

II International Science Conference SER 2019

May 16th – 18th, 2019
Igalo (Herceg Novi), Montenegro

"NEW TRENDS AND BEST PRACTICES IN SOCIOECONOMIC RESEARCH"



Conference program

Organized by:

**Economic Laboratory for Transition Research,
Podgorica, Montenegro**

**Adriatic University Bar,
Faculty for Mediterranean Business Studies Tivat,
Montenegro**

**Center for Sociological Research
Szczecin, Poland**

**University "Mediterranean, Podgorica
Montenegro**



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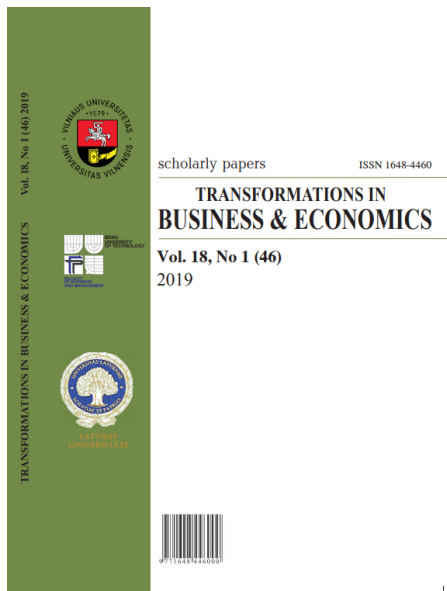
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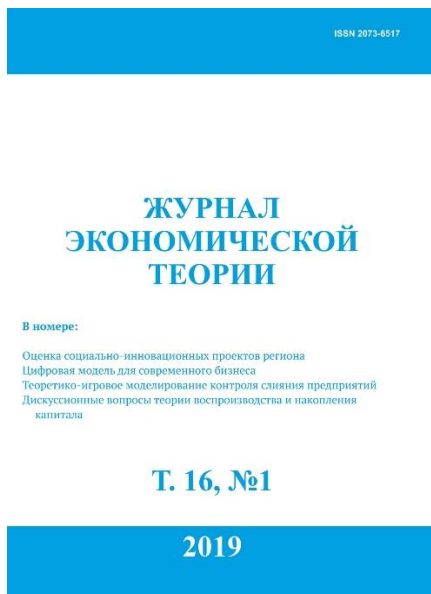
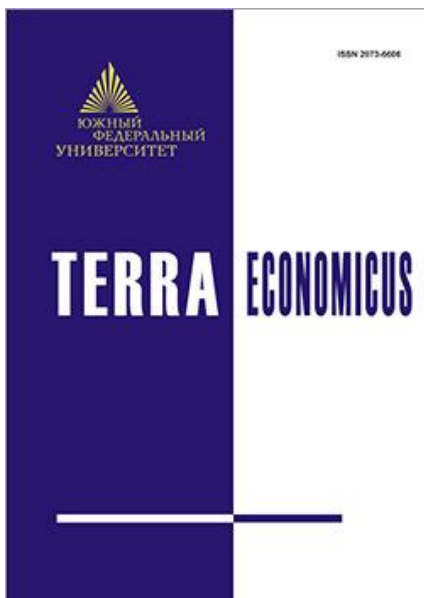
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Foreword

We would like to thank all the contributors, discussants and participants of the International Scientific Conference SER 2019, entitled “*New Trends and Best Practices in Socioeconomic Research*”, successfully organized and held in Igalo (May 16th-18th, 2019), which contributed to the same success and has a high scientific quality.

Special thanks to the organizers:

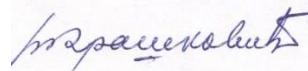
- Adriatic University Bar, Tivat, Montenegro,
- University of Mediterranean (Podgorica, Montenegro),
- Center for Sociological Research (Szczecin, Poland),
- Economic Laboratory for Transition Research (Podgorica, Montenegro), and
- Palmon Bay Hotel & Spa, Igalo, Montenegro.

We had 75 authors from 17 countries (Australia, Bosnia and Herzegovina, Canada, Croatia, France, Germany, Hungary, Italy, Lithuania, Montenegro, Poland, Romania, Russia, Serbia, Slovenia, South Africa and Ukraine).

Conference participants submitted 36 scientific abstracts, which were reviewed by the International review board (Prof. *Dalia Stremikiene*, Prof. *Veselin Draskovic*, Prof. *Yuriy Bilan*, Prof. *Vyacheslav V. Volchik*, Prof. *Evgeny Popov*, Prof. *Ra-dislav Jovovic*, Assoc. Prof. *Mimo Draskovic*, Prof. *Bagrat Yernkryan* and Assist. Prof. *Milica Delibasic*).

I hope that the conference participants, in dynamic, interesting and original reports and discussions, will succeed in moving the boundaries of knowledge about the current theme of this conference. I believe that many of the old questions, problems and dilemmas will get some new arguments, information and evidence.

Chair of Scientific Committee



Academician Veselin DRASKOVIC, Professor

PROGRAM

DAY ONE:		Thursday 16th May 2019
14:00-15:00		R E G I S T R A T I O N of the participants
15:00-15:10	OPENING THE CONFERENCE (Hotel Palmon Bay Igalo) Radislav JOVOVIC , Professor, Rector of the University of Mediterranean Podgorica, Montenegro	
PLENARY SESSION : Introductory Papers – Keynote Speeches Head: Yuriy BILAN , Associate Professor		
15:10-15:30	POLITICIZATION OF SCIENCE OR ITS POSTMODERN <u>Keynote Speaker</u> : Radovan STOJANOVIC , Professor, University of Montenegro; Montenegrin Association for New Technologies, Chair of the MECO and ECYPS Conferences	
15:30-15:50	INTERNATIONAL SCIENTIFIC DATABASES: SUPPOTING EXCELLENCE ACROSS RESEARCH COMMUNITY <u>Keynote Speaker</u> : Yuriy BILAN , Associate Professor, Rzeszów University of Technology, Faculty of Management, Poland	
15:50-16:10	A CRITIQUE OF NEW TRENDS IN ECONOMICS RESEARCH <u>Keynote Speaker</u> : Academician Veselin DRASKOVIC , Professor, University of Montenegro, Maritime Faculty Kotor, Montenegro	
16:10-16:30	NEGATIVE TENDENCIES IN THE GLOBAL ECONOMY - CHALLENGES AND SOLUTIONS <u>Keynote Speaker</u> : Radislav JOVOVIC , Professor, Rector of the Mediterranean University Podgorica, Montenegro	
16:30-16:50	ANALYSIS OF THE ACADEMIC PUBLISHING MARKET IN UKRAINE <u>Keynote Speaker</u> : Liudmyla OSTAPENKO , Ph.D. in Economics, CEO of "Business Perspectives" company, Sumy, Ukraine	
DAY TWO:		Friday 17th May 2019
PLENARY SESSION – EXTENSION : Introductory Papers - Keynote Speeches Head: Mimo DRASKOVIC , Associate Professor		
10:00-10:20	ASSESSMENT OF WILLINGNESS TO PAY FOR RENEWABLES AND ENEGY EFFICIENCY MEASURES BY APPLYING STATED PREFERENCE METHODS <u>Keynote Speaker</u> : Dalia STREMIKIENE , Professor, Lithuanian Energy Institute, Lithuania	
10:20-	MANAGERIALISM AND INSTITUTIONAL TRAPS IN EDUCATION	

10:40	AND SCIENCE <u>Keynote Speaker</u> : Vyacheslav V. VOLCHIK , Professor, Southern Federal University, Rostov-on-Don, Russia
10:40-11:00	CRISIS IN SOCIETIES OF SOUTH EASTERN EUROPE <u>Keynote Speaker</u> : Mimo DRASKOVIC , Associate Professor, University of Montenegro, Maritime Faculty Kotor, Montenegro
11:00 -11:40	Sweet, tea, coffee, seasonal fruits
11:40-12:00	COMPETITION BETWEEN CITATION DATABASES FOR SCIENTIFIC PUBLICATIONS (USING WEB OF SCIENCE CORE COLLECTION AND SCOPUS AS AN EXAMPLE) <u>Keynote Speaker</u> : Serhiy KOZMENKO , Professor, Department of Finance, University of Customs and Finance, Dnipro, Ukraine
12:00-12:20	COLLABORATIVE ONLINE INTERNATIONAL LEARNING AS A PATH TO A GLOBAL CLASSROOM <u>Keynote Speaker</u> : Sanja BAUK , Associate Professor, University of Montenegro, Montenegro, Durban University of Technology, South Africa
12:20-12:40	LABOUR MARKET CONDITIONS AND INTERNATIONAL MIGRATION FROM CROATIA <u>Keynote Speaker</u> : Marija BECIC , Assistant professor, Department of Economics and Business Economics University of Dubrovnik; Matea Matic ŠOSIC , Assistant professor, Department of Economics and Business Economics University of Dubrovnik, and Dasen JASPRICA , PhD, Mead of the Regional CES Office in Dubrovnik Croatian Employment, Croatia
12:40-13:00	COOPERATION AMONG FARMERS AFTER THE SOCIALIST TIMES – NO DRIVERS FOR TRUST? <u>Keynote Speaker</u> : Laszlo VASA , Professor, Széchenyi István University, Győr, Hungary
13:00 -14:30	Lunch
SESSION 1 - Head : Serhiy Kozmenko , Professor	
14:30 - 14:40	MEDITERRANEAN BRIEFING Stevo NIKIC , Professor, Ivana BECAGOL , MSc, University of of Adriatic Bar, Faculty for Metiterranean Business Studies Tivat, Montenegro
14:40 - 14:50	CHALLENGES ON THE ROMANIAN INSURANCE MARKET AFTER RECENT GLOBAL ECONOMIC CRISIS Senior Researcher Mihaela SIMIONESCU , Romanian Academy, Institute for Economic Forecasting, Romania
14:50 - 15:00	ECOLOGICAL AND ETHICAL DIMENSIONS OF INNOVATIONS AS THE KEY PROBLEMS OF FOOD ECONOMY TODAY Sylwia DZIEDZIC , Associate Professor, Grzegorz OSTASZ , Professor, Leszek WOŹNIAK , Professor, Rzeszów University of Technology, Faculty of Management, Poland
15:00 -	ASSESSMENT OF WILLINGNESS TO PAY FOR RENEWABLES IN

15:10	LITHUANIA <i>Dalia STREIMIKIENE</i> , Professor, Lithuanian Energy Institute, Lithuania, <i>Ilona ALISAUSKAITE SESKIENE</i> , Professor, Lithuanian Energy Institute, Lithuania
15:10 - 15:20	LOGISTICAL SUPPORT FOR MILITARY CONTINGENTS IN PEACEKEEPING MISSIONS: ECONOMIC ASPECTS AND THE ISSUES OF MANAGEMENT REGULATIONS <i>Tadeusz OLEJARZ</i> , Assoc. Professor, Rzeszów University of Technology, Faculty of Management, Poland
15:20 - 15:30	APPLICATION OF WATER FOOTPRINT FOR ASSESSEMENT OF AGRICULTURAL SUSTAINABILITY <i>Tomas BALEZENTIS</i> , Professor, Lithuanian Institute of Agrarian Economics, Lithuania
15:30 - 15:40	OMNICHANNEL EVOLUTION OF THE LOGISTICS PROCESSES IN WAREHOUSES <i>Norbert ŻYCZYŃSKI</i> , Assoc. Professor, Rzeszów University of Technology, Faculty of Management, Poland
15:40 -16:00	Sweet, tea, coffee, seasonal fruits
16:00 - 16:10	THE IMPORTANCE OF THE CULTURAL AND INSTITUTIONAL CONTEXTS FOR MANAGING THE DEVELOPMENT PROCESS Academician <i>Bagrat YERZHKYAN</i> , Professor, Prof., Central Economics and Mathematics Institute, Russian Academy of Sciences, Moscow, Russia
16:10 - 16:20	THE IMPACT OF FISCAL CONSOLIDATION ON ECONOMIC GROWTH IN THE POSTCRISIS PERIOD <i>Jovan DJURASKOVIC</i> , Assistant Professor, <i>Milivoje RADOVIC</i> , Professor, <i>Milena RADONJIC</i> , PhD, University of Montenegro, Faculty of Economics, Podgorica, Montenegro
16:20 - 16:30	ECONOTRONICS OF DIGITAL SOCIETY <i>Evgeny POPOV</i> , Professor, Corresponding member of the Russian Academy of Sciences, Institute of Economics, The Ural Branch of Russian Academy of Sciences; Ural Federal University, Ekaterinburg, Russia
16:30 - 16:40	USER INTERESTS FOR THE DEVELOPMENT OF BITCOIN IN THE SEE COUNTRIES <i>Vinko NIKIC</i> , Associate Professor, University of of Adriatic Bar, Faculty for Metiterranean Business Studies Tivat, Montenegro
16:40 – 16:50	NEW - DIGITAL - WEB- INTERNET ECONOMY <i>Sreten CUZOVIC</i> , Professor, University of Nis, Faculty of Economics, Nis, Serbia
16:50 – 17:00	PROBLEMS OF THE INSTITUTIONAL CHANGES IN SEE COUNTRIES <i>Milica DELIBASIC</i> , Assistant Professor, University Mediterranean, Faculty of Business Studies, Podgorica, Montenegro, University of of Adriatic Bar, Faculty for Metiterranean Business Studies Tivat, Montenegro
17:00- 17:20	THE NEW TECHNOLOGIES AND IMPACT ON THE LABOUR MARKET

	<i>Elena PELINESCU</i> , Professor, Institute for Economic Forecasting of the Romanian Academy, Romania		
19:00 - 22:00		Cocktail	
		DAY THREE:	Saturday 18th May 2019
SESSION 1 - EXTENSION - Head: Milivoje Radovic , Professor			
10:00 - 10:10	SERVICE QUALITY in SHARING ECONOMY <i>Ana PORTOLAN</i> , Assistant Professor, <i>Barbara PUH</i> , Assistant Professor, <i>Ivana PAVLIC</i> , Associate Professor, University of Dubrovnik, Department of Economics and Business Economics, Dubrovnik, Croatia		
10:10 - 10:20	SECURITY MANAGEMENT AT THE LEVEL OF LOCAL COMMUNITIES: PLANNING, IMPLEMENTATION, ECONOMIC PROVISION <i>Marta POMYKAŁA</i> , Professor, Rzeszów University of Technology, Faculty of Management, Poland		
10:20 - 10:30	MULTI-CRITERIA MODEL FOR SUSTAINABLE CHOICE OF CATERING FACILITY LOCATION <i>Tomas BALEZENTIS</i> , Professor, Vilnius university, Lithuania, <i>Fausta ZAGURSKAITE</i> , Associate Professor, Vilnius university, Lithuania		
10:30 - 10:40	THE ANALYSIS OF ECONOMIC-SOCIAL SITUATION AND ECONOMIC DEVELOPMENT FACTORS OF ULCINJ <i>Agron IBRAHIMI</i> , Assistant Professor, <i>Marija JANKOVIC</i> , Assistant Professor and <i>Andjela JAKSIC STOJANOVIC</i> , Assistant Professor, University of Mediterranean, Podgorica, Montenegro		
10:40 - 10:50	HUMAN RESOURCES MANAGEMENT AS A COMPETITIVE FACTOR IN HOSPITALITY INDUSTRY <i>Misko RADJENOVIC</i> , Assistant Professor, University of Adriatic Bar, Faculty for Busines and Tourism Budva, Montenegro		
10:50 - 11:00	APPLICATION POSSIBILITIES OF THE INTERNET OF THINGS (IOT) IN NAUTICAL TOURISM IN MONTENEGRO <i>Nikola VUKCEVIC</i> , Assistant Professor, <i>Marko NIKIC</i> , Assistant Professor, University of of Adriatic Bar, Faculty for Metiterranean Business Studies Tivat, Montenegro		
11:00 -12:00		Sweet, tea, coffee, seasonal fruits	
SESSION 2 - Head: <i>Milica Delibasic</i> , Assistant Professor			
12:00 - 12:10	INDEPENDENCE GUARANTEES FOR POLISH TERRITORIAL SELF-GOVERNMENTS: THE SELECTED ISSUES OF MANAGEMENT AND REGULATION <i>Małgorzata POLINCEUSZ</i> , Associate Professor, Rzeszów University of Technology, Faculty of Management, Poland		
12:10 - 12:20	THE MODELS OF QUASI-INSTITUTIONAL BEHAVIOR IN SEE COUNTRIES		

	Niksa GRGUREVIC , Assistant Professor, Faculty of Management Herceg Novi; Adriatic University Bar, Montenegro
12:20 - 12:30	INSTITUTIONAL FRAMEWORK OF CORPORATE GOVERNANCE IN TRANSITIONAL ECONOMIES WITH EMPHASIS ON CORPORATE SOCIAL RESPONSIBILITY Jelena STJEPCEVIC , PhD, University of Montenegro, Maritime Faculty of Kotor, Montenegro
12:30 - 12:40	THE ROLE OF HEALTH TOURISM IN ENHANCING THE COMPETITIVENESS OF HERCEG NOVI TOURIST DESTINATION Zoran KOVACEVIC , PhD, Institute Igalo, Herceg Novi, Montenegro
12:40 - 12:50	PRECARIOUS WORK IN ITALY: EXPERIENCES AND LESSONS FOR CROATIA. Drago PUPAVAC , Professor, Polytechnic of Rijeka, Croatia, Justin PUPAVAC , PhD student, Faculty of Tourism and Hospitality Management, Opatija, Croatia
12:50- 13:00	REGIONAL DISPARITIES OF THE ROMANIAN LABOUR MARKET Mariana BĂLAN , Professor, Institute for Economic Forecasting of the Romanian Academy, Romania
13:00 - 15:00	Lunch
SESSION 2 - EXTENSION : Head: Dasen Jasprica , PhD	
15:00 - 15:10	THE CONCEPT OF CHILD FRIENDLY TOURISM IN THE FUNCTION OF PRODUCT DEVELOPMENT: CASE OF MONTENEGRO Olivera BLAGOJEVIC POPOVIC , PhD student, University of Montenegro, Faculty for Tourism and Hotel Management, Kotor, Montenegro
15:10 - 15:20	INSTITUTIONAL PLURALISM VERSUS INSTITUTIONAL MONISM IN TRANSITION STATES Dragan RADOVIC , PhD student, University of Montenegro, Maritime Faculty Kotor, Montenegro
15:20 - 15:30	IMPROVING THE LEGAL AND INSTITUTIONAL FRAMEWORK FOR THE PROTECTION OF COMPETITION IN MONTENEGRO Nebojsa JOVOVIC , PhD student, Mediterranean University Podgorica, Montenegro
15:30 - 15:40	THE SIGNIFICANCE OF CONTAINER DEPOTS IN THE REDUCTION OF TRANSPORTATION COSTS WITH EMPHASIS ON THE MARKET OF SERBIA AND MONTENEGRO, THE GATEWAY PORT BAR, MONTENEGRO Dalibor PELEVIC , PhD student, University of Montenegro, Maritime Faculty Kotor, Montenegro
15:40 - 15:50	CHALLENGES OF COMERTIAL BANKS IN USING CRYPTO CURRENCIES Miroslav JOVOVIC , MSc student, University of Montenegro, Faculty of Economics, Podgorica

15:50 – 16:00	<p>LIST OF INTERNATIONAL CONVENTIONS AND LEGISLATION OF MONTENEGRO</p> <p><i>Milica NIKIC</i>, MSc, University of of Adriatic Bar, Faculty for Metiterranean Business Studies Tivat, Montenegro</p>	
16:00 –16:30	Coffee Break	
16:30 -17:00	Conclusions of the Conference	
18:00 -22:00	Gala Dinner in Sveti Stefan	

Professor **Radovan STOJANOVIC**

University of Montenegro, Faculty of Electrical Engineering Podgorica,
Montenegro

POLITICIZATION OF SCIENCE OR ITS POSTMODERN

ABSTRACT

Politicisation of science is in fact its manipulation. Usually, for the purpose of political gain of different interest groups. With the development of modern political strategies based on declared representation of citizens' interests, science has come as a goodwill in gaining their votes. Therefore, there is never more stories about science, but less science. The presentation will point to this phenomenon, especially in developing countries. We will try to send message knowing of its very limited effects.

KEYWORDS: science, manipulation, politization.



Academician Professor **Veselin DRASKOVIC**

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Montenegro

A CRITIQUE OF NEW TRENDS IN ECONOMICS RESEARCH

ABSTRACT

The subject of this paper is an analysis of contemporary trends in economic science from the aspect of its formalization, and an impact of non-institutional economic theories. The aim of the paper is a critical overview of the above trends, through general methods of social and economic sciences, primarily description and abstraction. It starts with the hypothesis that modern economic theory is overly based on abstract and formalized models. It is concluded that economic theories should pay more attention to criticism of fatal neoliberal recipes, and exploring the limits of the application of institutional pluralism.

Due to the inadequate and/or (often) wrong explanation of economic reality, many authors point out that there is a crisis of economic theory. This crisis is especially evident in the possibility of predicting economic science. Seemingly, no one notices new and large waves of concentration and centralization of capital, new forms of imperialism and redistribution of economic power in global and local proportions, new forms of dogmatism and totalitarianism, new forms of exploitation, a steady increase in unemployment and poverty, etc., which economic theories neglect or insufficiently explored.

Modern economic science is overly based on economic modeling as a formal description of economic behavior, processes or phenomenon, whose structure is defined by both their objective characteristics and subjective target character of the research. There are realistic modeling constraints from the aspect of the degree (scale) in which these models reflect (or do not reflect) the economic reality. Through these modelings, (only) one aspect of economic reality is apologetically absolutized.

Economists increasingly use a sophisticated econometric methodology, which supposedly aims to improve strategies for identifying and solving endogenous problems. Therefore, research topics are chosen from a priori aspects of identification strategy availability (e.g. instrumental variables). However, it is believed that it should be the other way round. Although the role of theory in empirical economic research is considered natural, it is often the case of formal mathematical models, in which various types of regression, derived directly from the structural model, are "ideally" evaluated. But these theoretical models most often specify only the general direction of relations (connections) between variables, which are explored empirically. In addition, it is considered that the mathematical model (by definition) is applicable to different objects of research through simple renaming of variables (the so-called "variation on the topic"). Furthermore, the requirements for high quality econometrics are forcing economists to set high demands in data quality in terms of observation numbers. As a rule, such data cannot be generated by only one economist. That is why economists often use the same databases, and then they alter research hypotheses, parameters, and econometric methods. The result are similar papers, which differ either in indicated parameters (more often), or in the econometric methodology (less often). What is even worse, they all pretend to be original, and are usually treated that way in various prestigious scientific bases ("lists" such as SSCI, Scopus, ESCI).

KEYWORDS: economic theories, formalized models, crisis of economic theory, econometric methodology



ECONOTRONICS OF DIGITAL SOCIETY

ABSTRACT

For the description of the social economic driving forces in modern society at the regional level, the author's concept of econotronics as a section of social sciences on the dynamics of development of economic institutions of interaction between actors and society in the digital economy were shown. The initial data used for the research were the investigations of foreign scientists and authors results. The subject of research was the driving force for the development of public sector of the economy. The purpose of this study is to develop principles and ideas of institutional modeling of the processes of production of public goods in the framework of the author's conception of econotronics. It is shown that the successful development of modern public goods is determined by network interactions between economic agents of the public sector. Institutional simulation of production of local public goods should be on the basis of the matrix of the current state in the coordinates of the "dynamics of number of consumers – the dynamics of financing." Rapid development of modern social projects depends on the application of advanced economic tools such as social innovation, crowdfunding, fundraising, etc. The development of social entrepreneurship provided by formal and informal economic institutions adopted in the society. Social innovations are developed by social problems to potential innovators through the development of the idea of its solutions and the development of socially innovative project to the approbation of the project by society. The place and role of social innovation in addressing market failures in social services is determined by the establishment of the institutional atlas. Economic efficiency of the implementation of a social project depends on the implementation of the commercial and public benefits and can be determined within the matrix of performance evaluation of social innovations. The obtained results give the opportunity to form a comprehensive institutional modeling of the public sector in modern conditions to predict the further development of its driving forces.

KEYWORDS: digital society, digital economy, institutional modeling, social innovations



ASSESSMENT OF WILLINGNESS TO PAY FOR RENEWABLES AND ENERGY EFFICIENCY MEASURES BY APPLYING STATED PREFERENCE METHODS

ABSTRACT

Assessment of WTP for renewables and energy efficiency improvements in households can be applied to define viable promotion schemes for renewables and energy efficiency improvement measures. Use of renewables and implementation of energy efficiency measures are the main ways of climate change mitigation in energy sector. The households are responsible for more than 50% of total energy consumption therefore climate change mitigation policies in energy sector should also target households. The climate change mitigation measures applied by the government in energy sector need to be developed based on assessment of their social benefits, which are necessary to integrate by policy schemes. Therefore, the assessment of households' willingness to pay for measures to increase energy efficiency or for specific energy efficiency improvements, such as energy saving equipment, renovation and insulation of buildings, modernization of heating and cooling systems and use of renewable energy should be conducted. In addition, the assessment of WTP for micro-generation systems based on renewables would allow to assess the social benefit of these climate change mitigation measures in households and to develop appropriate policy tools for integration of social benefits of these technologies in their promotion schemes to ensure their faster penetration in the households' market. The main methods to assess WTP for renewables and energy efficiency are: stated preference methods, revealed preference methods and conjoint analysis. The stated preference methods include direct and indirect contingent valuation methods. The revealed preference methods include: travel cost and hedonic pricing methods. The main studies dealing with assessment of WTP for renewables and energy efficiency improvements in households applied stated preference methods are there are limited markets to assess social benefits of renewables and energy efficiency measures in households. The paper aims to analyse the main methods for assessment of WTP for renewables and energy efficiency improvements in households and develops policy recommendations for selection of methods to assess WTP for renewables and energy efficiency measures in households. The review of empirical studies conducted in various world countries was performed and the main findings were generalized.

KEYWORDS: assessment, WTP, renewables, energy efficiency measures, households

Funding: This research was funded by a grant (No. S-MIP-17-131) from the Research Council of Lithuania.

NEGATIVE TENDENCIES IN THE GLOBAL ECONOMY, CHALLENGES AND SOLUTIONS

ABSTRACT

The subject of this research are negative trends in the global economy and consideration of their consequences. The aim is to analyse the global trends that the world is facing. It is an identification of numerous threats before humanity. It is assessed that these negative tendencies being underestimated. It starts with the hypothesis that the humanity has entered into a negative cycle, which unfortunately threatens with a possible global crisis of various forms. This research uses the scenario method as well as methods of analysis, synthesis, deduction, induction. In addition, this research relies on different statistics (Eurostat, World Bank, OMS, etc.). Presented empirical data, qualitative and quantitative, verify the theoretical hypothesis. If we continue to live in a world without the rule of law at the planet level, dominated by ideology of money and egoism, if we do not act quickly in order to reorientate our spirit and the course of history, in order to make space for altruism at the global level, we will not move towards a harmonious world, but quite opposite, towards cumulative crises, which are getting closer: economic, social, ideological, political, and other. We particularly stress that new issues cannot be solved using old methods. In order to overcome contradictions of modern development it is necessary to change the core values and philosophy of development. We need to understand that cooperation is better than competition, that mankind is one, and that we must move to a higher level of superior ethics and its political organization, thus, to a change in the world value. Therefore, we must act to accomplish this: track statistics, identify problems, and act without hesitation or delay. This argumentative research shows that humanity must face major threats: political, economic, ecological, technological, financial, social, and geopolitical. And in order to seriously discuss those issues and seriously act on their solving, it is necessary to make a complex statistical analysis, to understand relations, primarily economic and sociological, but also others. We must establish strategies for overcoming the contradictory nature of modern development and act immediately without delay. There is no time to waste.

KEYWORDS: risk, crisis, market, altruism, threats.



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MEDITERRANEAN BREVIARY

ABSTRACT

As the main determinant of the Mediterranean, it could be a simple conclusion that it is the cradle of the Western European civilization as we know it today. The Mediterranean is not just a sea of land or land surrounded by the sea, the area of olives and palm trees, is not only an intermediary between East and West, or vice versa to embrace this term etymologically, it is not only a community of cultures and civilizations that existed or exist in it, it is not only an area in which, despite turbulent history, everyone felt as one's own self, it is merely the essence of the spirituality of the West, a kind of intellectual milieu consisting of three magnificent forms of the human spirit manifested by philosophy, religion and art. The Mediterranean has long had no historical influence as it once was. It could also be said that some of the leading countries in the region are in the process of some kind of marginalization, but it is quite clear that the Mediterranean ships of the Mediterranean are sailing around the globe and as they have done so many times in history, the winners are often defeated by the victors. In other words, the sphere of spirituality in its Mediterranean phenomenon within what could be defined as a "game of glass beads" manifested as philosophy, religion and art has not yet managed to overcome the Mediterranean framework.

KEYWORDS: Mediterranean, culture, civilization, philosophy, religion, art



COOPERATION AMONG FARMERS AFTER THE SOCIALIST TIMES – NO DRIVERS FOR TRUST?

ABSTRACT

The present paper analyses the issues of asset supply in Hungarian agricultural enterprises. The results of empirical research carried out among the specialized field crop farms have revealed a number of anomalies: the technical resource supply of the surveyed farms is rather heterogeneous among the farm size categories, as well as within them. By analysing the indicators which describe the asset supply, it is a general experience that at farm level there is substantial capacity surplus and capacity shortage existing parallelly in Hungarian agriculture. Mostly small farms use their assets wastefully. It is obvious that the machine use and organization of machinery works is rather complicated and expensive under these circumstances. If the costs related with machine use are modelled, there is a close negative correlation between farm size and machine use costs. Unfortunately, the present farming practice is that farms with capacity shortage procure the required resources in the form of renting services and not in the frames of other cooperation arrangement solutions. A specific examination is focusing on the drivers of trust in the machinery-sharing cooperation arrangements of Hungarian field crops farms. Our research has focused on the role of 2 factors on the basis of the widely referred trust model: faith in loyalty and capability. The empirical results clearly confirm the hypothesis of the theoretical model, namely, partners will trust each other if their faith is high both in loyalty and in competence. Our research has also pointed out that the level of trust between partners is determined differently by the 2 examined factors: it is statistically proven that the impact of faith in loyalty is higher.

KEYWORDS: agricultural cooperatives, trust, farmer's attitude.



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ECOLOGICAL AND ETHICAL DIMENSION OF INNOVATION – THE PROBLEMS OF FOOD ECONOMY

ABSTRACT

Food industry is probably the best example that not every innovation serves us. The continuous technical and technological sector is accompanied by the simultaneous decline in the quality of food, often dramatic; deepening social and environmental problems of the rural environment. Corporate model of progress was not profitable for both food producers (real farmers) as well as consumers. In the selection of innovative environmental there is the lack of ethics and ecological thought. As the result we have: environmental degradation, social dramas and "food" that has lost its biological properties and health benefits.

Should innovations be valued? Should they be ethically assessed? If we are to survive, then yes. Constructed by human laws and economic mechanisms should be used only as a choice for solutions that serve all of us. The example can be eco-innovations.

KEYWORDS: food industry, eco-innovations, GM plants and crops, ethic.



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COLLABORATIVE ONLINE INTERNATIONAL LEARNING AS A PATH TO A GLOBAL CLASSROOM

ABSTRACT

Collaborative online international learning is at the first line about cultural exchange among the students from different cultural backgrounds by sharing cultural beliefs, comparing similarities and differences, and also about the exchange of relevant personal and academic information through the virtual engagement. This assumes practicing students' skills in interpersonal verbal and written communication, negotiating team roles and responsibilities, exchange of ideas, fostering curiosity, critical thinking, merging formal and informal ways of learning, strengthening team research work and developing strategies for getting a final joint product by utilizing contemporary info-communication tools. Through variety of today available communication channels like Skype, Zoom, Webex, etc., and web based management learning systems like Black Board, Moodle, Google Classroom, Linkr Education, Padlet, etc., it becomes possible to internationalize students' learning experience and prepare them for competitive international market and workforce. The instructors must also continuously point out communicative moments when it comes to multifold personal, intercultural, professional and academic dimensions of collaborative international online learning. Besides growth among students, all aforementioned might lead to variety of intellectual journeys, instructors' development, new research opportunities, sharing good practices and experiences and it can be understood as a start of communication that leads to other forms of collaboration and engagement. Such types of virtual engagements should be particularly strengthen between developed and developing learning communities for the sake of better understanding another's perspective and overcoming growing differences between those who have and those who don't have. Additionally, such virtual engagements should be recognized by the educational law regulations as equivalents for face-to-face engagement whenever and wherever it is reasonable to do so. Otherwise both students and instructors will be left behind and suffer from the impacts of rigid and obsolete educational (inter)national legal framework(s).

KEYWORDS: collaborative online international learning, virtual engagement, global classrooms (campuses), raising self and cross-cultural awareness, thinking and learning out of the box.

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CRISIS IN SOCIETIES OF SOUTH EASTERN EUROPE

ABSTRACT

This article analyzes phenomenologically and critically the problems of the cultural and moral crisis, the growing dynamics of spreading socio-pathological phenomena (which reduce the social and economic choice, and enhance privileged choice and fiasco of institutional changes). A large number of negative processes and trends has been noticed in the crisis environment of transitional post-socialist societies of South Eastern Europe, which spread and threaten the development (social, economic, institutional, scientific, educational, cultural, intellectual, creative, and value). It is concluded that those are essentially systemic errors which damaged the general culture, as well as institutional failures and errors connected to the unprincipled use of the political party machinery. In this sense, the evolutionary development path, based on the mass interests (of the state and the people) has been ignored and replaced by the velvet revolution, dominated by the interests of political parties, groups, and rare individuals.

KEYWORDS: crisis, transition, institutions, socioptological pheno-mena, opportunistic behavior, South Eastern Europe



REGIONAL DISPARITIES OF THE ROMANIAN LABOUR MARKET

ABSTRACT

The majority of countries, including the economically developed ones, faced with regional disparities and, consequently, resort to regional development strategies and policies. An objective of the regional policy, specific to this period is to facilitate structural and sectoral adjustments, to support economic restructuring and re-launch processes, and to rebuild and stimulate the competitive capacity of the regions, along with supporting the European integration processes. Nevertheless, the difficulties triggered by the regional imbalances and the possibilities of their solving cannot be approached by disregarding the general development level of each country. In Romania's eight regions of development, labour market indicators show significant differences, as these are also due to particularities regarding the economic structure of the region, the regional disparity poles being represented by the North-East region with a GDP/per capita of 5830 Euro/inhabitant, and the Bucharest-Ilfov region with 22416 Euro/inhabitant, respectively almost four times higher than of the North-East region in 2017.

The paper presents a brief analysis of the level and dynamics of regional disparities of the labour market in Romania. For estimating the evolution of regional labour market disparities, various methodologies were used, for instance, the variation coefficient, the Gini coefficient, and the Theil index, etc. The obtained outcomes confirm the negative trends regarding the increase of disparities on the regional labour market from Romania, and allow for highlighting their determinant factors.

KEYWORDS: disparities, regions, statistical methods



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COMPETITION BETWEEN CITATION DATABASES FOR SCIENTIFIC PUBLICATIONS (USING WEB OF SCIENCE CORE COLLECTION AND SCOPUS AS AN EXAMPLE)

ABSTRACT

In recent years, the world of science has become engrossed with quantifying the effectiveness of scientists and research groups, the influence of scientific publications, their authors and journals, etc. Web of Science Core Collection (Clarivate Analytics) and Scopus (Elsevier) are absolute leaders in this matter. The indicated products (projects) are similar in many respects, but at the same time they are different to some extent. This applies to the content selection principles, the methodology of journals evaluation and re-evaluation, pricing policy, etc. Marketing policy of the owners has a significant impact on the level of these products distribution. The report demonstrates how Clarivate Analytics and Elsevier respond to external challenges and to the actions of competitors to change their policies and products.



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THE NEW TECHNOLOGIES AND IMPACT ON THE LABOUR MARKET

ABSTRACT

The new technological progress is different from other technological waves because it implies an unprecedented increase of interconnection between real and virtual

world and creates new opportunities and changes for economy and society. Many studies provided by international organizations (OECD, 2018, 2019; WEF, 2018 and European Commission) analyzed the changes brought by the new technological waves to economy and society. “The new ITC application now allows collecting and processing a large amount of information (the so called Big Data) for production and service development purpose, to integrate systems at all production stages, to link machines and workers both within and outside the firm.” (Bosio et al, 2018). Automatisations and intelligent robots and tools offer to entrepreneurs the possibility to answer in real time to the changes in demand and offer, providing personalized products and services. This new wave of technological progress changed employment, composition of the skills and the management of the forms. “Countries must step up their efforts to adapt policy and institutions to the challenges of a rapidly changing world of work,” according to OECD Secretary-General Angel Gurría, launching the report in Paris with France’s Minister for Labour, (OECD, 2018). The speed of information flow and its impact on the rate of innovation and diffusion and the capacity to overcome barriers have enormous implications. World society became more open; interdependence is increasing. In this context, Chakravorti and Chaturvedi (2017) highlighted that the digital flows are more responsive to GDP growth than to traditional trade of goods. The “sharing economy” model will change the management of the firms while the different forms of automatisations and artificial intelligence will affect 50% of the world economy. The Digital Economy and Society Index (DESI) in 2017 compared to 2016 shows that the digital performances of the EU countries increased by 3 percentage points, but the disparities between countries was at a maximum level of 37 percentage points. The risk of automatisations could affect 33% of low employment, 19% of medium employment and 47% of high employment (Frey and Osborne, 2013). According to new research of OECD, 14% of all jobs across the 32 analyzed countries present the risk of automatisations (Nedelkoska and Quitini, 2018) and other further 32% of jobs will support significant changes (OECD, 2018). In this context, our paper will attempt to show the impact of digital technologies on productivity and labour market in the EU countries using panel data models. We expect that high skills and innovation will positively influence the productivity growth.

KEYWORDS: labour market, technologies, innovation, employment



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SERVICE QUALITY IN SHARING ECONOMY

ABSTRACT

Sharing economy is a concept particularly evident in tourism and hospitality sector. It redefined tourism industry in a range of business. Airbnb internet-based platform is one of two sharing economy pioneers and the most successful peer-to-peer model of sharing economy that mediates and coordinates interactions and transaction among hosts by trust relationships and personal reputations. It allows regular people, who are not typical businessman, to host tourists in their accommodation facilities by selling the use not the ownership. Service quality is an essential factor for the prosperity of peer to peer accommodation owners. Providing tourists with high quality service leads to their satisfaction and return intention that are main factors of success and competitiveness. This paper seeks to contribute to a better understanding of tourists' perception of a service quality in Airbnb accommodation facilities in order to increase that quality.

Methodology used in this paper to measure tourists' perception of a service quality is 22 items 5 dimensions SERVQUAL model "perceptions minus expectations". Expectations are viewed as desires or wants of tourists, i.e. what tourists feel a host should offer, while perceptions are viewed as perceptions of the performance of hosts providing the services. 22 items were grouped into five dimensions, tangibles, empathy, assurance, responsiveness and reliability. The research was conducted in Dubrovnik settlement during the period high tourist season 2018. A total of 300 questionnaires were correctly filled. Results indicated that there is significant gap between perceived and expected quality, namely tourist expected less than they have perceived. Such insight leads to the conclusion that peer-to peer accommodation facilities' owners in Dubrovnik settlement provide high level of service quality in almost all of five dimensions.

KEYWORDS: peer-to-peer accommodation, service quality, SERVQUAL, Dubrovnik



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THE IMPORTANCE OF THE CULTURAL AND INSTITUTIONAL CONTEXTS FOR MANAGING THE DEVELOPMENT PROCESS

ABSTRACT

It is stated that recently the topic concerning the importance of culture and institutions for economic outcomes and their influence on the economic process are taking on renewed relevance. This is of great importance at different levels and especially in the process of transforming the economy from non-stationary regime to stationary one. Efficiency of managing the socioeconomic development depends largely on the cultural and institutional contexts specificity (Yerznkyan, Gassner, 2018). Culture and institutions, regarded from economic perspective, are related concepts – especially culture and informal institutional constraints such as codes of conduct, norms of behavior, and conventions, which are, according to North, a part of heritage that we call culture. The importance of the mentioned contexts is regarded on the example of the contemporary Russian corporations which use hybrid agreements and mechanisms of transaction management. Some specific cultural characters of the organizations of inter-firm cooperation in the Russian industrial market and some of Russian-specific cultural factors applying to these organizations revealed by them are studied in (Popov, Simonova, 2015). Cultural context is one of the major factors explaining the notion of the widely divergent paths of historical change. Culture can be defined, after Hofstede, as the collective programming of the mind that distinguishes the members of one group or category of people from others. Being a collective phenomenon, culture can be connected to a verity of collectives, such as tribes or ethnic groups, nations, organizations, occupations, genders, generations, social classes and so on. For example, societal cultures reside (often unconsciously) in values, in the sense of broad tendencies to prefer certain states of affairs over others, while organizational cultures reside rather (visibly and consciously) in practices: the way people perceive what goes on within their organizational environment. Culture is one of the major factors explaining the notion of the widely divergent paths of historical change. This divergence, is “even perplexing in terms of standard neoclassical and international trade theory, which implies that over time economies, as they traded goods, services, and productive factors, would gradually converge” (North, 1990, p. 6). But the puzzle is that we, in the whole, observe the divergence, not the convergence. Why is that? Because “an overwhelming feature of the last ten millennia is that we

have evolved into radically different religious, ethnic, cultural, political, and economic societies and the gap between rich and poor nations, between developed and underdeveloped nations, is wide today as ever was and perhaps a great deal wider than ever before” (ibid., p. 6). Institutional context is connected to activity of all institutions – both formal and informal. Culture and institutions may be well enough understood in the language of information transmission “from one generation to the next, via teaching and imitation, of knowledge, values, and other factors that influence behavior”(Boyd, Richerson, 1985, p. 2). The ability of culture and institutions to mutually reinforce is a good basis for their synthesis, i.e. synthesis of the cultural and institutional contexts. Their relevance is of particular importance in reforming the economy. As demonstrated the Russian reforms, political factors, with uncritical transplantation of formal institutions, rather than economic factors played a significantly greater role in changing its trajectory of development.

KEYWORDS: culture, institutions, stationary and non-stationary systems, levels of analysis, transition, corporations, Russia.

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ASSESSMENT OF WILLINGNESS TO PAY FOR CLIMATE CHANGE MITIGATION IN ENERGY SECTOR: COMPARATIVE STUDY

ABSTRACT

Climate change is the most important global environmental problem. This problem is mainly linked with energy generation and consumption as the main source of greenhouse gas emissions. There are many policies and measures developed to mitigate climate change targeting energy sector. However, these policies usually do not address the external and additional benefits of climate change mitigation. The main way to assess external benefit of climate change mitigation in energy sector is to conduct Willingness to Pay (WTP) assessments for climate change mitigation. There are many studies on WTP assessment for climate change mitigation in energy sector conducted around the world during the recent years. The aim of the paper is to analyse the studies dealing with assessment of WTP for climate change mitigation in energy sector in various countries and to compare estimates of WTP for climate change mitigation in energy sector across countries in order to define the main drivers of these estimates and reveal differences and similarities across studies. The paper has identified the common variables across a varied set of WTP for climate change mitigation in energy studies in order to establish a basis for comparison of WTP for climate change mitigation estimates. The key variables selected as the main drivers for analysis of WTP for climate change mitigation in energy sector addressed in this paper are: the WTP assessment methods; the main attributes used for comparing climate change mitigation alternatives in WTP studies, targeted climate change mitigation policies in energy sector, mathematical model used to estimate WTP for climate change mitigation, the main socio-demographic factors having impact on WTP for climate change mitigation policies across various countries. The comparative analysis of WTP for climate change mitigation estimates in energy sector was performed in two main areas: renewables and energy efficiency improvement measures. The paper provides analytical structure for conducting WTP assessment for climate change mitigation in energy sector.

KEYWORDS: WTP, climate change mitigation, energy, comparative assessment

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APPLICATION OF WATER FOOTPRINT FOR ASSESSMENT OF AGRICULTURAL SUSTAINABILITY

ABSTRACT

The need for modelling agricultural sustainability has been stressed by increasing concerns on environmental performance of the economy. To serve this aim, a number of methods and protocols have been offered in the literature. Lithuanian agricultural sector has been affected by the support policies after accession to the European Union. This is evident in terms of absolute indicators (e.g. area sown and harvest) and relative ones (yields and crop structure). Particularly, the direct payment system gave momentum for increase in the areas sown under grain crops. This paper looks into the sustainability of the Lithuanian agricultural sector by considering the water footprint. Specifically, we calculate the level of the water footprint for the period of 2000-2014 and decompose it with respect to the effects of area, spatial distribution, crop structure and yields. This setting allows identifying the patterns associated with both extensive and intensive development of the crop farming in Lithuania. The grey and green water footprints are calculated for the major crops. The results indicate an increase in the water footprint due to expansion of the areas sown and changes in the crop-mix. The effect of spatial distributions remains negligible.

Keywords: water footprint, agriculture, Lithuania, decomposition



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THE IMPACT OF FISCAL CONSOLIDATION ON ECONOMIC GROWTH IN THE POSTCRISIS PERIOD

ABSTRACT

The paper deals with the analysis of the effects of fiscal consolidation on economic growth in the period after the Global economic crisis of 2008. In many countries have been implemented expansive fiscal policy measures during the crisis. Since 2010, especially in the EU countries, there was a shift in economic policy and the measures have become more restrictive. The main hypothesis is that post crisis austerity measures implemented in a number of developed economies and developing market economies have delayed the investment spending cycle and negatively influenced the expectations of business entities. The method of content analysis provide an overview of fiscal consolidation measures in selected economies. The comparative method, along with the analysis of statistical series of key macroeconomic variables and components of aggregate demand, describes the performance of the observed economies in the considered period. The results of the survey show that the implemented models of public savings generated slow recovery of private consumption and investments, which had negative multiplier effects on the economic growth in the observed economies.

KEY WORDS: fiscal consolidation, economic growth, public debt, economic policy, crisis.



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MCDM MODEL FOR SUSTAINABLE CHOICE OF CATERING FACILITY LOCATION

ABSTRACT

The choice of facility location involves multiple conflicting criteria. Indeed, the vendor should maximize the attractiveness of the facility to the clients, minimize the costs and environmental impacts. This allows ensuring profitability in the long run. This paper deals with the case of teahouse selection in Vilnius, Lithuania. The indicator system proposed for the teahouse selection includes the following criteria: rent cost, property area, distance to scenery, public transportation, pedestrian flow, parking capacity, number of competitors, number of crimes in the surrounding area, distance from public facilities, outdoor advertisement and distance from garbage containers. These criteria are measured in different dimensions and include both benefit and cost ones. The weights of criteria were assumed to be perturbed by applying the Monte Carlo simulation. In addition, the expert survey was applied to establish the weights. The real-life data from Vilnius were used to define the possible alternatives for a teahouse.

Keywords: facility location selection, teahouse, MCDM, Monte Carlo simulation



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INSURANCE MARKET OF A DEVELOPING COUNTRY DURING THE ECONOMIC CRISIS (EVIDENCE FROM UKRAINE)

ABSTRACT

The formation of Ukraine as an independent state takes place under very tough conditions and is accompanied by a number of problems. They are political, economic, environmental, and military in nature. The Ukrainian insurance market is also suffering from these problems. It remains rather insignificant in terms of the number of agreements concluded and the amount of operations. At the same time, some insurance companies and society gradually adapt different types of insurance to conditions of military operations, large-scale internal and external migration. Life and health insurance of volunteers for the period of their volunteering assistance can be an example. The changes in the regulatory and methodological support for the insurers' activity, the dynamics of the industry development in the whole country and based on types of insurance are analyzed. The problems and perspectives of the industry are defined within the framework of the sustainable development concept of society.



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ASSESSMENT OF WILLINGNESS TO PAY FOR RENEWABLES IN LITHUANIA

ABSTRACT

Promoting of renewable energy sources is necessary as due to non-integrated external costs of renewables these clean energy sources need state support. This support in the form of subsidies is being applied in many countries. However, development of support schemes requires solid background in terms of defining support intensity. Measurement of willingness to pay (WTP) for renewable energy can be applied for eliciting the public preferences towards these technologies and for assessment their external benefits. This approach, first of all reflects the preferences of energy consumers towards different renewable energy technologies and represents them in monetary terms. The assessment of WTP for renewable energy technologies can be further applied for developing support schemes for renewable energy technologies like feed-in prices for renewables. The paper presents results of pilot study conducted in Lithuania for assessment of WTP for renewables in Lithuanian households. The unlabeled discrete choice experiment was applied to assess the WTP of individual houses owners for different available renewable energy micro generation technologies in Lithuania. The novelty of the research is linked with assessment of willingness to pay for micro-generation technologies in a Central European country – Lithuania. This is pilot study aiming to contribute to scientific discussion on the problems and challenges of development of renewable energy in East and Central Europe. The mixed logit model was applied in order to account for differences in consumers' preferences. Based on the results of constructed mixed logit model, WTP was estimated for the following RES micro generation technologies: solar photovoltaic, biomass boilers, solar thermal and micro-wind. The results of conducted WTP for renewable energy microgeneration technologies revealed that Lithuanian households are ready to pay for solar energy-based technologies around 3300 EUR and 1363 EUR per solar panel and solar thermal installations, respectively. The other two options (biomass boilers and micro-wind) are less desirable technologies for households in Lithuania.

KEYWORDS: WTP, renewable energy, microgeneration, Lithuania, households.

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SAFETY OF CLASSIFIED INFORMATION

ABSTRACT

Information is among the most important national goods, especially when it contains the content that is of strategic importance for the defense of the state, its security and proper functioning. Protection of the fundamental interests of the Republic of Poland in the field of classified information is manifested first of all in restricting access to certain categories of information and covering them with a special security system. Therefore, the mode of secrecy of information and control procedures of the encryption process are of decisive importance. However, Polish legislation has adopted a formula for recognizing certain information as clandestine, using concepts that are largely unclear, which does not ensure uniform practice of their use, and consequently may have adverse effects, both in the protection of classified information, but also through unjustified legal refusal of access to public information, which takes the form of an administrative decision. The degree of securing classified information depends mainly on their classification. Its consequence is to provide them with an appropriate confidentiality clause. It is possible to give one of four clauses: "top secret", "secret", "confidential", "reserved". If the whole document has been assigned a certain security classification, all elements of it are protected in the same way. In case of incorrect classification of information into one of the classified information categories, there is a threat that either important interests of the Republic of Poland will be violated by the lack of protection of information that is very important from the point of view of national security, in its broad sense, or by unauthorized refusal of access to information, the right of a Polish citizen to receive information regarding the activities of public authorities and persons performing public functions will be violated. The development of a unified and unambiguous system qualifying information to classified information, due in particular to the risks posed by allowing the authorities the possibility of a broad interpretation in this respect, is extremely important and should be the subject of works, among others legislative.

KEYWORDS: Information, security classification, Poland.



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CROSS-BORDER LABORS IN THE RUSSIAN FAR EAST: SOCIO-ECONOMIC TRAJECTORY

ABSTRACT

The Russian Far Eastern region's human capacity development was considered at the fourth Eastern economic forum 2018, Vladivostok. The Russian Far East economy is transforming from the focal, infrastructure, economically isolated to large investment projects based on public-private partnership. However, the federal programs of the Russian citizens' resettlement from the Russian regions to the Far East are insufficient. As well, the official statistics shows that the citizens of Uzbekistan, Kyrgyzstan and Tajikistan perform the regional migration stream. The increasing amount of the cross-border labor migrants and foreign entrepreneurs causes external migration factor growth in the region's socioeconomic performance. Considering the Russian Federation request not just for additional labor force, but also for additional population, the migrants and entrepreneurs logistic tools gain the high value. For the Siberian, part of the Russian Federation the migration factor plays an essential role in its economic, social, cultural, political growth in sense of mass consciousness and self-identification formation. Cross-border mobility, especially in huge amount, are a long-term phenomenon. Although, this strategic phenomenon will define economic, ethnic, cultural, political, geopolitical strategies of the country. These demographic processes happen in the region's context of emerging market while integrating into the world economy in the frame of the borders' openness. Only the foreign migrants might satisfy the growing region's demand for labor. Such situation is absolutely new and unknown for the Russian society.

KEYWORDS: Russian Far East, labor migration, socio-economic trajectory



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APPLICATION OF VALUE-ORIENTED APPROACH TO MANAGING THE TARGET PROGRAMS OF THE CITY

ABSTRACT

This study is aimed at improving methods and tools for managing the city's targeted (sectoral) programs to increase the effectiveness of implementing community development strategies. At the core of the developed mechanisms of programmatic control, a value-oriented approach to project and program management of innovation enterprises (for Project and Program Management for Enterprise Innovation (P2M)), developed by Project Management Association of Japan, is established. Based on the application of the above approach, a conceptual model of the relationship between strategic planning and portfolio management of city projects was developed. The methodical approach to establishing cause-effect relationships between strategic and operational goals, their results and indicators, which underlies the determination of the value of target (sectoral) program projects, is proposed. The methodical approach is to assess the strategic importance of the components of the local development strategy and underlies the formation of a portfolio of projects. The proposed approach allows you to prioritize (value) the goals of the projects of one program and to prioritize projects belonging to different programs as well. Based on the application of the developed methodological approach, one can identify the shortcomings of the structures of existing programs and carry out their revaluation in accordance with the strategic importance of the goals and projects. Due to its simplicity, methodological approaches to determining the strategic value of projects can be easily implemented in the mechanisms of program and target management of municipalities.

KEY WORDS: program-target method, value-oriented approach, portfolio of projects, regional development strategies, regional program.



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THE ANALYSIS OF ECONOMIC-SOCIAL SITUATION AND ECONOMIC DEVELOPMENT FACTORS OF ULCINJ

ABSTRACT

The purpose of this paper is to analyze the current economic situation of Ulcinj, the level of development of its industrial branches and their level of competitiveness on regional market as well as to identify the main development factors that should be improved in order to support future economic growth of municipality Ulcinj, and in the same time Montenegro as a country. The focus in the research is put on Gross Domestic Product (GDP), human resources, employment and education. The main research method used in paper is correlation analysis which is based on the measurement and identification of the strength and directions of the relations of mentioned elements. Theoretical framework as well as the results of the researches are used as a cornerstone for a proposal of adequate economic models that will improve future development of municipality Ulcinj and in the same time the country itself.

Keywords: Gross Domestic Product (GDP), human resources, employment, education, economic development

JEL Classification: B22, C81, C82, D31, E24, E32



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This study is aimed at improving methods and tools for managing the city's targeted (sectoral) programs to increase the effectiveness of implementing community development strategies. At the core of the developed mechanisms of programmatic control, a value-oriented approach to project and program management of innovation enterprises (for Project and Program Management for Enterprise Innovation (P2M)), developed by Project Management Association of Japan, is established. Based on the application of the above approach, a conceptual model of the relationship between strategic planning and portfolio management of city projects was developed. The methodical approach to establishing cause-effect relationships between strategic and operational goals, their results and indicators, which underlies the determination of the value of target (sectoral) program projects, is proposed. The methodical approach is to assess the strategic importance of the components of the local development strategy and underlies the formation of a portfolio of projects. The proposed approach allows you to prioritize (value) the goals of the projects of one program and to prioritize projects belonging to different programs as well. Based on the application of the developed methodological approach, one can identify the shortcomings of the structures of existing programs and carry out their revaluation in accordance with the strategic importance of the goals and projects. Due to its simplicity, methodological approaches to determining the strategic value of projects can be easily implemented in the mechanisms of program and target management of municipalities.

KEY WORDS: program-target method, value-oriented approach, portfolio of projects, regional development strategies, regional program.



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MEASURING INTELLECTUAL POTENTIAL USE IN SOCIO-ECONOMIC DEVELOPMENT

ABSTRACT

Intellectual potential is one of the important resources in the knowledge economy, which in turn significantly affects the socioeconomic growth. Consequently, intellectual potential management nowadays aimed at evaluation and analysis of its quantitative and qualitative characteristics. The paper is devoted to selection and evaluation of indicators of the country's intellectual potential use, which can be esteemed on the basis of public statistical data from international and national statistical reports. The practical feasibility of indicators for intellectual potential use estimation is proved by the methodological approaches and evidence of European and OECD countries. These indicators are proposed to be used as a basis for determining the Appeal factor in IMD World Talent Ranking, which will increase the level of objectivity of the of country's intellectual capabilities assessment in order to create sustainable value.

KEYWORDS: intellectual capabilities, intellectual potential use, knowledge economy, talent attracting.



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THE CONCEPT OF CHILD FRIENDLY TOURISM IN THE FUNCTION OF PRODUCT DEVELOPMENT: CASE OF MONTENEGRO

ABSTRACT

The subject of this paper is to present the results from conducted research on the project for product development of: Montenegro as a child-friendly destination. Working on developing the new tourism products is one of the basic strategies for the prosperity of destinations and businesses in tourism and hospitality. The purpose of this work is to evaluate the level of satisfaction family tourists have with tourist offer in different destinations. The importance of this research will lead to the suggestions for improvement. The subject, purpose and domain of research mainly determine the methodology of scientific research. In the primary research, the questionnaires were applied as a research instruments. For the study, the descriptive statistic and factor analyses were used. The results show the guidelines for local tourist authorities on which they should concentrate: Montenegro promotion as safe destination, (re)constructing playgrounds for kids and education of personnel to work with kids. Originality: Based on the results of the research, the model for product development was established on the example of Montenegro, child friendly tourism destination.

KEYWORDS: customer satisfaction, child friendly tourism, tourist destination, Montenegro



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LABOUR MARKET CONDITIONS AND INTERNATIONAL MIGRATION FROM CROATIA

ABSTRACT

Current global economic trends, trade competition and technological change, have greatly expanded the complexity of labour markets and increased the number of employees working under temporary work status and non-standard forms of employment. Part of economic theory tries to explain the influence of those trends on migration trends. This is particularly important in the case of Croatia which has experienced a large scale of emigration in the last five years. The number of people that left abroad increased four times from 2012. The aim of this paper is to investigate the relationship between labour market indicators and international migration movements in Croatia. Data on migration, employment and unemployment characteristics used in this paper come from the Croatian Bureau of Statistics and Eurostat databases. The choice of methodology is driven by the characteristics of the dataset that requires a suitable estimator in the family of the time series models. The results suggest that precarious employment measured as a share of short-term employment and unemployment influence the ratio between immigration and migration.

KEYWORDS: labour market, international migration, Croatia, precarious employment, unemployment



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PROBLEMS OF THE INSTITUTIONAL CHANGES IN SEE COUNTRIES

ABSTRACT

It is known that deficient and degenerate institutional factors are the core of the hindering mechanism, which for two and a half decades prevents the desired economic growth and de-velopment of most transitional economies, including economies of the SEE countries. Institutional indicators and institutional changes are unsatisfactory and far behind the corresponding indicators in developed countries. This was directly reflected in the lagging of transitional economies of the SEE countries, deepening their social and economic crisis. Research in this article are focused on the existing problems and their identification, as well as the possibilities of selective and gradual implementation of neoinstitutional economic theori (NET) recommendations, and exemplary practical models with highlighted pluralistic character. Therefore, given research could significantly contribute as a landmark for the policy-makers in adopting realistic and pluralistic institutional changes and the principles of bounded rational behavior in those countries. The subject of study and scientific concept of this article have determined the basic initial hypothesis: Contemporary practical institutional arrangements in developed countries and key recommendations of NET represent a good foundation for the creation of hypo-thetical exemplary model of bounded economic rationality of the institutional type, which could be useful for transitional countries in the SEE as the basis for the design of their strategies and development policies.

KEYWORDS: transitional economies, SEE countries, degenerate institutional factors



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THE MODELS OF QUASI-INSTITUTIONAL BEHAVIOR IN SEE COUNTRIES

ABSTRACT

The inefficiency of the economy in transition is explained, among other things, by institutional vacuum and the increase in transaction costs of adaptation to the market economy and establishment of the new institutions. The subject of research in this paper is the analysis of impact of different models of quasi-institutional behavior on the process of transition in the countries of the Southeast Europe. The aim of the research is to indicate different negative effects of quasi-institutional behavior. It goes from the basic hypothesis that a successful transition in post-socialist countries presupposes radical changes in relations and forms of economy, property, regulatory mechanisms, political and normative regimes. In the post-socialist practice of transition, many economists warned that inadequate institutions could have a destructive effect on the valuation of economic resources. That is the reason why unstoppable negative phenomena, which turned into long-term crisis trends, occurred. Real and rooted institutional changes have to be a general framework and a prerequisite for all the other changes. They enable and facilitate economic stabilization, growth and development. In conclusion, these hypotheses are verified.

KEYWORDS: transition, economy, quasi-institutions, changes.



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APPLICATION POSSIBILITIES OF THE INTERNET OF THINGS (IoT) IN NAUTICAL TOURISM IN MONTENEGRO

ABSTRACT

In the Mediterranean area, the development of nautical tourism ports, especially marinas, is ever increasing factor of total local and regional development. For that reason, recent occurrence of "smart" marinas must especially be pointed out and analyzed, thanks to swift development of Internet of things (IoT) concepts. Smart marinas represents system solutions for nautical tourism, whose base is the Internet of Things (IoT) technology. That technology starts from an idea to modernize the existing services to the marinas, such as links yachts, refueling, transportation of waste, parking within the marina, lighting, transport within the marina, especially the area of safety and security marinas, water quality monitoring in marine maritime zone, wireless internet access, analysts arrival and departure of vessels in the marina etc. There can still occur and supporting solutions such as smart benches, paying bills at hotels and shops within the marina, electric bikes that make the urban environment more attractive. The key objective of smart marina's, from management perspective, is the ability to provide an integrated management platform, so that the marinas managers but also tourists who visit the marina can get the highest possible value.

The growing penetration and dispersion of digital technologies in business processes, especially in the field of tourism, leads to a point where the business can no longer be seen only in traditional terms, but it is necessary to manage business processes considering the prevailing influence of digital technology, digital content and digital communication in business.

Internet of Things (IoT) is a modern technology which basically consists of small objects (things) with a limited memory capacity for data storage and processing, and is characterized by problems related to privacy protection, performance, scalability and reliability. By definition, the Internet of things trying to network everything and everyone. It requires a certain level of technology, but this technology and its development faces a number of obstacles and challenges, especially in the nautical industry and marinas, which in some way hinder the process of complete networks. The purpose of this paper is to investigate

application possibilities of Internet of things (IoT) adoption among marinas of nautical tourism and examine the influence of IoT adoption on management capabilities, on business performance among Montenegrin nautical industry. The research is based on data gathered from main marinas in Montenegro nautical sectors through a structured questionnaire. The exploratory factor analysis provided several factors as antecedents to the Internet of things (IoT) adoption. These factors reflect the perceptions of environmental pressure, organisational and financial readiness, situation in tourism sector of Montenegro, and especially managers' level of knowledge regarding new Internet of things (IoT) technologies and overall technical skills and knowledge. However, the findings contain important recommendations for marina's managers and owners about the potential gains of accepting/using Internet of things (IoT) technologies for their businesses and their effects on business performance. Results presented in the study can also provide useful insights for future luxury marinas in Montenegro that are going to be built as "smart" and green marinas.

KEYWORDS: Internet of thing, ports, nautical tourism, yachting marinas, smart marinas, Montenegro.



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ANALYSIS OF THE ACADEMIC PUBLISHING MARKET IN UKRAINE

ABSTRACT

Over the last years, the world academic publishing market has been growing rapidly. It has long been global in nature. It identified pure leaders among publishers in terms of the number of publications, coverage of the world regions and income received. Various bases and citation systems (Web of Science Core Collection i Scopus first and foremost) play an important role in the development of these publishers. Developing countries are entering this market with a great time delay. Unfortunately, this is not so much because of domestic publishers and journals, but rather because of the scholars publishing in international journals. The report analyzes the situation on the regulatory framework regarding this issue in Ukraine. The positions of universities, publishers, journals and scholars are also analyzed. The main problems towards Ukraine's integration into world publishing space are considered, recommendations for their solution are given, and prospects are outlined.

KEYWORDS: academic publishing market, citation systems, international journals



INSTITUTIONAL FRAMEWORK OF CORPORATE GOVERNANCE IN TRANSITIONAL ECONOMIES WITH EMPHASIS ON CORPORATE SOCIAL RESPONSIBILITY

ABSTRACT

Numerous questions and problems in theoretical and practical terms related to corporate governance make it one of the most disputable social and economic issues, for which there have been no precise and universal answers for more than one century. Many of these issues are linked to their institutional foundations. Most transition economies are characterized by a low level of corporate governance, which corresponds to the underdevelopment of their institutional structure and subsequently corporate social responsibility. The concept of CSR has attracted much attention globally, as economic growth and economic development are accompanied by many social problems, of which perhaps the most significant is the gap between rich and poor, conflict of cultures and environmental degradation. Therefore, we have decided to explore the topic of this paper, based on relevant literature, practical role models and the experiences in corporate social responsibility sector completely verifying the basic hypothesis that presuppose the consistent application of institutional pluralism in society, business and all forms of corporate governance and finally CSR sector.

KEYWORDS: institutions, corporate governance, transition, economic development, corporate social responsibility.



THE ROLE OF HEALTH TOURISM IN ENHANCING THE COMPETITIVENESS OF HERCEG NOVI TOURIST DESTINATION

ABSTRACT

Improving the quality of health either out various forms of treatment or as preventive activity, as it is once and today, of the basic motifs on which the tourist movements are based. Modern, accelerated and stressful way of life, aging of the population, especially in the most developed world economies, which are also the most significant of the emerging tourist markets, lead to a significant growth in demand for various types of services in the field of health tourism.

Globalization, followed by the development of modern information technologies, contributes to the growth of accessibility, confidentiality and overall confidence in the quality of health services in less-known destinations. The accelerated development of medical, health and preventive and wellness tourism is part of the upgrades compared to the offer of traditional medical and health tourism

Herceg Novi, as tourist destination, significant part of international recognitability, achieved through the offer in the segment of health tourism, which for seventy years has been successfully implemented within the Institute of Dr Simo Milošević Igalo. The competitiveness of this institution in the field of traditional health tourism is based on the natural healing resources, attractive position by the sea at the entrance to one of the world's finest fjords, and especially in the quality of human resources based on seventy years tradition both in education and training of personal related to applied knowledge within the medical part of offer.

Growth in the segment of health tourism and long-term experience with appropriate natural resources are the basis on which Herceg Novi as destination can differentiate the offer, and on that way enhancing the competitive position on international tourist market. However, for the realization of this goal, it's necessary to provide the support of the all participants in the process of creating tourist offer at that destination. State and local government bodies should provide, through development plan documentation, protection of natural resources of Igalo, while all other participants in the creation of this health tourism product should adapt their services to the needs of this specific category of users. Finally, investment in modernization of all segments of the Institute Igalo offer, will provide a good basis for repositioning of Herceg Novi and advancing the competitiveness of this destination on the international tourist market.

KEYWORDS: Health tourism, Competitiveness of tourist destination, Herceg Novi, Institute Igalo

CHALLENGES ON THE ROMANIAN INSURANCE MARKET AFTER RECENT GLOBAL ECONOMIC CRISIS

ABSTRACT

The recent global economic crisis negatively affected the structure and the value of insurance companies' actives. The financial crisis crash consisting in prices decrease on stock exchange influenced the insurers' investment and, consequently, the payments promised to insured. Moreover, the banks to which insurers were linked through deposits and investment in securities were also deeply affected by the economic and financial crisis. The world economic crisis that started in 2008 was also influenced by uncertainties and by the growth of macroeconomic risk at European level. After the crisis, the insurance firms attempted to redefine their investment policies. The first effects of global economic crisis were observed on Romanian insurance market in 2009 when the gross premiums written decreased, this tendency continuing in the next year, while the gross indemnities increased. In Romania, the insurance penetration was less than 2% in 2018, indicating a small insurance market compared to developed countries in the European Union, mainly because of low population education in this field. After a significant increase of insurance density in Romania in the period before the economic crisis (2007-2009), a sudden decrease was observed in 2010. However, in the next period the ascending tendency was reassumed due to the entrance of new companies on the insurance market, accelerated growth of gross written premiums and the diversification of insurance products. The economic issues in the period of economic recession brought the bankruptcy of some companies with a high market share in the previous period (ASIROM) and fusions for others (ALLIANZ-ȚIRIAC). The competition between companies has grown after the economic crisis, two of the firms concentrating around 14% of the insurance market in 2018 (ALLIANZ-ȚIRIAC and CITY INSURANCE). Gross technical reserves recorded an ascending tendency from one year to another, which suggests the concern for the protection of insurance consumers using the mandatory level of the reserves that were imposed by regulations.

KEYWORDS: insurance market, crisis, gross premiums written, insurance density, insurance penetration, competition



**INSTITUTIONAL PLURALISM VERSUS INSTITUTIONAL
MONISM IN TRANSITION STATES WITH FOCUS
TO THE SEA PORT**

ABSTRACT

The relationship between institutional pluralism and institutional monism is extremely important development issue, both in theoretical and practical terms. Therefore, this social and economic issue is very topical and questionable. This dissertation is an attempt to provide precise and universal answers to this issue, inasmuch most transition countries have achieved poor economic results, mainly due to the application of monistic (neoliberal) recipes. Using the relevant references, and various exemplary practical models and experiences of transitional countries and advanced seaports, as well as the application of a certain methodology, a research and multiple linear regression analysis have been conducted. In this way, the basic hypothesis has been verified, according to which the modern level of development, the possibilities of sustainable economic growth, and the exit from the economic crisis in transition countries greatly depend on whether pluralistic or monistic way of institutional regulation has been chosen. Three auxiliary hypotheses have also been verified, which favor high-quality and efficient pluralistic institutional arrangements as key competences of modern economic systems, society, and sea-ports. This paper explains a number of important aspects of the subject matter, which in Montenegro and the surrounding region are not given the necessary and sufficient attention. A basic contradiction between the pluralistic institutional framework and the monistic institutional approach have been investigated and thematically defined, which in the practice of the considered countries shows the tendency of vulgarization and the resulting quasi-institutional and opportunistic behavior. Critical reviews on the theoretical forcing of monistic institutional recipes of the neoliberal and pseudo-neoliberal type have been made. The essential difference between their rhetorical propagation and the quasi-institutional application has been pointed out. Specific proposals for theoretical formulation and practical formation of a consistent pluralistic institutional environment have been presented as an exemplary development model and framework at the transitional economy level in general, and seaports in particular. In methodological terms, existing scientific knowledge in the field of institutional analysis has been expanded, and the additional possibilities of its application in the practice of transition countries and seaports have been pointed out. It has been proven that the

pluralistic institutional approach to social and economic development is unquestionable. It has also been proven that institutional pluralism, as the civilization achievement of developed countries, excludes both apologetic approaches (dirigistic and liberal) because it rests on the flexible and synergistic interaction of all institutions in economy and society. In addition to the conclusions of all research levels on the imperative and civilization need to respect the exemplary models of developed countries and advanced seaports in terms of institutional pluralism, we also conducted an original hypothetical-empirical research, which on a significant sample of respondents showed that institutional violence (as a representative of opportunistic and quasi-neoliberal behavior) in the observed SEE countries, is one of the main constraints for the application of institutional pluralism, and hence socio-economic development.

KEYWORDS: institutions, institutional pluralism, institutional monism, transition, economic development, seaports.



IMPROVING THE LEGAL, AND INSTITUTIONAL FRAMEWORK FOR THE COMPETITION IN MONTENEGRO

ABSTRACT

The aim of this paper is to investigate is there a convergence between the objectives of consumer protection policy and competition policy in Montenegro. The starting hypothesis is that the main objective of competition law and policy is to maintain and promote competition as a means to ensure the efficient distribution of resources in an economy in order to access: Better choice in terms of quality; Lowest possible prices, and Sufficient stock for consumers. Our research verify the hypothesis that the promotion of competition is only one way to achieve these goals. Clearly, maximizing consumer interest is becoming a primary concern. Competition policy makes the market work and protects the consumer from disappointment. These are also the two important goals of consumer protection. Thus, the ultimate objectives of the two policies are basically the same. Yet competition policy is a more proactive policy that inter alia tries to promote consumer interest while the consumer protection policy is more responsive. It protects the interests of consumers and provides access to the means to challenge abuses. Of course, the consumer protection policy also contains some proactive elements. In this respect the two policies are highly complementary since they have the interest of the consumer as a common objective.

The conclusion is that the interaction between competition policy and the consumer protection policy is so often complex. It is a question of compromise and find a balance. So, it's important to bring together the politics of competition and consumer protection in an integrated framework in Montenegro. Some countries have attempted such strategies. These two issues are not be resolved by one and only agency. This requires enough coordination and congruence.

KEYWORDS: competition, competition policy, consumer protection policy, consumer interest.

**THE SIGNIFICANCE OF CONTAINER DEPOTS IN THE
REDUCTION OF TRANSPORTATION COSTS WITH EMPHASIS
ON THE MARKET OF SERBIA AND MONTENEGRO, THE
GATEWAY PORT BAR**

ABSTRACT

The transport of commodities in containers represents one of the main way of transportation by connecting various trade partners worldwide nowadays. By not changing transport package, sealed by shipper, by changing various modes of transportation, the commodity in container is being transported from one point to the another one point of the world, where the container is being opened by the final receiver. Keeping in mind the importance of container transportation, more and more logistics subjects are being involved their selves in offering various types of logistics services connected to the container transportation of cargo. Due to tough competition, the logistics subjects are forced to find a way how to be a step forward of its competition. The new ideas which will bring additional values to its customers as well as the reduction of transportation costs are the key for a better competitiveness on the market. In order to cope with the mentioned requests of the market, the logistics subjects (shipping lines, global and local representatives of freight forwarders, trucking companies, logistics departments of trade companies...) establish the container depots in the hinterland of ports as the one of the cheapest way to achieve its aim related to the better competitiveness. This paper has for an aim to research the benefits of the container depots related to the reduction of transportation costs as well as the services which are being offered at depots. The paper will put an accent on the logistics subjects who are performing its activities on the market of Serbia and Montenegro, by orienting its logistics activates via Bar, Montenegro port. These depots are very important for the port itself which wants to attract more cargo from the aimed hinterland and to be more competitive towards other regional ports by reducing the costs of inland transportation of containers and total costs of the door to door service. The container depots which are being established in Serbia and Montenegro and its using have for its the final aim attracting more cargo via Bar port which will allow to the shipping lines to find Bar port as the next port of direct calling for its vessels from Far East, in the region of East Adriatic. For the time being, the biggest shipping lines have established the direct calls from Far East to Trieste, Koper and Rijeka. By direct calls from Far East, Bar port will enhance additionally own competitiveness, by avoiding costs of transshipments of containers in Mediterranean hub ports.

KEYWORDS: container transportation, container depots, logistics subjects, costs reduction, competitiveness.

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LIST OF INTERNATIONAL CONVENTIONS AND LEGISLATION OF MONTENEGRO

ABSTRACT

Maritime law, in its current form, to the fullest extent of the developed maritime customs that have arisen in the past. Over time, these traditions were formed in legal norms and institutions that would eventually form specific legal institutions specific to maritime navigation. Due to different national laws and regulations that have hindered the smooth development of maritime navigation and trade, the idea of unification, ie, uniformity of maritime law. The first written document of the international community on regulating the status of the marine space is contained in the UN Convention of 1958, known as the Geneva Convention and on that occasion they adopted four conventions: the Convention on the High Seas, the Convention on the territorial sea and the outer sea belt, the Convention on continental layer (self) and the Convention on fishing and conservation of biological resources of the sea. An international organization that is the first to address the issue of harmonization of maritime law was CMI -International Maritime Committee (International Comité Maritime) within which adopted a number of international organizations in the field of maritime law. When he first proposed the establishment of specialized agencies of the United Nations to deal with marine issues, the main issue was the involvement of international institutions in order to improve safety at sea. Because of the international nature of the marine industry, has long been established that the action in order to improve the safety of maritime operations had more success if it were carried out at the international level than if individual states acting unilaterally and without coordination with other countries. Although he had already adopted a number of important international agreements, many countries believed that there is a need for a permanent body that would be able to regularly coordinate and promote further measures.

KEYWORDS: shipping, international conventions, boat, yacht, legislations, Montenegro.

CHALLENGES OF COMERTIAL BANKS IN USING OF CRYPTOCARENCIES

ABSTRACT

The aim of this paper is to try to answer to the question: Are traditional banks feeling threatened by crypto currencies? The problem is that a major shift has happened in how people can do business and make transactions. Suddenly, the value is able to be exchanged outside of the traditional banks in the flash of a mobile phone. The empirical research shows that the key point is — people no longer have to go, cap in hand, to a traditional bank if they need financing. Peer-to-peer networks, including those based in cryptocurrencies, are becoming more common and those who might be turned away by traditional banks now have another way around financing. This is challenge for commercial banks. Those who are paying attention have already identified cryptocurrencies as an industry threat. The case study of BNP Paribas is analysed, and it's considering the technology behind cryptocurrency and how it could lead to making the traditional banks redundant. The conclusion of analysis for the bank about the software behind cryptocurrencies that it should be considered as an invention like the steam or combustion engine, that has the potential to transform the world of finance and beyond. Cryptocurrencies definitely represent a threat to traditional banks, most especially if they ignore new consumer behaviours and preferences when it comes to how they transact and transfer money.

KEYWORDS: cryptocurrency, bank, finance, technology.



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SOCIAL DIALOGUE EFFECTIVENESS AS A FEATURE OF SOCIO-ECONOMIC DEVELOPMENT

ABSTRACT

Declaration on Social Justice for a Fair Globalization (ILO) defines social dialogue and tripartism encouragement as one of the strategic aim of sustainable development. Social dialogue should be an effective tool to join the efforts of labour market subjects in order to ensure competitive economy, social security and stable social development. Consequently the relationship between the social dialogue effectiveness and the level of economic and social development of the country should be considered. In the article we suggest the method to evaluate the effectiveness of social dialogue models. It based on correlation analysis aiming at identification and assessment of links between sets of indicators characterized social dialogue as well as economic and social development. Thus we compare two variants of social dialogue evaluation using data from international reports and national statistics (providing case study for Ukraine). Within the first approach, indicators of international reports and other statistical sources are used: indicators of social dialogue development are retrieved from The Global Competitiveness Index (Cooperation in employee-employer relations; Flexibility of wage) and Index of Economic Freedom (Labour Freedom); indicators of socio-economic development described by the average monthly salary and GDP per capita. So we proved the direct close link between the level of economic development and Cooperation in employee-employer relations and no connection with Flexibility of wage. At the same time we determine direct however not quite close links between the Labour Freedom and GDP per capita. The second approach is based on use of national statistics. So, to evaluate the effectiveness of Ukrainian social dialogue model we used the number of registered collective agreements, the number of employees covered by collective agreements, GDP, wage arrears and the average monthly salary. As a result the close backward connection between these indicators was defined. Hence, the more employees covered by collective agreements, the lower GDP and average monthly salary. Such result does not meet the logic of social partnership. So, our approach allows concluding formal attitude of labour unions and employers for collective agreements and their implementation which in turn slows down economic development and possibilities for further positive social changes.

KEY WORDS: social dialogue, tripartism, collective agreements, socio-economic development, labour market subjects.