



## **Ninth Annual International Conference on European Integration**

### **“The Europe of Tomorrow: Creative, Digital, Integrated”**

**Skopje, 15 May 2014**

#### **Narrative Report**

University American College Skopje (UACS) in cooperation with the Foundation Friedrich Ebert in Macedonia organized the Ninth annual International conference on European integration titled “The Europe of Tomorrow: Creative, Digital, Integrated”, which was held at hotel Aleksandar Palace in Skopje on 15 May 2014.

At the official opening of the conference, the auditorium was addressed by Mr. Theoxaris Lalakos, Ambassador, Head of the Liaison Office of the Hellenic Republic to Macedonia, Mr. Ernesto Massimino Bellelli, Ambassador of the Republic of Italy to Macedonia and Stine Klapper, Resident representative of Friedrich-Ebert-Stiftung in Macedonia. Official speakers at the opening of the conference were: Dr. Geoff Pugh, Professor of Applied Economics at Staffordshire University, UK, who discussed the innovation policy support for SMEs in traditional manufacturing industries; Dr. Milica Uvalic, Professor of Economics at University of Perugia, Italy, who presented her views on the Europe of tomorrow and the integration of the Western Balkans; and Paul Stepan, lecturer at University of Salzburg, Chairman of the Austrian Society for Cultural Economics and Policy Studies (FOKUS) and Managing director of Eurozine, who presented his views on some emerging and controversial aspects of future digital society of Europe. The audience was also addressed by Dr. Ivan Dodovski, UACS Assistant Professor and Chairperson of the Conference Organizing Committee.

The goal of this year’s international conference on European Integrations was to examine and analyze the potential challenges and opportunities for building a stronger European Union-which relies on creativity, innovation and digital technologies, while strengthening basic political values of freedom, solidarity and integration. Based on the previous eight years of experience in organizing academic conferences, we managed to create an atmosphere of intense dialogue on the common European future.

About 200 scholars, guests, professionals, and participants from 11 countries gathered to exchange ideas regarding the topics of political science, law, education, architecture, cultural heritage, economy, and business and information technology. Twenty six academic papers were presented, divided into two parallel sessions.

**The first academic track, titled “Political challenges, European education and urban creativity process”,** was moderated by Ivan Dodovski, PhD; the rapporteurs from the session were Miodraga Stefanovska Petkovska, PhD and Ana Tomovska Misoska, PhD. Ivan Dodovski gave the introductory remarks for the session.

The academic track was opened with a remembrance of the late Prof. Biro Gaspar from Eötvös Loránd University, Budapest, Hungary, who submitted a paper for the conference shortly before his untimely death. The session was opened with a presentation about the Ukrainian crisis by Prof. Robert Hudson. The paper focused on the impact of the Ukrainian crisis on the security of the EU and beyond, questioning the emergence of a new Cold War designated by the NATO leaders as Cold War II. He discussed the differences in approach towards the implementation of sanctions between the EU and the US, and the different attitudes between different member states of the EU.

This presentation was followed by a presentation by Prof. Zoran Sapurik who talked about new EU regional policy legislation. The research presented a SWOT analysis of the implementation of this legislation. The presentation highlighted the future challenges and perspectives on the topic. Further the paper also aimed at initiating a wide debate about the future perspectives of this legislation.

The session then moved onto discussing the risk of right wing extremism in EU and the Western Balkans following a presentation on that topic given by Ljupco Stevkovski, PhD. The presentation accentuated that youth unemployment is an extended effect of the economic crisis and the result is rise of nationalism and religious extremism. The danger connected to the issue is the rise of these extremist movements before elections and escalation of the conflicts in the Western Balkans due to the uncertainty of the EU perspectives and decline of trust in institutions.

The fourth paper presented by Venko Pacovski, PhD focused on e-democracy initiatives in three countries: Republic of Macedonia, Hungary and Estonia. This comparative research was focused on analysis of local self-government portals. The results pointed that although in Macedonia there is no big digital divide, most of the municipalities do not have websites yet and some of them use social media networks instead. The results show that in the country the element of deliberation is completely missing although this is the most used type of e-democracy in Hungary. The paper called for attention to those issues to improve the citizens’ participation through the e-democracy tools.

The next presentation turned the attention of the participants to a topic connected to regional policies. The paper presented by Marina Andeva, PhD focused on outlining the cross-border cooperation tools for regionalism and integration. It further outlined a case study of cooperation under the EUREGIO legal authority within EU. The case study focused on Gorizia/Nova Gorica cooperation. The paper questioned the sustainability of such initiatives given the existing funding model. In order to demonstrate its practical implications, the speaker provided examples from the Upper Adriatic area, referring to the basic elements and main concerns behind its legitimacy.

The sixth presentation given by Ilijana Petrovska, PhD focused on the analysis of the European Higher Education area. The presentation outlined the main characteristics of the European Higher Education Area such as standardization of degrees, quality assurance and other aspects. The main focus of the paper was focused on mobility and internationalization. Deeper exploration was given to the situation in the Republic of Macedonia and the conclusion was that additional support mechanisms

need to be developed for the process to be a successful one. The paper touched upon four relevant aspects: first it described the future EHEA through its basic documents adopted by Ministerial conferences of participating states, as envisioned in the Bologna declaration of 1999. Next, it presented the higher education in the Republic of Macedonia – a participant of the Bologna process since 2003. The third part dealt with good practices in implementation of the Bologna principles in various parts of Europe and beyond. And finally the fourth part contained some answers to the mobility conundrum by providing recommendations for faster growth of inbound and outbound mobility. The recommendations given by the authors apply both to the EHEA and its member states.

The discussion about education was extended by the next presentation given by Prof. Jeremy Cripps and Emil Gjorgov who talked about accredited European University of tomorrow. The paper focused on outlining certain lessons that Europe can take from the US accreditation process and bodies in the higher education. Then notes were made on the demand for transparency and accountability and consideration of problems faced by higher educational institutions. The presentation outlined the main pillars that enable the quality of education and stirred a number of questions focused on the quality of education in Macedonia.

The second session of this academic track started with presentation about Skopje as a European city of tomorrow given by Prof. Minas Bakalcev. The presentation outlined the changing paradigms of modernization within the 20<sup>th</sup> century which resulted in inconsistency of the city. The presentation included examples from other European cities concluding that sometimes there are similarities between different cities and difference within one city when it comes to city morphology. The conclusion was that the contemporary city of tomorrow should not stand against the modern city of tomorrow and the city transformation should be viewed as advantage rather than disadvantage.

The next presentation given by Marija Mano Velevska, PhD, continued along the lines of looking at Skopje as a city by analyzing the urban voids within the city. The urban voids as unbuilt places within urbanized areas have great potential for development by letting them unbuilt. The presentation focused on three such urban voids within Skopje and offered ideas for their further use from three other spaces within EU. This research paper examined the relationship between the formative narration of the city represented through the planning regulations and market economy in a socio-spatial system of the cities in transition (Skopje) and the existing informal but spatially highly creative potential of the *urban voids* as dialectical amalgam that bridges public and private interests. Three cases of spatial development in Skopje were compared with three spatial strategies of urban voids already done in European metropolitan context from the city of Pula in Croatia, Horde-Dortmund and Berlin, both in Germany.

The third presentation by Ognen Marina, PhD focused on offering ideas and lessons from Turin for the development of an area in Skopje. The cities have seen rerouting the railway systems and have areas that can benefit from development. The presentation outlined the limitations of using the tool in both cities and concluded by accentuating that urban design tools can provide input in the new view of the city, inclusive planning procedures and new and qualitative synergies.

The fourth presenter Ljupco Jovanov, PhD, focused on the evolution of the theatrical space by looking at the lessons offered by the Adolphe Appia's approach to design of theaters. The main idea of this approach is offering possibilities for engaging with the audience by loosening the barriers between spectators and actors. The presentation outlined examples of such theaters in EU and concluded by

accentuating that in Macedonia both analyzed buildings are not following the rules. Therefore Macedonia needs to discover ways to enable successful new, open theatrical spaces.

The final presentation of the session was delivered by Aneta Simoska and focused on prospects of protection of cultural heritage in Italy and Macedonia. The presentation outlined the ways of protecting the national heritage in Italy and using cultural heritage to bring revenue in developed countries. The conclusion was that Macedonia needs a national strategy for protection of cultural heritage and development of instruments for protection of the cultural heritage. The results of this study are expected to contribute to the identification of organizational issues related to protection of cultural heritage and cultural identity as fundamental values, and to the promotion of possible measures which should be undertaken on international level.

**The second academic track, titled “Economy and Business in the Era of Creativity and Digitalization”,** was moderated by Dr. Marjan Petreski. It raised a range of question and contributed to the exchange of research experience related to the applied banking, accounting, manufacturing, architectural solutions as well as digital agendas in the modern societies.

The session kicked off with the findings of the researchers Evica Delova Jolevska, PhD and Ilija Andovski on the future development of the service sector in Macedonia: the impact on the banking system. In the period of transition there was a strong growth of the service sector but mostly due to the previous nonexistence of wide variety of services. They concluded that the lending activity in the service sector in Macedonia would be redirecting towards trade in the near future as the economy strengthens. In this respect, the banks should organize their bank services to support the industrialization of the companies.

The findings of Prof. Ninko Kostovski and Jadranka Mrsik, PhD related to the paper “Does the Adoption of reflected on the possible positive influence of the accounting standards on the EU competitiveness and its economic growth?” They argued that the introduction of sound financial reporting could lessen the risk of failure among the companies that would like an international presence. However, they raised an argument that the dual accounting system represents a burden to the companies. The recommendation was to further educate the professionals in strategic management, corporate governance as well as business ethics to help companies prepare integrated reports as tools for more efficient internationalization.

The discussion shifted to the Western Balkan countries and the need for their better positioning at European Union market. Aleksandra Branković and Elena Baranenko researched on the topic “Integration of the Western Balkan’s Industry into the EU Internal Market: Recent Trends in Trade in Manufactured Goods”. They analyzed the changes in the dynamics and pattern of trade in products of the manufacturing industry between the Western Balkan region and the EU. It was concluded that there has to be shift in manufacturing and export towards more sophisticated goods rather than labor intensive products. Some of the countries specialize in production and exports of certain types of machinery and transport equipment, but a common regional pattern could not be suggested.

Furthermore, the paper presentation by Jadranka Mrsik, PhD, Marko Andonov, PhD, and Kimo Cavidar, PhD on the regulation of licensed industries in small economies: limiting the number of

participants or encouraging competition for better service quality - was followed by a fruitful discussion. They focused on regulation comparison between Macedonia and the ten new member countries from Central and Eastern Europe of the three professions among which lawyers, accountants and architects as the most common and longest present on the Macedonian market. The researchers suggest that the practice of regulated profession could be harmonized between the major economies and the smaller and limited markets. It is necessary to involve the consumers in the process of procedures' regulation in order to take into account their level of satisfaction by the provided services. The professionalization of the services has to be further improved especially in the global market creating a reliable services system and enabling environment for protection of public interests. The discussions confirmed the paper findings; these process with further improve and strengthen the position of the representative of these professions in the society.

Emilija Tudzarovska – Gjorgjievska presented the paper 'Towards Knowledge-based Economies: Challenges and Perspectives' stressing the key challenges for implementation of knowledge based economies. She argued that the EU 2020 Strategy on smart, sustainable and inclusive economy was followed by development of regional strategies for research and innovation. This process would bringing closer the WB region to the EU and help to overcome the challenge of experiences' exchange and closer collaboration between the universities and the industry.

Ana Ristevska focused on the companies' need for selection of knowledge management software application for attracting new customers. The approach provoked interest in the different kinds of software that could help companies more efficiently and effectively manage the customers' preference and feedback. Also, the approach offered a range of benefits of software application in a process of attracting new customers.

Another research on information technology was presented by Marsida Ashiku and Daniela Gerdani. The paper 'Development of Information and Communication Technologies Market and Use by Albanian Business' focused on the businesses in Albania, especially the big ones that were considering the IT investments as a luxury. The participants discussed that it is not Albania that does not utilize these technology to add value to the business but the region of Western Balkans as a whole. The participants agreed that measures to increase the digitalization of the businesses should be undertaken in order to secure the competitiveness on the European markets.

The last set of presentations involved multidisciplinary approach to architectural issues and organizational sciences. The research of Mishko Ralev, Viktorija Eremeeva Naumoska and Ana Krleska on the workspace as a factor of job satisfaction in the banking Industries in Macedonia gave an interesting insight on the employee behavior. It was concluded that the issue is closely related to the improvement of the job satisfaction and the design of the meeting space and the productivity of employees. Also, particular attention should be put on the private office space such as furniture and office aesthetics, access to coworkers as well as lighting. The Human Resources department would need to implement this approach in the policy design as well. Moreover, the topic initiated discussion on the cultural orientation of the employees and their attitude towards the personalization and move into new office environment. It was suggested to the researchers to broaden their research endeavor to other industries to get a better overview of the job satisfaction across industries.

Selim Indji presented the joint research with Toni Vasic, PhD and Ilijana Petrovska, PhD related to the wine and packaging industry. 'The Wine Packaging for the New Consumers' Expectations: Comparative Case Study of Consumers' Perception in Macedonia, Germany and Japan' was focused on the competitiveness of the wine given the new consumer expectations for the wine packaging. The packaging, being an important driver of a bottled wine competitiveness, was approached both from global and regional approach. It was observed that there was an ongoing cooperation between the industry and the academia especially in the process of looking for packaging to meet the customers' perceptions in different countries. The outcome could serve as a basis for launching a packing that would be desired in more countries which is country to country approach marketing and promotion.

This session was finalized with the presentation of the research by Mishko Ralev, Ana Tomovska Misoska, PhD and Viktorija Eremeeva Naumoska on the elements of workspace as factors of workspace and job satisfaction in the ICT sector in Macedonia. They examined the relationship between physical workspace environment and satisfaction of ICT employees. The results showed overall high level of satisfaction with the various aspects of the workspace. The physical aspects of the workspace such as: storage space, office aesthetics, access to coworkers, meeting spaces, comfort of the space, privacy and lighting were communicated to be significantly correlated to the overall workspace satisfaction. The findings pointed to the importance of paying close attention to workspace design elements as they are connected to the perception of the workspace as important aspect of job satisfaction.