

The First on-line Conference on
*World's Economies In and After Crisis: Challenges,
Threats and Opportunities*





PROTECTIONIST INSTITUTIONAL FINANCIAL CRISIS IN TRANSITION ECONOMIES IN SOUTH EASTERN EUROPE

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Abstract:

The prevention and the minimization of the negative effects that have derived from the financial global crisis mainly lay down on governmental institutions through the implementation of the economic-legal measures which scientifically are also known as a state intervention. At least now, the logic of the broadened economic liberalization system has shown signs of apathy and inefficiency. Bail-out actions in South Eastern Europe insofar have not been stated clearly nor taken seriously. Due to the significance that this crisis constitutes it is required from governmental institutions rapidly to find and undertake the appropriate and effective monetary, financial and financial and legal policies aiming to bail out because even those that have reasoned the logic of neo-liberal socio-economic system have rapidly adopted such measures. The role of the state needs to be focused through integrated legal and economic policies, in course of strengthening the banking system, credit market system, protection of investments, and amendment of the tax policies including the capital incentives. It is compulsory, as long as it is not too late, that the institutions of the Republic of Kosovo need to be much more committed in terms of establishing strategies against this crisis which as the last option would require immunizing the economic systems of countries attacked by the crisis.

Key-words: financial crisis, state intervention, neo-liberal economy, legislation, anti-crisis strategy.

JEL Classification: K19, K29, K34.

A vertical, close-up photograph of a laptop keyboard, showing several keys in detail. The image is slightly blurred, with a focus on the keys in the foreground. The lighting is soft, and the colors are muted, giving it a professional and technical appearance.

Aims and scope of the paper

- Identify the volume and dimensions of global financial crisis
- Identify different effects the global financial crisis
- Role of state institutions to combat the global financial crisis in Southeast Europe
- Possibility of regional and international cooperation in the fight against global financial crisis
- Study needs international cooperation and anti crisis

Review of the Literature

- The risk and extent of the global financial crisis
- Studies selected in the field of economic and political
- Is not contested that the level of losses in the global economy is great and long-term social consequences
- Global financial crisis has destroyed the balance and macroeconomic risk
- Reduction of foreign investment and state intervention



Methodology of research/ approach

- Comparative
- Statistical and
- Analytical



Findings and data

- banking transparency
- control over banks
- risk management
- market control
- regulations' effectiveness
- capacities of international financial institutions



Results and Discussion

- More specific political institutional engagement
- Media and Information Action
- Measures and incentives of economical type
- Legislative measures

Concluding Remarks

- Facilitating the economy of some taxes and not jeopardizing activities and effectiveness of government on eventual decreasing of budget income (e.g. decrease of VAT for some existential products);
- Review and undertaking of some protecting measures to several imports, though this way of action is not recommended in market economy. This strategy should be elaborated, analyzed, and eventually implemented if several countries act this way;
- Creating urgently disincentive policies to import through mechanisms as quality control, standards and inspection work, etc.
- Governmental plan to reduce public expenses, always considering not to jeopardize normal activities of its functioning;
- Increase of taxes for products not having social sensitivity as make-up and other luxurious things;
- According to the intended and stipulated strategic plan to stimulate export, to increase stimulation in agriculture and farming, generate agro-industrial products, considering the effects which could be achieved regarding employment and replacement of foodstuffs from import.
- Undertaking measures to support the poor, with the purpose to mitigate social problems, the poor being the ones who mostly experience crisis situation. Respectively not to allow social crises to become humanitarian ones.

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