

**ABDYLMENAF BEXHETI  
TONIN KOLA  
SEAD KRESO  
DIETMAR MEYER  
H.-DIETER WENZEL  
(EDITORS)**

**GOVERNMENT AND PRIVATE  
SECTOR IN TRANSITION  
ECONOMIES**

**EIGHTH EUROPEAN DOCTORAL  
SEMINAR (EDS)**

**SEMINAR VOLUME  
10.-14. SEPTEMBER 2008  
TETOVO**

**Editor of the Series: Prof. Dr. Dr. h.c. Heinz-Dieter Wenzel**

**Editors of the Volume:**

**Prof. Dr. Abdylmenaf Bexheti**  
Pro-Rector of Financial Issues  
SEEU University Tetovo  
Tetovo, Republic of Macedonia  
*a.bexheti@see-university.edu.mk*

**Assoc. Prof. Dr. Tonin Kola**  
Faculty of Economics,  
University of Tirana  
Tirana, Albania  
*tkola@excite.com*

**Prof. Dr. Sead Kreso**  
Faculty of Economics,  
University of Sarajevo  
Sarajevo, Bosnia and Herzegovina  
*sead.kreso@efsa.unsa.ba*

**Prof. Dr. Dietmar Meyer**  
Chair of Economics,  
Budapest University of Technology  
and Economics  
Budapest, Hungary  
*dmeyer@lucifer.kgt.bme.hu*

**Prof. Dr. Dr. h.c.  
Heinz-Dieter Wenzel**  
Chair of Public Finance,  
Director of BERG  
Bamberg University  
Bamberg, Germany  
*public-finance@uni-bamberg.de*

ISBN: 978-3-931052-73-7

BERG-Verlag, Bamberg

Bibliographic information is published by Die Deutsche Bibliothek  
Die Deutsche Bibliothek lists this publication in the Deutschen Nationalbibliografie; detailed bibliographic data is available in the Internet <http://dnb.ddb.de>.

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

BERG-Verlag Bamberg 2009      Printed in Hungary

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

## PREFACE

In 2008 the European Doctoral Seminar had been held first time in Tetovo, Macedonia. Professors and Ph D students from the South East European University have been involved since several years in the activities of the EDS. Therefore the decision to organize the conference in the beautifully located Macedonian town has to be considered as a consequence of these earlier activities. It was really a pleasure to see the newest geographical extension of the European Doctoral Seminar.

As in all earlier years Ph D students from five countries have introduced the topics they are dealing with in the frame of their doctoral studies, some of these students could already present first results of their research. Comparing the discussed problems with those of earlier years first signs for the formation of scientific workshops could be experienced. Professors in Bamberg, Budapest, Sarajevo, Tetovo and Tirana have attracted some Ph D students to themselves and having involved them into their fields of research: at the universities in Bamberg and Sarajevo public economics have been proved as main focus of research, in Budapest these are problems of spatial economics, in Tirana trade policy and related topics are emphasized and last, but not least, Tetovo seems to become a centre of research in transitional economics. Such kind of concentration of human resources stimulates obviously the efficiency of research within the universities as well as between them, enriching all further EDS conferences.

The second feature of the meeting in Tetovo was the relationship between governments' activities and the behavior of private economic actors, a problem touched or even deeply analyzed in almost all presentations. It has to be considered as important development that the earlier unbalanced approach about the role of economic policy had been retreat into the background. Of course, the private sectors' extremely high importance has been clearly pointed out, but more and more in cooperation with the governmental sector. This development should be reflected in the title of the present book: "Government and Private Sector in Transition Economies".

During the time the participants spent in Tetovo they could experience the attention paid by the representatives of the South East European University to the conference. The meeting with the rector, Professor *Alajdin Abazi*, Member of the Academy of Sciences, was useful for the further cooperation and the warm welcome address given by *Dennis Farrington*, President of the University Foundation Board, is acknowledged by Professors and students.

This is also the place to express our thanks to the local organizers, first of all to Prof. Dr. *Abdylmenaf Bexheti* (South East European University, Tetovo) and to *Abdulmenaf Sejdini* for the preparation of the conference. Participants and organizers of the seminar are very grateful to the *Deutsche Akademische Austauschdienst* and to the *Stabilitätspakt* for financial support of the eight European Doctoral Seminar. Last, but not least, we would like to thank *Flóra Géczy* for her professional contribution to prepare this seminar volume.

*Budapest, May 2009*

Abdylmenaf Bexheti  
Tonin Kola  
Sead Kreso  
Dietmar Meyer  
Heinz-Dieter Wenzel

# CONTENTS

## PREFACE

## CONTRIBUTORS

### SESSION 1:

*Chair: Dietmar Meyer*

*Felix Stübben: Saving Energy by Regulation: Longer Guarantee Periods to Increase Energy Efficiency* **3**

*Soana Teka – Jaupllari: The Competitiveness of Albanian Economy toward European Markets* **15**

### SESSION 2:

*Chair: Abdylmenaf Bexheti*

*Abdulmenaf Sejdini: Macroeconomics of Remittances: Macedonia vs. Albania – An Exploratory Survey* **33**

*Boglárka Hevér: Spatial Economics – Back to the Origin* **49**

<i>Etis Jorgji</i> : Are Trade and Migration Related Reciprocally? Evidences from Albania	<b>63</b>
---	-----------

<i>Muamer Halilbasic</i> : The Use of Factor and Cluster Analysis to Support Regional Development Policy in Bosnia and Herzegovina	<b>79</b>
--	-----------

### **SESSION 3:**

*Chair: Holger Kächelein*

<i>Ildikó Ritzlné Kazimir</i> : The Monopolistic Competition in Walras–Leontief-Model	<b>93</b>
---	-----------

<i>Suela Kristo</i> : Competition in the Albanian Banking System: Merger and their Effects	<b>115</b>
--	------------

<i>Adrienn Lukács</i> : A Theoretical Foundation of Wage Bargaining	<b>139</b>
---	------------

### **SESSION 4:**

*Chair: Sead Kreso*

<i>Kristina Zehmer</i> : All that Glitters is not Gold (The German Golden Rule and Possible Reform Proposals)	<b>153</b>
---	------------

<i>Valbona Karapici</i> : Public Debt Management and Debt Sustainability in Albania	<b>167</b>
---	------------

<i>Patris Poshnjari</i> : The Financial Sustainability of Pension System in Europe. The relevance for Albania	<b>179</b>
---	------------

<i>Velma Pijalović</i> : Economic Evaluation of Health Programs	<b>195</b>
---	------------

<i>Luan Eshtrefi</i> : Does EU Membership Act as a Catalyst for Economic Growth? A Brief Analysis of Two New Member States: Estonia and Slovenia	<b>215</b>
--	------------

## **SESSION 5:**

*Chair: H.-Dieter Wenzel*

<i>Eszter Megyeri</i> : $2 \times 2$ Lotka–Volterra	<b>229</b>
<i>Bernard Dosti</i> : Pension System in Albania	<b>243</b>
<i>Juergen Jilke</i> : Corporate Taxation in the European Union – Obstacles and Perspectives	<b>259</b>
<i>Lejla Lazovic</i> : BiH Income Tax Reform	<b>283</b>

## CONTRIBUTORS

### **Hyrije Abazi**

Ph D Student  
South East European University  
Business Administration Faculty  
Tetovo, Macedonia  
[h.abazi@seeu.edu.mk](mailto:h.abazi@seeu.edu.mk)

### **Brikend Aziri**

Ph D Student  
South East European University  
Business Administration Faculty  
Tetovo, Macedonia  
[b.aziri@seeu.edu.mk](mailto:b.aziri@seeu.edu.mk)

### **Zoltán Bánhidi**

PhD Student  
Budapest University of Technology and Economics  
Faculty of Economics and Social Sciences  
Department of Economics  
Budapest, Hungary  
[zbanhidi@gmail.com](mailto:zbanhidi@gmail.com)

### **Prof. Dr. Abdylmenaf Bexheti**

Vice-Rector  
South East European University  
Business Administration Faculty  
Tetovo, Macedonia  
[a.bexheti@seeu.edu.mk](mailto:a.bexheti@seeu.edu.mk)

### **Yu-Ri Chung**

Ph D Student  
Otto-Friedrich-Universität Bamberg  
Faculty of Economics  
Chair of International Economics  
Bamberg, Germany,  
[yu-ri.chung@uni-bamberg.de](mailto:yu-ri.chung@uni-bamberg.de)



**Assoc. Prof. Dr. Dzenan Donlagic**

PhD Student  
University of Sarajevo  
Faculty of Economics  
Department of Economics  
Sarajevo, Bosnia and Herzegovina  
[dzenan.djonlagic@efsa.unsa.ba](mailto:dzenan.djonlagic@efsa.unsa.ba)

**Bernard Dosti**

Ph D Student  
University of Tirana  
Faculty of Economy  
Department of Economics  
Tirana, Albania  
[narddosti@yahoo.com](mailto:narddosti@yahoo.com)

**Luan Eshtrefi**

Ph D Student  
South East European University  
Business Administration Faculty  
Tetovo, Macedonia  
[l.eshtrefi@seeu.edu.mk](mailto:l.eshtrefi@seeu.edu.mk)

**Muamer Halilbasic**

PhD Student  
University of Sarajevo  
Faculty of Economics  
Department of Economics  
Sarajevo, Bosnia and Herzegovina  
[muamer.halilbasic@efsa.unsa.ba](mailto:muamer.halilbasic@efsa.unsa.ba)

**Boglárka Hevér**

PhD Student  
Budapest University of Technology and Economics  
Faculty of Economics and Social Sciences  
Department of Economics  
Budapest, Hungary  
[boglarka@lucifer.kgt.bme.hu](mailto:boglarka@lucifer.kgt.bme.hu)

**Etis Jorgji**

PhD Student  
University of Tirana  
Faculty of Economy  
Department of Economics  
Tirana, Albania  
[etisj@yahoo.it](mailto:etisj@yahoo.it)

**Jürgen Jilke**

Ph D Student  
Otto-Friedrich-Universität Bamberg  
Faculty of Economics  
Chair of Public Finance  
Bamberg, Germany  
[juergen.jilke@googlemail.com](mailto:juergen.jilke@googlemail.com)

**Valbona Karapici**

Ph D Student  
University of Tirana  
Faculty of Economy  
Department of Economics  
Tirana, Albania  
[valbona.karapici@gmail.com](mailto:valbona.karapici@gmail.com)

**Dr. Holger Kächelein**

DAAD Lecturer  
University of Tirana  
Faculty of Economics  
Tirana, Albania  
[tira-daad@kaechelein.de](mailto:tira-daad@kaechelein.de)

**Assoc. Prof. Dr. Tonin Kola**

University of Tirana  
Faculty of Economy  
Department of Economics  
Tirana, Albania  
[tkola@excite.com](mailto:tkola@excite.com)

**Prof. Dr. Sead Kreso**

University of Sarajevo  
Faculty of Economics  
Department of Economics  
Sarajevo, Bosnia and Herzegovina  
[sead.kreso@efsa.unsa.ba](mailto:sead.kreso@efsa.unsa.ba)

**Suela Kristo**

PhD Student  
University of Tirana  
Faculty of Economy  
Department of Economics  
Tirana, Albania  
[ksuela@yahoo.com](mailto:ksuela@yahoo.com)

**Lejla Lazovic**

University of Sarajevo  
Faculty of Economics  
Department of Economics  
Sarajevo, Bosnia and Herzegovina  
[lejla.lazovic@efsa.unsa.ba](mailto:lejla.lazovic@efsa.unsa.ba)

**Adrienn Lukács**

Budapest University of Technology and Economics  
Faculty of Economics and Social Sciences  
Department of Economics  
Budapest, Hungary  
[lukacsadri@gmail.com](mailto:lukacsadri@gmail.com)

**Eszter Megyeri**

PhD Student  
Andrássy Gyula Budapester Deutschsprachige Universität  
Fakultät für Internationale Beziehungen  
Budapest, Hungary  
[eszter.megyeri@andrassyuni.hu](mailto:eszter.megyeri@andrassyuni.hu)

**Prof. Dr. Dietmar Meyer**

Budapest University of Technology and Economics  
Faculty of Economics and Social Sciences  
Department of Economics  
Budapest, Hungary  
[dmeyer@lucifer.kgt.bme.hu](mailto:dmeyer@lucifer.kgt.bme.hu)

**Patris Poshnjari**

Ph D Student  
Otto-Friedrich-Universität Bamberg  
Faculty of Economics  
Chair of Public Finance  
Bamberg, Germany  
[patris\\_poshnjari@yahoo.de](mailto:patris_poshnjari@yahoo.de)

**Ildikó Ritzlné Kazimir**

PhD Student  
Budapest University of Technology and Economics  
Faculty of Economics and Social Sciences  
Department of Economics  
Budapest, Hungary  
[kazimir@lucifer.kgt.bme.hu](mailto:kazimir@lucifer.kgt.bme.hu)

**Abdulmenaf Sejdini**

Ph D Student  
South East European University  
Business Administration Faculty  
Tetovo, Macedonia  
[a.sejdini@seeu.edu.mk](mailto:a.sejdini@seeu.edu.mk)

**Felix Stübben**

Ph D Student  
Otto-Friedrich-Universität Bamberg  
Faculty of Economics  
Chair of Public Finance  
Bamberg, Germany  
[felix.stuebben@sowi.uni-bamberg.de](mailto:felix.stuebben@sowi.uni-bamberg.de)

**Velma Tahmaz**

University of Sarajevo  
Faculty of Economics  
Department of Economics  
Sarajevo, Bosnia and Herzegovina  
[velma.tahmaz@efsa.unsa.ba](mailto:velma.tahmaz@efsa.unsa.ba)

**Soana Teka**

PhD Student  
University of Tirana  
Faculty of Economy  
Department of Economics  
Tirana, Albania  
[soanateka@yahoo.com](mailto:soanateka@yahoo.com)

**Prof. Dr. Heinz-Dieter Wenzel**

Otto-Friedrich-Universität Bamberg  
Faculty of Economics  
Chair of Public Finance  
Bamberg, Germany  
[Public-finance@sowi.uni-bamberg.de](mailto:Public-finance@sowi.uni-bamberg.de)

**Kristina Zehmer**

Ph D Student  
Otto-Friedrich-Universität Bamberg  
Faculty of Economics  
Chair of Public Finance  
Bamberg, Germany  
[kristina.zehmer@uni-bamberg.de](mailto:kristina.zehmer@uni-bamberg.de)