commitment towards improving the business ambient, the implementation of structural reforms in the field of competitiveness, the export sector as well as investments in infrastructure and education are the fundamental prerequisites to be realized for the opening of perspectives in the overall social development of the countries in the Western Balkans, including the Republic of Macedonia. The dominant driving force of economic growth – investments (foreign and domestic) have not been sufficiently implemented so that structural economic problems such as the low GDP growth rate, unsatisfactory export, unfavourable industrial structure have been present during the entire period since the independence of the Republic of Macedonia. Unlike other countries in Middle and Eastern Europe such as Poland, the Czech Republic and Slovakia in which foreign capital was steered towards manufacturing higher added value products, in the Republic of Macedonia investment entered mainly the trade and the banking industry, and quite less in manufacturing.*

*Lacking own significant capacities for considerable increase of the gross-investment rate, assets sources for investments must be found in foreign accumulation, particularly via foreign direct investments so as not to increase the degree indebtedness of the country. The global economic and financial crisis which spread over Europe in the last years has motivated the countries in the Western Balkans, including the Republic of Macedonia, to engage into a more active and more aggressive attraction of foreign capital. Foreign direct investments are considered the highest economic priority for long-term deve-*

*lopment, whereas the benefits to the national economy are multiple and influence the reduction of unemployment, increase of export, inflow of new technology, knowledge and skills, as well as improvement of the population's living standard. However, despite the commitment, reforms and activities undertaken to attract FDI, the countries of the Western Balkans are facing remarks from investors for having an insufficiently reformed judicial system, bureaucratic issues, inefficient public administration and corruption. Therefore, it is essential to work continually on improving the macroeconomic environment and implement a long-term strategy to attract FDI through active policies.*

**Key words:** *foreign direct investments, economic stagnation, long-term growth.*

**JEL:** 011

## INTRODUCTION

Economists in the region seem to be voicing their growing concerns: countries of the Western Balkans might be facing a longer economic stagnation, unless they implement certain policy changes, as well as amend the development model of their economies. Certain countries from Central and East Europe, such as Poland and Slovakia, have significantly increased their industrial production. Unlike these countries, however, the Balkans, especially those countries stemming from the dissolution of a joint country, have had a dramatic decrease in industrial production, particularly in the last five or six years. Possibly, the main reasons for this decrease are the inadequate policies which have stimulated and supported the development of other sectors, but not the industrial one.

In that manner, it is a well known fact that countries in Central Europe have secured foreign investments in their respective industries, where foreign capital was invested mainly in the production of products with higher added value. Countries in the Balkans, on the other hand, stimulated the development of services, where the majority of the foreign capital was invested in trade and the banking industry, and very little in production. With investments of \$1.8 billion at the end of 2005, Macedonia was ranked in the group with low level of FDI. At that very same time, the following countries in South-East Europe marked the highest level of FDI: the Czech Republic (\$60 billion), Romania (\$24 billion), Slovakia (\$15.3 billion) and Croatia (\$12.5 billion) [UNCTAD, 2008].

In order to overcome this stagnation, experts agree that the model for economic growth should be aimed more at increasing investments and export, and less attention be given to consumption. However, in cases when the economy

lacks its own funds for the needed investments, sources must be requested from abroad, particularly via foreign direct investments.

The global economic crisis and the European Debt Crisis have urged countries from Western Balkans, Macedonia included, to become proactive and more aggressive in attracting foreign capital. To be more specific, in the last decade there has been a radical change in the Republic of Macedonia in terms of the strategies and policies regarding FDI: it has changed from a passive policy to creating system conditions for a more aggressive policy in alluring for investors.

The driving forces of economic growth- investments (domestic and foreign) were not sufficiently realized. As a result of that, the Republic of Macedonia has been struggling with the following structural economic issues ever since its independence: high unemployment rate, low GDP, insufficient export, unfavorable industry structure. In order to overcome these problems impeding the Macedonian economy, one should work towards creating economic policies aiming to reach the following goals:

- Increasing the level of GDP and attaining a long-term sustainable rate of economic growth of 6%;
- Creating jobs with trend following the creation of new production facilities in the form of FDI and support of the domestic business sector in terms of expanding the country's production capacity;
- Gradual change of the production structure of the domestic economy and the production specialization of the export-oriented branches, by increasing their competitiveness.

FDI are given the utmost economic priority for long-term development, while the benefits for the country's economy are multiple: reduction of the unemployment rate, export increase, influx of new technologies, knowledge and skills, as well as overall improvement of the country's standard of living. In order to contribute towards the increase of economic growth and the reduction of the unemployment rate, which is a structural problem of the Macedonian economy, a mid-term goal is to continue to improve the business climate and competitiveness, as well as to increase both domestic and foreign investments. However, considering the lack of funds for a considerable increase in the gross-investment rate, the sources of such funding must be searched for abroad, particularly via direct investments in order not to increase the country's debt.

## MACEDONIAN ECONOMY IN TERMS OF FOREIGN INVESTMENTS AND THEIR BENEFITS

The direct foreign investments in Macedonia, for the entire period of the country's independence to date, can be described as insufficient and having poor results over the Macedonian economy. During the period of 1992 until the 2012, a total of \$4.382 billion have been received via FDI, €1.95 billion of which are FDI in acquisitions and mergers, €1.24 are greenfield investments, while €122.2 million are invested in portfolios (stock, bonds and other securities)<sup>1</sup>. The average annual FDI, counting from the country's independence until 2012, is about \$200 million. If we are to consider this amount as absolute, i.e. a percent of the GDP, Macedonia is among the lowest ranked countries in South-East Europe in terms of FDI [UNCTAD, 2013a].

In the first quarter of the year, the country has received a mere €53 million, unlike last year, when the FDI for the same quarter amounted to €80.2 million is. In other words 40% less money has been invested this year in comparison to the same period last year- the same year considered to be the worst so far in terms of FDI. The Republic of Macedonia received only €105 million foreign direct investments last year. The main reason for this decrease is the large capital outflow in the foreign companies operating in the country, steering funds towards their respective mother companies. However, despite the insufficient level of FDI in the country, the benefits of the so far investments are easily felt in the country's economy: the newly created jobs, the improved infrastructure of the export and the transfer of technologies.

In fact, since the country gained its independence until today, the FDI have marked three stages. The first stage, which lasted until 1998, marked the early stage of the privatization of state capital. During this period there was virtually no FDI which was largely due to the implemented inside model of privatization, where companies were purchased by the managers and the staff. Accordingly the data of the National Bank of the Republic of Macedonia, in this first stage, from 1992 until 1997, the country has seen a total of \$124.1 million in FDI, or an average of \$20.7 million. The second stage of FDI covers the period of late 1990s until the middle of the last decade. This period is marked largely by acquisitions and mergers of attractive companies- both state and already privatized ones (banks, insurance companies, distributors of electrical energy, telecommunication companies, the oil refinery, as well as several large production companies).

1 A considerable change in the portfolio investments was noted in 2001, as well as in 2006 and 2007- a period labeled as the boom on the Macedonian stock market, when a large number of investors from the region became investors in Macedonian quoted companies.

According to a report from the National Bank of the Republic of Macedonia regarding foreign investments for the period between 1997 and 2005, the total FDI at the end of 2005 was \$1.8 billion, placing the country in the group with the lowest FDI. In contrast, during the very same period, the highest level of FDI was noted in the Czech Republic (\$60 billion), Romania (\$24 billion), Slovakia (\$15.3 billion) and Croatia (\$12.5 billion). During this time, the average FDI within the Macedonian GDP was about 5%, in comparison to the relatively high FDI in the GDP in 2001- 13%, which is closely related to the privatization of the Macedonian Telecom. The third and final stage of FDI is labeled as the period of greenfield investments, i.e. building new facilities in the industrial areas. Unlike the portfolio investment, these greenfield investments require committing to a long-term investment of funds. When the investor supplies the funds for a facility in an area which is part of the business system, it means that the investor is inclined to commit to a long-term period of working and running their line of business. Such investment, i.e. business capacity, will generate positive economic effects in its surroundings, particularly in the pending period. It is therefore why these greenfield investments can be perceived and expected on long-term basis. Furthermore, considering their contribution to national economy, in comparison to acquisitions, greenfield investments have a more substantial contribution to: the added value, the employment rate, the increase in export, as well as the transformation effects of the surrounding- a profound change in organization and management, a change in the market approach, a change in the public and the consumers, etc. Lastly, greenfield investments by globally renowned companies is a positive signal for new potential investors. However, the third stage of FDI also marks the period of capital outflow from the branches in Macedonia to the mother companies. This is mostly due to the financial crisis in the EU, which is the home of most of the investors in our country. Hence, in 2007, in order to credit the mother companies, the outflow of capital was €25,7 million. In 2008, that amount was €17,4 million, and in 2009 the outflow marked a number of €46,5 million. Last year, the outflow reached nearly €150 million. In terms of reinvested profit, in 2007 this number was exceptionally high- €183,5 million, in comparison to 2008, when that number was nearly €16,7. In 2009, reinvested profit was negative €113,7. In other words, this figure describes how much of the capital was taken out of Macedonia by investors.

The freedom to transfer profit and financial assets is guaranteed as a global universal rule of investment. However, the cause for concern should be the fact that the message we're sending is that investing in Macedonia may not result in reaching a satisfactory level of profit by reinvesting gained assets. Therefore, instead

of investing the profit, the funds are used as a credit potential from the home companies to owners of foreign companies. In 2012, in order to credit daughter companies, the mother companies invested €124,4 million. The very same year, capital outflow was €149,4 million. It is logical to expect that if a company is facing a reduction in revenue and profit at home, or even loss in certain cases, the company will supplement this negative with the profit gained in the developing markets, as these markets have been doing rather well recently. However, FDI should not be analyzed merely through the prism of inflow and outflow of capital. One should consider the importance of the transformation processes and their total contribution towards the national economy [USAID, 2009a].

The effects that the FDI have on the national economy are measured with several indicators, while an overall and detailed picture is provided by the FDI Contribution Index, which is monitored by the UNCTAD and is the result of several factors: contribution to the value added, employment, export, tax revenues, incomes and earnings, expenditures for research and development, and capital expenditures [UNCTAD, 2013b].

## **ECONOMIC, LEGAL AND POLITICAL REASONS IMPEDING FDI IN MACEDONIA**

Foreign investors seem to be paying more and more attention to the political rather than the economic factors, when deciding which country or region to invest in. Therefore, in the decision making process, they seem to give utmost priority to the stable and favorable business environment, the rule of law and an independent judiciary system, property rights guarantee, as well as fair and competitive conditions for running a business. Tax and tax relief, as well as cheap labor seem to have secondary importance. Considering the fact that investors have more alternatives for their investments, what tips the scale in the decision, apart from a stable political environment, are the real business factors such as: the size of the national market and access to the neighboring markets in the region, the growth level of long-term expenditures, highly-qualified work force, the level of development of the overall infrastructure, the quality of the transport network and the locations available to start a business. In comparison to the rest of the region, the economic factors describing our country do not seem to go be favorable to us. In fact, most of them are rather poor. Therefore, investors seem to be inclined to invest only if they find effective long-term business opportunities in our country. However, in recent years, the global financial crisis has had a negative influence over the Macedonian economy, particularly over the results of

the real sector which has contributed to a decrease in: the economic growth, the export as well as investments. If all these circumstances are taken into consideration, unlike the rest of the countries, Macedonia has created a set of investment vantages and options, particularly in the area of taxation, low production costs and competitive workforce, which are labeled as the most favorable in the region. All this is done to maintain investors interested.

In fact, the major investment government grants are given to investors in the industrial development areas as are Skopje 1 and 2, as well as Tetovo and Shtip. The following are just several of the vantages offered to investors:

- Profit Tax Exemption
- Personal Tax Exemption
- Exemption from Value Added Tax
- Excise Tax Exemption,
- Exemption from customs duty on raw material and equipment
- Government grants of up to €500k in construction costs
- Provided total infrastructure and public utilities.

In terms of workforce, it should be noted that with a minimum wage of MKD8,050 or €130, Macedonia has the lowest rate for workforce in Europe. Latest Eurostat data indicates that the cheapest labor within the EU can be found in Bulgaria for €159. In the region, the highest minimum wage is €784 in Slovenia, followed by Croatia €374, Serbia €182, Bosnia and Herzegovina €161, and Albania €144.

Despite the low costs for workforce which is one of the biggest advantages offered by the Macedonian government in attracting foreign investments, employers feel that cheap labor does not necessarily entail the best option for investors.

A significant aspect in the process of running a business is the judicial system and the administrative and red tape procedures. It is highly important for investors to be guaranteed property rights as well as to receive legal guarantee for all contracts concluded [WTO, 2013]. Surely, additional vital aspect is the fair and honest trade regulations via the regulatory bodies and agencies. Investors' general remarks regarding the West Balkans are mostly about the legal system: the slow judiciary, to be more specific. Additional problem is perceived in the corrupted institutions and the inefficient public administration. In that sense, one of the biggest advantages perceived by investors is the possibility of registering a business overnight, as well as the rather short time needed to obtain all the necessary work permits

and licenses. However, the biggest drawback quoted by investors is the frequent controls and inspections, the high penalties, and the problem with timely collection and settlement of debt. Businesspeople expect institutions to increase their transparency during bid invitations, ensuring legal security and efficient public administration [OECD, 2010].

Inclination to invest depends largely on the degree of development of the infrastructure, and investments in larger infrastructure (highways, railway, energy supplies) will enable a better connection between Macedonia and its neighbors. In that regard, we must stress the importance of investing in the necessary infrastructure connecting Macedonia with Kosovo and Albania, as well as building a railway within the framework of Corridor 10. Additionally, in order to attract more investors, it is important to enable better access to development funds, which in turn implies further reduction in the interest rates, development of newer forms of financing businesses, etc.

However, apart from the numerous economic and legal issues, there are several bigger political obstacles which profoundly affect the country's overall situation and shed a negative light. First and foremost is the country's problem with the name, as well as the country's pending membership for NATO- an issue which is given the highest priority and its solution holds the key to economic stability and will positively influence both foreign and domestic investors to consider investing their capital in Macedonia. This in turn will open the possibility of receiving a final date for the start of the country's official negotiations for membership in EU. All this would stimulate positive changes in the country's business and political system. As for the country's membership in NATO- this is of crucial importance as it brings a dramatic increase in FDI to all new member countries. Let us consider Bulgaria as an example: in 2004, when the country joined the NATO Alliance, the total FDI amounted to \$3.4 billion, in comparison to the average \$300 million invested annually between the period of 1990 and 2000. This is why the country's membership in NATO is a vital economic issue for the Republic of Macedonia: it will result in more investments, influx of new technologies and will create new jobs, which implies a better living standard of the citizens.

Finally, one additional limitation when it comes to attracting foreign direct investments is Macedonia's lowered credit ratings published by the Credit Rating Agency Standard & Poor's. In May of this year, Macedonia's credit rating was lowered from BB to BB-, which gives a clear signal to investors that the pending period will be a difficult one for the country: settling debts and returning the



acquired loans, and any further loans will be awarded with a much higher interest rate. As for why the country's credit rating was lowered, several reasons were cited: the negative economic growth, the increasing public debt from last year's 30% to 33% this year from the GDP, as well as the high unemployment rate. Standard&Poor's report further states that since the onset of the global financial crisis, the transparency of the Macedonian public finances has been decreasing, as have the possibilities for a more significant economic growth. This is a second lowering of the country's credit rating: in 2011 the Agency lowered Macedonia's rating from BB+ to BB.

## **IMPROVING THE BUSINESS CONDITIONS FOR ATTRACTING FDI IN MACEDONIA**

There are several preconditions to meet before opening the possibility for any major foreign direct investments: continuous dedication to improve the business climate, the implementation of the structural reforms in the country's competitiveness, the exporting sector, as well as the investments in the infrastructures and the education system. These will profoundly affect the overall social development of the Western Balkans, Macedonia included.

Improving the economic conditions and the overall business climate in the economy is the only way to attract FDI and to create a higher economic growth. The global economic crisis and the recent European Debt Crisis have urged the countries from the West Balkans, including Macedonia, to become proactive and more assertive in attracting foreign capital. More specifically, since the middle of the last decade Macedonia has made a significant change in the employed strategies and politics regarding FDI. This change is mainly a transition from a passive approach to create system conditions to a more aggressive quest for investors. With all its so-far activities, the Government of the Republic of Macedonia has demonstrated its commitment in improving the conditions for operating a business, which is a primary indicator of a favorable climate for investing in one country.

In order to improve the business surroundings, the Republic of Macedonia has implemented 3 stages of a so-called "regulatory guillotine" - a project aimed to decrease the regulatory burdens and the unnecessary bureaucracy. The Customs Administration has implemented several measures in order to increase the speed and efficiency of trade. With yet another initiative, the National Bank of the Republic of Macedonia has helped in strengthening the financial system by esta-

blishing a public credit register in 2008. The Ministry of Finance initiated the formation of a private credit office, which was established by the Association of Commercial Banks in 2011. In all accomplishments achieved far, one must point out the creation of the electronic tax system in 2008, the electronic real-estate register established in 2010, as well as the online system for registering businesses which has been in function since 2011.

In terms of the tax policy, the government introduced lower and equal tax of 10%, as well as tax relief from retained profits which are not distributed as dividends. Meanwhile, the employers' social contributions were gradually decreased for about 1/3. The Regulatory Guillotine brought several benefits: simplified regulative, one-stop shop system for customs and tax administration, increased flexibility of the labor market, certain benefits for the free economic zones, reforms in the financial sector, the education and the agriculture, as well as increased investments in the infrastructure and energetics. With all these accomplishments and reforms implemented in order to improve the country's economy, Macedonia has been ranked among the top countries reformers according to the acclaimed Doing Business Report issued by the World Bank. In fact, this Report is an analysis of the regulatory framework, especially its efficiency in running small and medium-sized domestic companies, as these types of companies are the foundation of the country's economy. Macedonia is listed among the top free economies, such as Germany, Japan, Estonia and Latvia. Although the Report does not measure the FDI in the ranked countries, one can still trace a direct connection between simplifying the work of small and medium-size companies and attracting FDI. There is a common belief that best ranked countries in Doing Business have an average of 50 times more FDI in comparison with those that are ranked lower on the list.

According to Doing Business Report, in the past 6 years Macedonia has been listed in the top 10 economies with the most progress in establishing regulatory systems which go in favor of running a business. According to the Report from 2012, the Republic of Macedonia has made a leap from 81<sup>st</sup> to a high rank of 22<sup>nd</sup> place according to the ease of doing business.

**Table 1.** Doing Business Report (2012in comparison with 2008)

<b>Topic</b>	<b>2012</b>	<b>2008</b>
<b>Starting a Business</b>	6	21
<b>Protecting Investors</b>	17	83
<b>Getting Credit</b>	24	48
<b>Paying Taxes</b>	26	99
<b>Registering Property</b>	49	91
<b>Resolving Insolvency</b>	55	127
<b>Enforcing Contracts</b>	60	84
<b>Dealing with Construction Permits</b>	61	76
<b>Trading Across Borders</b>	67	72
<b>Getting Electricity</b>	121	n/a

**Source:** The World Bank 2013 (<http://www.doingbusiness.org/data/exploreeconomies/macedonia-fyr>)

Improving the business conditions and the overall economy seems to be the only way to improve the approach in attracting foreign direct investments. Therefore, the Macedonian government is committed to continuously improve the business and investment environment by intensifying the application of reforms in all areas. In other words, the aim is to achieve the following:

- A more aggressive approach in promoting the benefits and the country's potential, by focusing on attracting FDI for the production of added value products, new technologies, particularly those with a spill-over effect;
- Shortening and simplifying the procedure for obtaining work permits for foreigners working in the country;
- Fostering collaboration between foreign investors in Macedonia and domestic suppliers;
- Protecting owners' rights of both domestic and foreign investors;
- A stable legal surrounding and consistency in implementing the existing legal regulative, as well as shortening court proceedings and improving their efficiency;
- Strengthening the administrative capacities as well as their transparency in functioning;
- Strengthening the institutional framework for the protection of competition and curbing monopolies, as well as attaining professional and independent operation of the regulatory agencies;
- Reducing the gap between education and the actual needs and lacks on the labor market;

- Strengthening the public-private partnership accordingly the global best practice;
- Eliminating the remaining non-tariff barriers for importing goods from the EU and enabling a free movement of goods between Macedonia and the EU.

The continuous dedication to improve the business environment needs to be continued in future and it will send a clear signal to investors who, in recent years, have been treating Macedonia as a good business destination.

In that manner, last year the Government implemented two measures aimed at attracting foreign investments and improving the competitiveness of the Republic of Macedonia on the global investment market. The first measure is increasing the legal duration of stay for foreigners in Macedonia from 3 months to a year if they purchase a residence of €40k or more. This measure is expected to motivate foreigners to buy real estate, which will revive the real-estate market. With the second measure, foreigners who will invest €400 000 or more and will create over 10 jobs, will be eligible for Macedonian citizenship or passport. According to government analysis, these changes along with the aforementioned tax reliefs will create a better approach to attracting foreign capital.

## CONCLUSION

As the country lacks the capacity to significantly increase the gross-investment rate, sources of funding must be acquired from abroad, especially via foreign direct investments in order to avoid a higher level of indebtedness. In fact, FDI are considered a top economic priority for long-term development, with multiple benefits for the national economy: decrease of the unemployment rate, increase of export, inflow of new technology, knowledge and skills, as well as improvement of the standard of living. In terms of fostering economic growth and reducing the unemployment rate, which seems to be the biggest problem of the Macedonian economy, mid-term goals are further improvement of the business climate and competitiveness, as well as increasing investments, both domestic and foreign. In that manner, it is of utmost importance that the country meets the following criteria as preconditions for attracting significant foreign direct investments: a continuous commitment towards improving the business environment, implementing structural reforms in the scope of competitiveness, the exporting sector, as well as investing in infrastructure and education.

The Macedonian government with all its efforts to attract FDI, has demonstrated its commitment to improve the business climate- a gesture which is perceived as

the prime indicator for a favorable investment climate. However, even after 5 years of implementing the new approach for attracting FDI- an approach which is best described as an assertive policy of searching for investors- the country is yet to see any major results. With a total amount of €105 million invested in Macedonia, 2012 is the year with the least net inflow of foreign investments within the last 8 years. In the past several years, there is a growing trend of capital outflow from the branches in Macedonia to the mother companies, which is mostly due to the crisis in the EU as it is the homeland of most investors. This practice is a cause for concern as it sends the message that investing in Macedonia does not result in a satisfactory degree of profit by reinvesting the turnover. In that manner, instead of reinvesting the profit, the capital is steered towards mother companies as credit capital.

The latest United Nations Conference on Trade and Development Report lists Macedonia as the least attractive country for foreign investment when compared to the remaining countries from the region. In 2012, the inflow of FDI was the lowest in Macedonia, with only \$135 million of foreign capital. Croatia, on the other hand, tops the list with \$1.25 billion. The remaining countries from the region rank as follows: \$957 million were invested in Albania, \$298 million in Kosovo, \$633million in Bosnia and Herzegovina, \$609 million in Montenegro and \$352 million of FDI in Serbia. Worth pointing out is the dramatic fall of Serbia in this ranking, as a few years ago this country was the strongest competitor of Croatia in attracting foreign investments. Overall, the Report indicates that Western Balkans remain largely unattractive for foreign investors, and Macedonia needs to put in more effort in enabling greater political and economic stability in attracting FDI.

Accordingly the latest data from the National Bank of the Republic of Macedonia, about \$114 million of foreign capital was invested in Macedonia in the first 6 months of this year and the undistributed branch profit was \$18.87 million. Most of the capital invested comes from Austria, Belgium, the UK and Australia, and is found in industries such as: manufacturing, civil engineering, transport and storage, financial and insurance services.

## BIBLIOGRAPHY

- Invest Macedonia Annual Report, 2008.
- Invest Macedonia Annual Report, 2009.
- Invest Macedonia Annual Report, 2010.
- Invest Macedonia Annual Report, 2011.
- KPMG Macedonia DOO (2012). *Invest in Macedonia*, Skopje.
- OECD (2010). *Investment Reform Index 2010: Monitoring policies and institutions for direct investment in South-East Europe*, Paris.
- U.S Department of State (2008). *Investment Climate Statement – Macedonia*, Washington, D.C.
- UNCTAD (2008). *World Investment Report 2008: Transnational Corporations and the Infrastructure Challenge*, United Nations publication, New York and Geneva.
- UNCTAD (2013a). *Global Value Chains and Development: Investment and value added trade in the global economy*, United Nations publication.
- UNCTAD (2013b). *World Investment Report 2013, Global value chains: Investment and trade for development*, United Nations publication, New York and Geneva.
- USAID Macedonia (2009a). *Macedonia's Agenda for Action: Business Climate Legal and Institutional Reform Diagnostic, Executive Summary*, Skopje.
- USAID Macedonia (2009b). *Macedonia Business Environment Assessment, Final Report*, Skopje.
- World Bank (2009), *Doing Business 2010: Reforming through Difficult Times*, Washington, D.C.
- WTO (2013), *WTO Trade Policy Review of the Republic of Macedonia: Foreign Investment Regime*.

---

## STRANA ULAGANJA KAO RAZVOJNI FAKTOR ZA PREVAZILAŽENJE EKONOMSKE STAGNACIJE U REPUBLICI MAKEDONIJI

Nada Petrusheva<sup>1</sup>, Aleksandar Nikolovski<sup>2</sup>

<sup>1</sup>Van. prof. dr FON Univerzitet, Ekonomski fakultet, Bulevar Vojvodina, Skoplje,  
R. Makedonija, natka.petrusheva@fon.edu.mk;

<sup>2</sup>Prof. dr FON Univerzitet, Ekonomski fakultet, Bulevar Vojvodina, Skoplje,  
R. Makedonija, aleksandar.nikolovski@fon.edu.mk

**Summary:** *Da bi se prevazišla ekonomska stragnacija, među ekonomistama postoji široki konsenzus da model privrednog rasta treba da bude više usmeren na povećanje investicija i izvoza, a manje da se oslanja na potrošnju. Stalna posvećenost da se poboljša poslovno okruženje, sprovođenja strukturnih reformi u oblasti konkurentnosti, izvoznog sektora i ulaganja u infrastrukturu i obrazovanje, su neophodni preduslovi*

*koji trebaju da se urade za otvaranje perspektiva ukupnog društvenog razvoja Zapadnog Balkana, uključujući i Republiku Makedoniju. Osnovna pokretačka snaga privrednog rasta - investicije (domaće i strane) nisu u dovoljnoj meri realizovane, pa strukturni ekonomski problemi, kao što su visoka stopa nezaposlenosti, niska stopa rasta BDP, nedostatak izvoza i nepovoljne industrijske strukture su prisutni u celom periodu od osamostaljenja Republike Makedonije. I za razliku od nekih zemalja Centralne i Istočne Evrope kao što su Poljska, Češka i Slovačka, gde je strani kapital bio usmeren na proizvodnju proizvoda sa većom dodatom vrednošću, investicije u Makedoniji došle su pre svega u trgovini i bankarstvu, a mnogo manje u proizvodnji.*

*Zbog nedostatka sopstvenih kapaciteta da značajno poveća stopu bruto investicija, Makedonija treba tražiti izvore sredstava za investicije u stranoj akumulaciji, posebno putem direktnih stranih investicija kako se ne bih povećao nivo zaduženosti zemlje. Globalna ekonomska i dužnička kriza koja je zahvatila Evropu u posljednjih nekoliko godina, navela je zemlje Zapadnog Balkana, uključujući i Republiku Makedoniju aktivnije i agresivnije da se uključe u privlačenje stranog kapitala. SDI smatraju se kao najviši prioritet za dugoročni ekonomski razvoj i beneficije za nacionalnu ekonomiju su višestruke i utiču na smanjenje nezaposlenosti, povećanje izvoza, priliv novih tehnologija, znanja i veština, i poboljšanje životnog standarda stanovništva. Uprkos naporima, reformima i aktivnostima koje se preduzimaju za privlačenje direktnih stranih investicija, balkanske zemlje suočavaju se sa prigovorima investitora radi nedovoljno reformisanog pravosudnog sistema, birokratskih problema, neefikasne javne administracije i korupcije. Zbog toga je neophodno da se nastavi sa radom na poboljšanju makroekonomskog okruženja i da se sprovodi dugoročna strategija kroz aktivnu politiku za privlačenje SDI.*

**Ključne reči:** strane investicije, ekonomska stagnacija, dugoročni rast

**JEL:** 011