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QUESTION ABOVE ALL QUESTIONS FOR SERBIA IN 2016 IS THE REFORM OF THE STATE-OWNED ENTERPRISES

Abstract

No matter how much we try, not everything depends on us, because we are part of the world - the global economy. But just because of that, we have to be clear about this, what is our real core problem: whether the state as "too big consumer", as "soft as income," or something else. In our country today is more than a debate on the consolidation of the measures of growth and development, which is also rational to ask a question the presence of Serbian strategy, or whether the research and the experience of others in this area.

It is generally known that the market economy is an indispensable element of any well-ordered society, and Serbia at this point did little steps to get closer to such an economy than it was at the end of the previous government. The only thing that has been done is that it was started - not complete - financial consolidation, which is a necessary, because it is inevitable. However, fiscal consolidation is not reform, because it does not represent the transformation of the economy and society.

In the center of each of the market economy and well-ordered society must be an individual, and an individual who cares about itself and shall bear all the consequences of their decisions, and thus the responsibility for them. For such a society apply firm rules of the game which is not carried out, and within each of them take care of themselves and their environment.

The choice we are facing today in the Serbian society is a choice between establishing a full market economy and promoting various forms of pluralism in property relations

Key words: *Economic growth, strategies, investments, state-owned enterprises, transition, fiscal consolidation, the IMF*

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ПИТАЊЕ СВИХ ПИТАЊА ЗА СРБИЈУ У 2016. ГОДИНИ ЈЕ РЕФОРМА ПРЕДУЗЕЋА У ДРЖАВНОМ ВЛАСНИШТВУ

Апстракт

Ма колико се у свему трудили, не зависи све од нас, јер смо део светске - глобалне економије. Али, баш због тога, морамо бити начисто са тим, шта је наш прави суштински проблем: да ли држава као „превелики потрошач“, што „преслабо приходује“, или је нешто друго у питању. У нас се данас више дебатује о консолидацији него о мерама раста и развоја, због чега је, исто тако, рационално поставити питање присуства стратегије Србије, односно има ли истраживања и искустава других у том домену

Опште познато је да је тржишна привреда незаобилазан елемент сваког добро уређеног друштва, а Србија је до овог тренутка учинила мало корака да би била ближе таквој привреди него што је то била на крају претходних влада. Једино што је урађено је то да је започета - не и завршена - финансијска консолидација, која јесте неопходна, због тога што је неизбежна. Али, фискална консолидација није реформа, јер не представља преображаја привреде и друштва.

У центру сваке тржишне привреде и добро уређеног друштва мора бити појединац, и то појединац који брине сам о себи и сноси све последице својих одлука, па тиме и одговорност за њих. За такво друштво важе чврста правила игре која се дословно спроводе, па се унутар њих свако брине о себи и свом окружењу.

Избор пред којим се данас налази српско друштво јесте избор између успостављања пуне тржишне привреде и афирмације различитих облика плурализма у својинским односима.

Кључне речи: Привредни раст, стратегија, инвестиције, државна предузећа, транзиција, фискална консолидација, ММФ...

Introduction

Aleksandar Vucic's victory in the recent elections provided a mandate to continue with even more intensive policy of European integration, and all difficult reforms. Achieved monopoly of his political party on the political scene guaranteed him that there would be serious earthquake. We should, however, bear in mind that the social challenges have yet come from the sphere of economic uncertainty.

The purpose of his previous government was to reduce the budget deficit to 1.5 per cent in the future and how we see (slowly but surely), he realized. Also, the aim was also to be disposable savings of public enterprises convert (transform) into permanent, and that these companies begin to record continuously gain and loss from becoming a factor supporting public policy. The achievement of these objectives would be to avoid the two-year budget deficit trajectory so called zig-zag shape. It should be noted that the government has put a lot of effort in order to reduce it permanently. Having recently frequent auditing (IMF) estimates of GDP growth, and that the growth in 2016 will be higher than the 2.5 percent achieved, the government can be satisfied. But, judging by

what the boss said the World Bank Office in Belgrade, that is not enough, because in order for Serbia to reach the level of development of the European economy it is necessary to store the annual growth to be over three, four or more percent. The author agrees with the view of the gentleman from the World Bank, because only such an increase in Serbia will be able to get closer to the EU and become an equal member of this integration.

It is notable that the government is making great efforts to improve the situation caught in the economy (open new factories, roads, schools...), that the last two years due to flooding and natural disasters in particular were difficult to establish good neighborly relations and international, Serbia to acquire a new reputation in the world, but much remains to be done to Serbia was organized state in which affairs of state carry strong institutions. Namely, Serbia still has a large deficit (trade, budget and current account deficit) and the question is whether he can in the next 3-4 years to achieve an average growth rate of 4 percent per year, or increase of about six billion in relation to GDP the end of 2015, to the extent necessary according to our estimates for modest growth standards, stop growth of public debt by the end of 2018 and reducing the budget deficit to a sustainable three percent of GDP. This therefore has a huge ratio of debt to GDP, so it is little on the horizon which leads to some positive expectations.

Since the measure of the validity of the economic system and policy shows the total rat GDP, the Serbian government:

- would have to mobilize all local human, natural and material resources to build an economic system with a distinctive development policy and the priorities clear and thus create conditions for conducting adequate current economic policies that will encourage domestic private investment and increase economic activity.
- should speed up the solution of problems inherited in the past - related to state-owned companies - that do not pay their electricity bills, taxes and contributions thus exerting indirect pressure on the budget and other public enterprises.
- should create a favorable environment for increased investment and
- should be in everything, in terms of commitments to meet the demands of the IMF.

Public companies, the biggest challenge in 2016 year

The biggest flaw in the economic politics of Serbia in the previous period was the lack of progress in settling the situation in the public sector, without which no work is not successful settling of public finances, which should not be reduced to mere savings and layoffs. This problem indicates a permanent Fiscal Council, repeating that public companies seriously jeopardize the budget of the Republic of Serbia. In fact, it has become a common practice that the problems of state-owned enterprises for years, "swept under the carpet", it would then be necessary at some point emerged as the (unintended) expense.¹

We believe that Serbia could count on the effects of fiscal consolidation only for the next few years', that her time of need for the reform of state-owned enterprises. The biggest risk for the public finances are unreformed state-owned enterprises. Reduction of salaries and pensions was made easier part of work on fiscal consolidation,

while arranging public companies left for the next two years, as a far more difficult job. According to some sources, this sector will be reformed much longer than at first thought, because it is a “tough nut” fiscal consolidation, and therefore the author of the paper warns that in the absence of their reforms may result in the cancellation of previous good results this area. There are opinions² that the author also agrees with, that for the reform of these companies it would take at least three years, during which:

- the companies should be reformed so that the prices of their products / services can establish a market;
- the problem of surplus labor in them should be solved; and
- the salaries of these companies reduced to an optimum level.

At the same time, the author on time alerts responsibility on the necessity to take some concrete, and necessary step to stabilize the business and the work of public enterprises in general. For this purpose, would urgently be organized:

- the introduction of corporate governance in all modeled on the private sector and
- strict control of their business activities in the future.

The recent adoption of the Law on Public Enterprises, which essentially alternatively regulate business owned by the state, is a step in that way. However, one of the problems standing on the way are public enterprises (which are many) within the jurisdiction of local governments. The government directly follows the successful business and working 36 public companies, which are under its jurisdiction. Among them, however, there are examples of successful operations (Post, AMS), but the others should also behave like private, to take account of the country, so that we get to see them that it itself, as well as public finances are better. Because it was happening earlier that it was proclaimed “success” if a public company takes over the job out its activities. Examples include attempts to rescue smaller public companies from bankruptcy, merging their larger system, which cost is not avoided, but only directed to taxpayers, which of course, was not a good move.

It should be noted that in 2015 made strides in terms of the fate of 144 companies in restructuring, which is a year and a half ago could not even imagine. According to the data from the Agency for Business Registers just the companies in the restructuring largely contributed to overall poor result of the economy. Its net loss at the end of 2014 amounted to 132 billion dinars, out of which 70 billion accounted for losses on restructuring companies.

On the whole, 2015 was a year of breakthroughs in the reform of public enterprises, but these were not steps substantive nature, but rather organizational character. Some milled into pieces (EPS and Railways), which was the first, but insufficient step. And, when it comes to the 17 strategic companies, out of which in 2016 a dozen others, they were supposed to find solutions to this process was finally completed. It was the announcement that some of these companies (RTB “Bor”, Resavica, Railways, Srbijagas and EPS), and in the future to remain on the state budget. In fact some of these companies can have something positive - that one (as 2015) years have elapsed with no additional budget money for some of these companies - but the problems are not thereby solved permanently (case “Resavica” and RTB “Bor”), because these companies have since their arrival to returning the money in the budget and to invest. Therefore, the Fiscal Council constantly stressed that it is still uncertain whether it will be until June (in the

future), some of them able to operate sustainably on market principles, or they will go bankrupt, and that the state will continue to directly or indirectly helping their business. According to the analysis of the Ministry of Finance, if all 11 strategic enterprises left in state ownership, it would cost the budget of 2017. Serbia for more than 200 million euros per year, and what is worse, seriously questioned the success of the fiscal consolidation started...³

From 17 strategically important enterprises, which have received the 2015 extension of protection against forcible collection of creditors, was resolved status for 6 of them, mainly through bankruptcy or through a prepackaged plan of reorganization (prepack plan), which is heavily indebted companies deal with the banks about the relaxing of credit obligations to the company caught his breath. The remaining 11 companies (most problematic), until June 2016, feared for their fate, because it did not appear anyone (strategic partner or buyer) designed for the solution of their problems.⁴ Discussing the analysis show that the RTB “Bor” (might be) could be profitable with the involvement of professional management, and dismissing a redundant employee, or with additional working capital, but concrete progress in the last time there was. And for “Resavica” are made of similar cost-benefit analysis, so that by the last day there was no clear plan for the future fate of this company. It was hard to find a solution for a number of companies that have had a relatively good chance of being privatized, or that they find themselves strategic partners of (PKB and “Galenika”). Since an additional period of one year is not used in the right way, it became uncertain whether these companies will be able to market from June to do business.

And finally, after the enormous effort of the Ministry of Economy, it happened that not one of the 11 strategic enterprises, which as of June no longer have the protection of the state from the creditors, went bankrupt. Specifically, the government together with these companies ensure that they continue the economic life and in the future, or if none of them cannot count on state subsidies (with which the ceased even 2015). The big problem was solved by making the 7 companies to make it through the prepackaged plan of reorganization (prepack plan), while the other made an agreement with creditors to delay payment of their claims

The largest number of listed companies will have to reduce the number of employees, and many are already offered social programs. Otherwise, all 17 protected restructuring companies had a total of 3.5 billion historical debt, and employing 22,000 people. These companies have the potential to represent Serbia, which is why (we think) with their putting into operation Serbian economy, well-acted.

What still confuses economists is jammed with the reform of public enterprises. Thus, for example. EPS has not yet been replaced by a collective agreement, which was supposed to be a prelude to the dismissal of surplus workers, whose deadline for adoption expired on 31 December 2015. As regards the railways, reducing the number of employees is planned to start in 2016, but that process has been delayed and has not yet started, and out of work at this company, should be kept 2,700 people. Planned for earnings in the Railways will not be sufficient if the announced layoffs fail or be implemented too late, it will be an unexpected expense that will need somewhere to take cover. At least has been done to reform the company “Srbijagas”, which has not progressed beyond the principled plans. Even painless division of the company (according to the request of the European Energy Community) has not been implemented because the company is

granted only legally, while essential pampering for two separate units is imminent, and the deadline was the end of June 2016.

No investment no economic growth

A prerequisite for the successful implementation of the agreed development policy is consistently sustainable macroeconomic stability and the stability of the fundamental factors of economic environment. The right way to do this is a clear development strategy based on full use of existing (national) resources and the proper direction of domestic and foreign investment, while the consolidation of public finances sled natural way. Otherwise, it is known that the government is not directly factor in economic growth, and that her job is to define rules and create an environment that will cause reaction of investors and entrepreneurs. Because not all in the attitude of “stabilize, privatize and liberalize”, but in a good mixture of everything around: the budget, tax, monetary, credit, industrial, commercial and other policies, and the right regulations

For Serbia to ensure sustainable growth and continued financial consolidation, a key problem is the lack of investment.⁵ In order to eliminate this disadvantage (lack of investment in Serbia amounts to three percent of GDP), is required to have higher their inflow and accelerate the initiated structural reforms and a fair, transparent and predictable environment,⁶ because only in such conditions can be provided and the expected IMF support, the World Bank and EBRD.⁷ A common stumbling block in the implementation of the investment policy are: cadastral solutions, public companies and the work of local governments, which is essential surrounding of real business, in terms of creating a predictable business by establishing a sound legal framework, the rule of law, the literal application of the adopted laws, simplified procedure system solutions and respect, taking account of the essence rather than the form and the like. In this regard, the regulations in force shall be applicable and uniquely interpreted, not different from one to another authority (even in different departments of the same service). It must not be allowed to the investor from counter to counter adjusts often incomprehensible and complicated procedure, a poor town planning solutions procedurally be matched with required procedures.

Anyway, in 2015 the economy demand for loans was weak, because it is exhausted in 2014, when the state gave subsidies for new borrowing. Due to the then low-cost loans to the economy became over-debted, which has room for further borrowing seriously narrowed. Credit to the economy for a long time standing in place, so that annually reduce or increase the percentage of the eye, which affects the overall impression that there is no economic growth because there is no investment. The banks are, therefore, often point the finger, because they prefer to, security work, put their money into state debt securities and repo operations of the central bank, but in corporate loans

A frequent response of bankers to criticism is (not lending enough to the economy), low investor demand, which is why there is no economic growth. In this sector, too, say that the roll call on them unfounded⁸ Otherwise, it is true that due to insufficient demand for loans, the banking sector is placing more money into state debt securities and repo operations of the central bank where she withdrew the excess non distributed money banks.⁹ We believe, however, that it is realistic to expect that in 2016 the market

increased bank loans to the economy, but the fear is that it will still feel the burden of problem loans in repayment, as well as the dominance of credit refinancing requirement for working capital compared to investment loans. Our expectation is that the momentum of the economic recovery plan and investment bank loans begin to grow.

We point out that the real indicator of economic growth independent private investment and one of total investments often obscures the real picture, because they are included in the mass and one state. Please note that the data on private investment blurred and “Fiat”, which continues to receive state subsidies. And, our analysis shows that since 2009, private sector investments are falling, which is not good.

It should be noted that, due to the large difference between inflation and interest rates will be in 2016 expect a further fall in the price of money. In 2015 slightly increased bank placements in repo operations, so that the average balance of these loans in the first half of the year amounted to 12.8, while the other 44.9 billion. The current status of bank placements in repo operations was slightly lower and amounted to 26.7 billion dinars, which is the result of lowering the benchmark interest rate of NBS, changing referent interest rate applied by the repo operations (which is the main instrument of monetary policy) affect the movement of other interest rates. In this way, the reduction of the benchmark interest rate affects the reduction of interest rates on loans, which opens the space for the increase in bank lending.

Banks also use investments in government securities over the long term (10 years), but the current state of local currency government securities of all maturities amounted to 627.1 billion dinars, which in 2015 increased to 84.5 billion dinars.¹⁰ They are the greatest inventors in the paper, because when the liquidity funds are needed, it could be sold on the secondary market or pledged for a loan from NBS.

Continuation of cooperation with IMF

We have no intention to further discuss the issue: whether or not the IMF to Serbia? We emphasize the indisputable fact concerning the functioning of these financial institutions, and that IMF formally entering into voluntary agreements with the two countries, according to their call for help; the conditions attaching to debtors countries are moving towards providing liquidity for the restoration of borrowed money; The Fund's profit institution that works in the interests of the majority owners of capital; and interest is the placement of funds and ensuring the owners get. Stable and financially disciplined countries do not seek help from the IMF, but to make only those that are in financial trouble. Service users of the Fund is not the final word economists from Washington, but commit themselves memorandum on everything from looking for, and our cooperation with this institution will not be specifically praise. But, as it is with regard to the implementation of economic policy (through previous reviews of the Fund) was positive, to emphasize and welcome the public.

For Serbia's cooperation with the IMF was a necessary evil, because it was in a recession and the economic, social and social crisis, which is why she was indispensable mentor (the Fund), which was to ensure macroeconomic stability and strengthen the confidence of foreign investors. Otherwise, the arrangement of Serbia with the IMF is envisaged that the loans provided by these institutions back debts, while the remaining have the money set aside for investments and according to the instructions of the

Fund. Otherwise, the arrangement with the IMF, Serbia wanted to send a message to a responsible economic policy, and since the positive attitude of the Fund directly related to the risk assessment of the country and conditions of borrowing on the international capital market, and it should be to capitalize.

With the technical government and NBS agreement was reached on the policies needed to be implemented for the completion of the fourth and fifth revision of the arrangement. The agreement is based on the assumption of strict control over expenditures, while continuing inflow of revenue desired pace. It is clear, therefore, that the saving or so belt-tightening continues. And after the fourth and fifth revision of the precautionary arrangement, the items on which to save the most are still public sector wages, pensions, and reduce agricultural subsidies and public TV service. Otherwise, the key challenges are to ensure that the results are permanent and sustainable; (Continued growth and to a higher level, the stabilization of the fiscal progress and a significant reduction in debt).

Otherwise, it should be noted that the government through the arrangement with the IMF managed to put under control the budget deficit, bringing the difficult decision to reduce pensions and salaries, and an increase in excise tax and the price of electricity. At the same time: revenues increased significantly through better tax collection; conducted a strong fiscal adjustment; reduced external imbalances; deficit last year nearly halved and amounted to 3.7 percent, while the current account deficit was lower by a fifth and fully covered by foreign direct investment. In the future program should focus on two areas, ie the reform of state-owned financial institutions and the implementation of strategies for addressing problem loans. And when it comes to reducing the number of employees in the public sector in the Fund are (despite delays) are satisfied with the results. Specifically, as explained in the final conference Ruf (in front of the IMF), the government program with the Fund are to further reduce the number of employees, but also improve the quality of public sector services.

Although elections are, as a rule, started slowing down, we believe that in this case the election of a new parliament and the formation of a little alternatively government will seriously slow down the economic reforms started. And the IMF was not worried about the election, although the score of the fourth revision of the arrangement was delayed after the elections and the formation of a new government.

Finally, it should be noted that Serbia is not in the future will not be without cooperation with the IMF, because it is economically strong enough to implement the reforms itself, and as a major borrower has little room for maneuver to decide on restrictive measures these institutions. But one-sided jigs and universal medicine Fund should unreservedly accept, because the practice has shown that their strict enforcement led to a deepening of the crisis, the problem of a social nature, etc.

The good results should be preserved in 2016

The best choice for our country that holds the European course of Serbia and the government must remain committed to this path, with the urgent resolution of many problems, especially those related to the economy. The commencement of accession negotiations with the EU was preceded by the EC report on the progress that is (it must be said) was very positive. But before the government of Serbia in the forthcoming period

a difficult job because there is always a constant large number of problems that must be urgently addressed. According to the author of this paper, the economic development should be the focus, and above all.

It is emergant to get rid of the narrow view of the world and the inability to accept the upcoming changes.¹¹ The Government of Serbia without delay should focus on world-oriented view, which is in everything relies on the use of the best possible approach and with the involvement of the best personnel. In this regard, the view of the author could be seen as a form of betting on future outcomes, with the belief that attitude is very important to have a global understanding of how their country, economy and companies, as well as the ones from the world environment.

It is indisputable point out that the staff of the previous government was very educated and smart people, but all this still has to be seen as part of a process, which can be said that the system resembled a kind of transitional euphoria (no procedure, institutions, etc.).

It happened so that the transition is run by the rules that should have been previously established. One of the observations that catches the eye, is to enter the new system did not rest on the basis of various forms of entrepreneurship, including private, and since there was not, that role was taken over by the current government with a view to the longer and stronger hold.

The author does not deny the possible positive future, but it is evident that the authorities in whatever form of the changes occurred in the previous regime, not only was not supported, but it even inappropriately refered to some form of positive entrepreneurship.

The Government of Serbia currently has a very unpleasant business, and perhaps now one of the most difficult tasks. The big challenge for the government in 2016 and still ensuring that the achieved results are permanent and sustainable; to continue to grow and at a higher level; that fiscal progress is durable and sustainable, because it is a sure guarantee that external debt can be significantly reduced.

For the author there is a fear that there will be more problems, because the circumstances in which we live are less and less adapted to the needs of the economy and its development, and there are still more those of the other domain values (policy etc.). Most important, however, to governments and economic actors of the system is to be able to recognize and understand their condition, and that the moments of the disturbance acquire skills, as they may, among other things, help to discern when and what changes are needed, as well as further assistance.

The greatest “enemy” in the treatment of disorders resulting from the loneliness and isolation of operation in terms of the current changes, precisely at the moment when it is necessary to join forces and efforts to overcome them faster. We, the economists, as well as other businessmen, have more to deal with what the participants of the economy and economic system should be. They should constantly ask what they lack and what interests them, what they should do, apart from giving lectures, making them pomace various information and what we discuss their difficult situation. With more knowledge and skills, economic disruption is still possible to effectively and permanently cure. It is time, therefore, for a new beginning.

Conclusion

On the basis of everything put in the paper we could carry out some findings and conclusions, as:

- Today Serbia nurtures and builds market system. It is politically and economically stable, it is the largest and has the strongest economy in comparison with other parts of the

former Yugoslavia. It has made significant progress in implementing structural reforms that have begun to give the first results. In this regard, particular progress was achieved in the area of fiscal consolidation, so that the Serbian economy is largely recovering from the recession and certainly entering a phase of prosperous growth.

- Contemporary time is characterized by the time of sense, knowledge, IT, economics and capital, and everything that happens in the world, including in the economy is being filtered through the new matrix. And the results show that our economy is very vital and able to exist in the world and that it is exactly our vital resource and, if we know that the economy is now the most dominant software, the government should know that and use them as a serious resource.

- In the conditions of our transition, which has been lasting for a long time, public affair is more than desirable. There is no dialogue among intellectuals. And, when there is no dialogue (or there are no intellectuals), there is no public. Although it is known that the public is an institution that seeks a balance between public and private interests, when it lacks – there is no coherent discussion and problem solving.

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Endnotes

1. Such was the case with the powerful strengthening expenditures, which have been produced largely by several one-off commitments that have not been budgeted for 2015, but at year’s end was announced that the state (without budget) take over their repayment (Srbijagas obligations under NIS-u, burdens to military pensioners and poorly planned subsidy payments to agriculture), which increased the expenditure budget by 43 billion pounds.
2. On this issue Vladimir Vuckovic often stated his opinion, as a member of the Fiscal Council of the Republic of Serbia.
3. Fiscal Sustainability achieved results and success of the entire fiscal consolidation depends critically on reforms largest public companies that, according to available data, do not go according to plan. Further delay the job and possibly shifting their huge debts to the state would be overturned all previous results for the healing of public finances.
The deadline for their protection is determined by the decision of the Government of Serbia and was not extended. After the expiry of the deadline - 28 May - the company should be subject to debt collection by creditors. However, this date is not disrupted their business, because the Ministry of Economy (in cooperation

with other relevant ministries and state institutions) initiated activities with the aim of defining a sustainable solution after this period and successfully resolve their status. These are the companies which employ more than 21,000 workers, and the government last year provided the source is acknowledged to all those who want to take severance pay - social programs.

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5. Here in the first place we think of foreign direct investment that surely bring: knowledge, technology, access to new markets and, most importantly, investment in human resources. Otherwise, until the end of last year in Serbia was operating about 130 foreign companies that have invested more than 23.5 billion euros, generating 18 odstto GDP and employ more than 97,000 people.
6. For this it is important to build institutions in Serbia and work on its personnel strengthening and establishing procedures that will depend on the individuals who implement them. In this regard, NBS creates stable conditions for investment by keeping inflation under control and the relative stability of the exchange rate
7. The head of the European office of EBRD in Serbia (Daniel Borg) shows that this institution will continue to financially support the development of the financial sector and private companies in our country, there will be a partner to the government in the implementation of the restructuring of public enterprises and improving the business climate.
8. Branko Greganovic, CEO of NLB Bank, according to the bank first to give loans to the economy, but there is investment demand. “We have a liquidity reserve and we want to employ the productive way or no investment demand.”
9. Recently, Jorgovanka Tabakovic, Governor of the NBS, said that banks in repo operations are run tens of billions of pounds. How to illustrate the substantial funds in that bank last year, when the state subsidized loans, the economy reached more than 130 billion dinars loans. According to its assessment, despite the declining interest rates, there is room for both corporate banking.
10. Interest rates on government securities currently range from 2.94 per cent per annum (for maturities of three months), up 12.99 percent year on year (to maturity of ten years). In 2015, these rates were significantly reduced (1.24 points for maturities of seven years and 4.3 per cent for maturity of five years).
11. D.A. Aaker., *Developing Business Strategies*, (5th edition), New York: John Wiley&Sons, 1990. A. Byrne et al., “Borderless Management,” *BusinessWeek*, 23rd of May, 1994, pp. 24. to 26.