

SULO HADERI

**SEAD KRESO
DIETMAR MEYER
HEINZ-DIETER WENZEL
(EDITORS)**

**ECONOMIC PROBLEMS OF
TRANSITION IN CENTRAL AND
EASTERN EUROPE**

EUROPEAN DOCTORAL SEMINAR (EDS)

**8TH-10TH MAY 2003,
TIRANA, ALBANIA**

Editors:**Prof. Dr. Sulo Haderi**

Head of Economics Department,
Faculty of Economics and Business,
University of Tirana
shaderi@hotmail.com

Prof. Dr. Sead Kreso

Faculty of Economics,
University of Sarajevo
Sarajevo, Bosnia and Herzegovina
sead.kreso@efsa.unsa.ba

Prof. Dr. Dietmar Meyer

Chair of Finance,
Budapest University of Economic Sciences and Business Administration
Budapest
dietmar.meyer@makro.bke.hu

Prof. Dr. Heinz-Dieter Wenzel

Chair of Public Finance,
Dean of the Faculty of Social Sciences and Economics
Bamberg University
D-96045 Bamberg
public-finance@sowi.uni-bamberg.de

ISBN: 3-931052-42-7

BERG-Verlag, Bamberg

Die Deutsche Bibliothek –CIP-Cataloguing-in-Publication-Data:

Problems of economic theory and policy in the transition period :

European Doctoral Seminar (EDS) / Ed.: Sulo Haderi –

Bamberg : BERG, 2003

(Public economics series ; Vol. 6)

ISBN 3-931052-42-7

This work is subject to copyright. All rights are reserved, whether the whole or part of the material is concerned, specifically the rights of translation, reprinting, reuse of illustrations, recitation, broadcasting, reproduction on microfilm or in any other way, and storage in data banks. Duplication of this publication or parts thereof is permitted only under the provisions of the German Copyright Law of September 9, 1965, in its current version, and permission for use must always be obtained from BERG-Verlag. Violations are liable for prosecution under the German Copyright Law.

BERG-Verlag Bamberg 2003

Printed in Hungary

The use of general descriptive names, registered names, trademarks, etc. in this publication does not imply, even in the absence of a specific statement, that such names are exempt from the relevant protective laws and regulations and therefore free for general use.

PREFACE

The idea of EDS – European Doctoral Seminar – was born in 2000, i. e. three years ago, to give students from different Central and East-European countries the opportunity to discuss parts of their Ph D theses prepared in the field of economics. In Autumn 2001 the first conference was organised in Budapest, Hungary. One year later, in the Summer 2002, more or less the same participants met in Bamberg, Germany. In May 2003 they – and also their supervisors – had the pleasure to be guests of the University of Tirana, Albania.

In a retrospective of these three years we can speak about continuity as well as about changes in the EDS project. First of all, continuity in the group of participants, therefore the development of the students' research could be shadow by their colleagues. Problems discussed on earlier conferences could again be analysed on later meetings, but now from other points of view or taking into account the new results, new methods, etc. Students could learn from each other how to think or how the colleagues are thinking about economics in different regions of Europe, but at the same time they could learn to present ideas, approaches and results on international scientific meetings. Continuity could be observed also in the development of the personal relations between the participants. In Budapest we had the first polite, but also basically self-controlled contacts to students from other countries, in Bamberg the national status of the students had lost all its earlier and traditionally based importance, in Tirana, everybody felt to meet friends. The aim of the EDS – to bring together young researches from different regions – has been perfectly reached. Last, but not least, the kind hospitality of the organising institution has been developed also continuously.

The main, qualitative change in the program was its extension from three to four countries by involving the University of Sarajevo, Bosnia Herzegovina. The presentation of the actual economic situation of every newly participating country, its problems and the way chosen there for solving them help to detect similarities and differences in the economic and social development in the countries of Central and Eastern Europe, i. e. will help to understand the deep complexity of the transition process.

Finally we would like to express our thanks to the local organisation committee, to *Professor Dhoris Kule*, Dean of the Faculty of Economics of the University

of Tirana, and *Professor Fatmir Mema*, Vice-Dean of the Faculty of Economics of the University of Tirana. Editors are indebted to *Margit Árkos* and *Gábor Halász* for technical support and to the Doctoral Council of the Budapest University of Economic Sciences and Business Administration for financing this publication. Last, but not least, we express our thanks to the *DAAD* for financing the conference in Tirana.

Sulo Haderi

Sead Kreso

Dietmar Meyer

Heinz-Dieter Wenzel

CONTENTS

PREFACE

CONTRIBUTORS

SESSION 1:

Chair: Heinz-Dieter Wenzel

Elida Liko: Exchange Rate Regime During the Transition Period in Albania – Implication and Perspectives 3

Zsombor Ligeti: Two Notes on Economic Conversion 21

Arsena Gjipali: The Development of the Albanian Labour Market During Transition 33

SESSION 2.

Chair: Sulo Haderi

Dženan Donlagić: Analysis of Current Sales Tax Model in Bosnia and Herzegovina 49

Arjeta Abazi: Is Albania Ready to Implement Inflation Targeting? 57

SESSION 3.

Chair: Dietmar Meyer

Ágota Krénusz: Main Determining Factors of Capital Structure 67

László Horváth: Income Distribution and Investment in a Post Keynesian Framework 85

SESSION 4.*Chair: Sead Kreso*

Gunther Grathwohl: Foreign Capital and Income Distribution in the
Dependent Economy 103

Jörg Lackenbauer: EU Eastern Enlargement, the Accession Countries'
Backwardness and regional Disparities: What Can EU Policies do? 129

Appendix 161

CONTRIBUTORS

Arjeta Abazi

Ph D Student
University of Tirana
Faculty of Economy
Department of Economics
Tirana, Albania
arjeta_abazi@yahoo.com

Dženan Đonlagić

Ph D Student
University of Sarajevo
Faculty of Economy
Department of Economics
Sarajevo, Bosnia and Herzegovina
dzenan.djonlagic@efsa.unsa.ba

Arsena Gjipali

Ph D Student
University of Tirana
Faculty of Economy
Department of Economics
Tirana, Albania
arsenag@yahoo.com

Gunther Grathwohl:

Ph D Student
University of Bamberg
Department of Economics (International Economics)
Bamberg, Germany,
gunther.grathwohl@sowi.uni-bamberg.de

Prof. Dr. Sulo Haderi

Head of Economics Department,
Faculty of Economics and Business,
University of Tirana
shaderi@hotmail.com

László Horváth

Ph D Student

Budapest University of Economic Sciences and Public Administration

Department of History of Economic Thought

Budapest, Hungary

horvath.laszlo@et.bke.hu

Prof. Dr. Sead Kreso

Faculty of Economics,

University of Sarajevo

Sarajevo, Bosnia and Herzegovina

sead.kreso@efsa.unsa.ba

Ágota Krénusz

Ph D Student

Budapest University of Economic Sciences and Public Administration

Department of Finance

Budapest, Hungary

krenusz@yahoo.com

Jörg Lackenbauer

Ph D Student

University of Bamberg

Department of Economics (Finance)

Bamberg, Germany,

joerg.lackenbauer@sowi.uni-bamberg.de

Zsombor Ligeti

Ph D Student

Budapest University of Economic Sciences and Public Administration

Department of Macroeconomics

Budapest, Hungary

zsombor.ligeti@makro.bke.hu

Elida Liko:

Ph D Student

University of Tirana

Faculty of Economics and Business

Economics Department

Tirana, Albania

liko@yahoo.com

Prof. Dr. Dietmar Meyer

Budapest University of Economic Sciences and Business Administration
Chair of Finance
Budapest, Hungary
dietmar.meyer@makro.bke.hu

Prof. Dr. Heinz-Dieter Wenzel

Chair of Public Finance,
Dean of the Faculty of Social Sciences and Economics
Bamberg University, Germany
heinz-dieter.wenzel@sowi.uni-bamberg.de