



**EUROPEAN
UNIVERSITY**

R. M A C E D O N I A

PROCEEDINGS

Skopje, May 2014

CIP - Каталогизација во публикација

Национална и универзитетска библиотека "Св. Климент Охридски", Скопје

001.894:316.422.44(082)

МЕЃУНАРОДНА научна конференција (4 ; 2014 ; Скопје) Науката и општествениот развој : зборник на трудови / Четврта меѓународна научна конференција, Скопје, 09 мај, 2014. / INTERNATIONAL Scientific Conference (4; 2014; Skopje) The Science and the Social Development: proceedings / Fourth international scientific conference, Skopje, 09 May, 2014. - Скопје : Европски универзитет - Република Македонија, 2014. - [500] стр. ; 24 см

Текст на мак. и англ. јазик

ISBN 978-608-4574-62-0

а) Научен развој - Општествени промени - Зборници
COBISS.MK-ID 96104458

Издавач/Publisher:

Европски Универзитет Република Македонија/European University
Republic of Macedonia

За издавачот/For the publisher:

Проф. д-р Бојо АНДРЕСКИ

Почесен одбор/Honorary Committee:

Проф. д-р Бојо АНДРЕСКИ (Претседател на ЕУРМ)
Проф. д-р Билјана АНДРЕСКА – БОГДАНОВСКА (Генерален
директор на ЕУРМ)

Програмски одбор/Programme Committee:

Проф. д-р Лидија Наумовска – ректор, ЕУРМ, претседател;
Доц. д-р Елизабета Стамевска - генерален секретар, ЕУРМ;
Проф. д-р Биљана Перчинкова – проректор, ЕУРМ, член;
Проф. д-р Алекса Стаменковски – проректор, ЕУРМ, член;
Проф. д-р Живко Андрески – декан, Факултет за правни науки, ЕУРМ;
Проф. д-р Савица Димитриеска – декан, Факултет за економски науки,
ЕУРМ;
Проф. д-р Стојан Кузев – декан, Факултет за детективи и
криминалистика, ЕУРМ;
Проф. д-р Славјанка Оцаклиевска – декан, Факултет за
стоматологија, ЕУРМ;
Проф. м-р Стојанка Манева Чупоска - Јана – декан, Факултет за
арт и дизајн, ЕУРМ;
Доц. д-р Слободан Шајноски – декан, Факултет за политички
науки, ЕУРМ;
Проф. д-р Мишел Бурс – Галатасарај Универзитет, Турција;
Професор емеритус Тодор Кралев – Скопје, Македонија;
Проф. д-р Јованка Матиќ – Институт за општествени науки, Белград,
Србија;
Проф. м-р Марина Ранисављевиќ – Висока текстилна школа за дизајн,
технологија и менаџмент, Белград, Србија;
Проф. д-р Невена Танева – Технички Универзитет, Софија, Бугарија;

Проф. д-р Кристина Шилер – Индијана Универзитет, Индијанаполис,
САД;

Доц. д-р Билјана Масловариќ – Универзитет на Црна Гора,
Филозофски факултет, Никшиќ;

Доц. д-р Шаји Садисиван – Универзитет Хидеабад, Индија;

Доц. д-р Жарко Кулибрк – Факултет за безбедност и самозаштита,
Бања Лука, БиХ;

Доц. д-р Бекир Чинар – Епока Универзитет, Тирана, Албанија;

М-р Наташа Ловриќ – Европски Институт за шуми, Загреб, Хрватска.

Организационен одбор/Organizational Committee:

Доц. д-р Слободан Шајноски – претседател;

Асс. м-р Милена Паговска – секретар;

Проф. д-р Крсте Дејаноски;

Проф. д-р Стојан Славески;

Проф. д-р Љупчо Стојчески;

Доц. д-р Викторија Кафеџиска;

Доц. д-р Билјана Годорова;

Доц. м-р Маја Димовска;

Асс. м-р Верица Неделковска;

Асс. м-р Ирена Скрческа;

Асс. м-р Слободан Филиповски

Превод и техничка обработка/Translation and technical processing:

М-р Милена Паговска

Дизајн на лого / Logo design:

М-р Марија Ветероска

Графичка илустрација/Graphic illustration:

Доц. м-р Гордана Вреноцска

Печату/Printing:

АБЦ принт – Скопје

Тираж/Circulation:

120

М-р Кемо ЃОЗО, Д-р Лазар ЃУРОВ, Филип АЛЕКСОВСКИ

**УЛОГАТА НА КОМУНИКАЦИСКИТЕ ВЕШТИНИ НА ЛИДЕРИТЕ ВО
УСПЕШНОТО РАБОТЕЊЕ СО ПОТЧИНЕТИТЕ И ПРЕТПОСТАВЕНИТЕ** 153

Проф. д-р Александра СТАНКОВСКА

**РАЗВОЈ НА ПАЗАР ЗА ФИНАНСИСКИ ДЕРИВАТИ – ПЛАТФОРМА ЗА
УПРАВУВАЊЕ СО ПАЗАРНИ РИЗИЦИ**..... 176

Проф. д-р Живко АНДРЕВСКИ

**ДЕСЕТ ТЕМИ ЗА ПРОМОЦИЈА НА НАУКАТА ВО РЕПУБЛИКА
МАКЕДОНИЈА** 198

Доц. д-р Лулзуме ЛУТВИУ КАДРИУ, М-р Беќим КАДРИУ

**МЕНАѢРСКОТО ОБРАЗОВАНИЕ КАКО СТРАТЕГИЈА ЗА ПРОМЕНИ ВО
УЧИЛИШТЕТО** 209

Проф. д-р Савица ДИМИТРИЕСКА, Проф. д-р Љиљана КОНЕСКА

ЗЕЛЕН МАРКЕТИНГ И ОДРЖЛИВ РАЗВОЈ 224

Проф. д-р Савица ДИМИТРИЕСКА

НЕВРОМАРКЕТИНГ – ВРСКА ПОМЕЃУ НАУКАТА И БИЗНИСОТ 237

Assistant prof. Biljana PETREVSKA

ESTIMATING TOURISM CONTRIBUTION TO MACEDONIAN ECONOMY .. 248

М-р Тања КАУРИН

**КОНЦЕПТОТ НА ЛИКВИДНОСТА ВО БАНКАРСКАТА ТЕОРИЈА И
ПРАКТИКА**..... 261

М-р Биљана ТРАЈКОВСКА

ИНТЕРНЕТОТ ВО ФУНКЦИЈА НА ОПШТЕСТВЕНИОТ РАЗВОЈ..... 286

Бојан ШАЈНОСКИ

ОДЛУЧУВАЊЕТО И ИНТЕРЕСИТЕ 304

М-р Тане ДИМОВСКИ

**ИНТЕРВЈУТО КАКО ПРОЦЕС ОД МЕНАѢМЕНТОТ НА ЧОВЕЧКИТЕ
РЕСУРСИ НА ОРГАНИЗАЦИЈА** 313

Д-р Ристо ФОТОВ, М-р Влатко ПАЧЕШКОСКИ

**НЕКОИ АСПЕКТИ ЗА ВЛИЈАНИЕТО НА ТЕХНОЛОШКИОТ НАПРЕДОК И
ИНОВАЦИИТЕ ВРЗ ЕКОНОМСКИОТ РАЗВОЈ**..... 323

Assistant prof. **Biljana PETREVSKA**

Faculty of Tourism and Business Logistics, University “Goce Delchev” Shtip,
Macedonia

ESTIMATING TOURISM CONTRIBUTION TO MACEDONIAN ECONOMY

***Abstract:** In the past few years, tourism became an emerging sector in Macedonia. This research intends to investigate the components that have positive influence thus contributing to the gross domestic product (GDP) of Macedonia. Moreover, this empirical study attempts to estimate the contribution of tourism to the overall economic activity of Macedonia. For that purpose, an econometric model is introduced using several commonly applied variables. So, the main aim of the paper is to identify tourism influence in terms of foreign arrivals, overnights and capital investment representing tourism total contribution to the GDP of Macedonia. The investigation employs the regression analysis based on stylized facts obtained from desk-research and available sources of secondary data. The data set covers the period 1992-2012. The research findings reveal modest contribution of tourism towards economic development in Macedonia. Therefore, the paper underscores the necessity for continuous analysis of tourism direct economic impacts as an important consideration for strengthening national economy.*

***Keywords:** tourism; economic development; direct contribution; Macedonia.*

Introduction

Tourism generates various economic effects, which affect positively on the overall economy of the country. In one hand, it may have variety of microeconomic influences, like assisting in quality improvement of the employees, benefiting from the scale economies and developing new facilities according to the international standards for tourism demand and supply. Regarding the macroeconomic effects, tourism is seen as a mean for enhancing the foreign export, generating foreign currency earnings, new employment opportunities, contributing to foreign debt repayment, increasing national income, generating new economic sources etc. Moreover, everyone identifies tourism as a source of economic growth and development.

The main objective of this paper is to investigate the components that have positive influence thus contributing to the GDP of Macedonia. Moreover, this empirical study attempts to estimate the contribution of tourism to the overall economic activity of Macedonia. In order to achieve that goal, the paper is structured in several sections. After the introductory part, Section one provides a snapshot on theoretical and empirical literature. The research design encompassing the methodology and research frame are posed in Section two. Section three presents the main research findings and discussion, The main conclusions are noted at the end.

1. Literature review

The issue referring the economic impacts of tourism and its effects on country's economic development is highly explored. Namely, numerous researchers have been involved and a wide variety of techniques have been applied in quantifying tourism economic effects. Studies vary extensively in quality and accuracy, but mostly address the economic impact analysis (Crompton, 1993; Lundberg *et al*, 1995; Huybers, 2007; Babu *et al*, 2008; Ramos & Jimenez, 2008; Stabler *et al*, 2010). In this respect, the economic impact analysis traces the flows

of spending associated with tourism activity in a region in order to identify changes in sales, tax revenues, income, and jobs due to tourism activity. The principal methods being applied are visitor spending surveys, analysis of secondary data, economic base models, input-output models and multipliers (Frechtling, 1994: 119).

Due to the fact that economic development represents just one process of a complex system known as human development, means that economic development inevitably leads to human development and the quality of life (Osberg & Sharpe, 2003, p.36). So, the human development or the increasement of human quality of life is the main goal of the economic development (Hayami & Godo, 2005; Kanbur, 2003). In this respect, the achieved economic and human development may be measured and presented by various indicators, like: value agregate indicators, natural indicators, social indicators and so forth (Cypher & Dietz, 2009; Grabowski et al, 2007; Soubbotina, 2004; Todaro & Smith, 2009): Tourism economic impacts are, therefore, an important consideration in economic development, as well as in state, regional and community planning. In the same line, it is necessary to implement a document for tourism development, since it represents strong mechanism and a tool for creating general policy of the overall economic development (Williams & Shaw, 1991; Frechtling, 2001). Additionally, defining the development priorities as a basic element of the development strategy is the biggest obstacle to each country (Gunn, 1993; Hall, 2005). Such concept, imposes the necessity of introducing new economic policy, whereas, tourism shall be treated as integral part of the entire economy.

2. Data and methodology

The investigation is made by regression analysis, mostly based on stylized facts obtained from desk-research and available sources of secondary data. The applied data set covers a period from 1993 to 2012. Generally, a regression model is used in order to estimate the impact of several factors that may be important in

explaining tourism contribution. In this line, the regression analysis intends to discover the relationship and the level of significance of several commonly applied variables representing tourism contribution to Macedonian economy. So, the following are considered as potential determinants of Macedonian tourism contribution:

- Total travel and tourism (T&T) contribution to GDP (expressed in EUR). This includes wider effects from investment, the supply chain and includes income impacts. Moreover, this variable actually takes into considerations direct, indirect and induced contribution. The data are obtained from the World Travel and Tourism Council;
- Capital investment (expressed in EUR). This includes spending by all sectors directly involved in the travel and tourism industry. Moreover, this variable takes into account the investment spending by other industries on specific tourism assets such as new visitor accommodation, passenger transportation equipment, as well as restaurants and leisure facilities for specific tourism use. The data are obtained from the World Travel and Tourism Council;
- Foreign tourist arrivals. This includes arrivals of persons who have a permanent residence outside Macedonia, who are temporarily residing in Macedonia and who spend at least one night in an accommodation establishment or another catering facility providing lodging. The data are obtained from the State Statistical Office of the Republic of Macedonia; and
- Total overnights. This includes overnight of domestic and foreign tourists in Macedonia. Yet, a certain number of overnights are not included due to fact that some tourists, particularly those in private rooms, cottages and those staying with relatives and friends, are not registered. The data are obtained from the State Statistical Office of the Republic of Macedonia.

Table 1. Indicators for tourism contribution to Macedonian economy, 1993-2012

Year	Total T&T contribution to GDP (EUR mill.)	Capital investment (EUR mill.)	Foreign tourist arrivals ('000)	Total overnights ('000)
1993	24.42	4.00	208	2706
1994	50.82	9.77	185	2477
1995	72.08	16.19	147	1804
1996	65.35	13.68	136	1697
1997	65.37	9.19	121	1587
1998	70.19	9.76	157	2426
1999	125.77	8.73	181	2313
2000	221.06	13.71	224	2435
2001	163.32	15.03	99	1255
2002	171.37	18.89	123	1850
2003	192.71	20.24	158	2007
2004	198.81	20.65	165	1865
2005	225.20	20.27	197	1970
2006	259.06	22.11	202	1917
2007	305.16	29.50	230	2020
2008	348.87	39.03	255	2236
2009	336.18	37.06	259	2107
2010	325.35	36.19	262	2020
2011	355.73	35.84	328	2173
2012	371.94	40.53	351	2152

Source: World Travel and Tourism Council (<http://wttc.org/research/economic-data-search-tool/>) & State Statistical Office of the Republic of Macedonia (various years)

Table 1 presents previously introduced determinants, which represent the general economic indicators for tourism contribution to Macedonian economy. It is noticeable that during the sample period, each variable generally has an upward trend. The exceptions are noted in 2001 (due to the war conflict in Macedonia) and in 2010 (due to the world financial crisis).

In order to examine the variables, the research introduces multiple regression method. The main idea is to involve several factors in the analysis in order to estimate the effects of each factor. Moreover, the attempt is to quantify the impact of various simultaneous influences upon a single dependent variable.

In this line, the following empirical method is applied:

$$y_{it} = \beta_0 + \beta_1 x_1 + \beta_2 x_2 + \beta_3 x_3 + \dots + \varepsilon_{it}$$

where:

y_{it} denotes the dependent variable (total T&T contribution to GDP);

$\beta_0 \dots \beta_3$ denotes the regression coefficients;

$x_1 \dots x_n$ denotes the independent variables (capital investment, foreign tourist arrivals, total overnights);

ε_{it} denotes the disturbance term that is assumed to be normally distributed with a mean of zero.

All variables enter the regression model in a logarithmic form. On the one hand, this is a commonly employed tool for smoothing the variance, while on the other hand, the log-log regression enables an estimation of the elasticities. The regression makes estimations by applying the simple ordinary least squares (OLS) method. The OLS is often noted as one of the most reliable regression methods due to general quality of minimized bias and variance. Since we test the regression with multiple variables, the F-test is employed. The intention is to check whether one or a group of independent variables has an influence on the dependent variable. Hence, the overall significance of the regression is measured (Gujarati, 2003).

Table 2 shows the descriptive statistics for the variables used in the main regression. Furthermore, the data on skewness and kurtosis are presented, which are needed for the test of normality distribution i.e. the Jarque-Bera (JB) test. In case of normally distributed residuals, the skewness will be zero, or it can be tolerated from -0.5 to 0.5. It is noticeable from the Table 2, that this holds true for three variables: OVER (-0.301221), TT (0.074414) and INV (0.377265). For the variable FOREIGN, the value is above zero indicating positive asymmetry (skewness). Regarding kurtosis, one may note that normally distributed residuals should have value equal to three. With this regards, just FOREIGN (2.922299) satisfies that condition, while OVER (3.280707) is very close. Hence, these variables satisfy the assumption for normal distribution. The rest of the variables have coefficients far below three. The probability of rejecting the null hypothesis of normality largely exceeds the critical level of significance, confirming that all the variables are normally distributed.

Table 2. Descriptive statistics

	FOREIGN	INV	OVER	TT
Mean	200369.9	20072197	2054863	188000000
Median	197216.0	18887097	2020217	193000000
Maximum	351359.0	40532258	2706373	372000000
Minimum	98946.00	1129032.	1254582	5258065
Std. Dev.	65613.48	11976357	329823	121000000
Skewness	0.635572	0.377265	-0.301221	0.074414
Kurtosis	2.922299	1.985153	3.280707	1.655528
Jarque-Bera (JB) test	1.419115	1.399325	0.386517	1.601036
Probability	0.491862	0.496753	0.824269	0.449096
Observations	21	21	21	21

Note: FOREIGN=Foreign tourist arrivals; INV=Capital investment; OVER=Total overnigh; TT=Total T&T contribution to GDP.

Table 3 presents interesting information on the degree of correlation between the variables used in the regression analysis. It is assumed that in the linear regression model, there is an absence of multicollinearity among the independent variables. In case of having high correlation between independent, the estimation of the regression coefficients is possible, but with large standard errors and as a result, the population values of the coefficients cannot be estimated precisely. As noted by Kennedy (2008), the multicollinearity is a problem if the correlation is above 0.80. One may note that that is the case with the correlation coefficient between INV and TT (0.947369), which might affect regression results. Furthermore, very high correlation coefficients can be observed between FOREIGN and TT (0.694646), as well as between FOREIGN and INV (0.677641). These results are logical and expected since the foreign tourist consumption has profound impacts over the GDP, and represent solid base in increasing tourism capital investment.

Table 3. Correlation matrix

	FOREIGN	INV	OVER	TT
FOREIGN	1			
INV	0.677641	1		
OVER	0.476323	-0.078728	1	
TT	0.694646	0.947369	-0.030494	1

Based upon Table 3, one may conclude that the correlation between the variables is strong, suggesting that multicollinearity might be a problem.

3. Results and discussion

Table 4 presents the estimation output from the general regression model. The value of the coefficient of determination (adjusted R-squared) is 0.897035 meaning that approximately 90% of the variations in the dependent variable can be explained with the influence of all independent variables, taken together. Although this result should not be neglected, yet, Table 4 points to few problems. For instance, it can be seen that only one regressor (INV) is statistically significant at the conventional significance level. The standard error of the regression is 0.342020. The *F*-statistic is 59.08030 ($p = 0.0000$), meaning that the regression is statistically significant. To assure the authenticity of the results the Durbin-Watson test is additionally employed. So, as noted in Table 4, the Durbin-Watson statistics is 0.622465, meaning that the residuals have positive serial correlation, and a note of caution is needed when interpreting the results. Moreover, the fact that the coefficient of determination is larger than the value of the Durbin-Watson statistics might be used as a “rule of thumb” for the presence of spurious regression. These problems are probably related to the very high correlation between INV and TT.

Table 4. Regression results

Dependent variable: LOG(TT)				
Method: OLS				
Included observations: 21				
Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-4.026796	7.799041	-0.516319	0.6123
LOG(INV)	1.202183	0.107739	11.15829	0.0000
LOG(FOREIGN)	-0.009195	0.351421	-0.026164	0.9794
LOG(OVER)	0.201401	0.649444	0.310113	0.7602
Adjusted R-squared	0.897035	F-statistic		59.08030
S.E. of regression	0.342020	Prob(F-statistic)		0.000000
		Durbin-Watson stat		0.622465

Therefore, the independent variable INV is excluded, since it is responsible for the distortion of the result preventing the precise estimation of the effects of each variable on total contribution to GDP. Table 5 presents the estimation output from the parsimonious regression. Now, after excluding capital investment (INV), the regression coefficients of FOREIGN and OVER have changed dramatically and both of them are statistically significant at 5%. Since the residual diagnostic tests pointed to the presence of heteroscedasticity and serial correlation, the Newey-West method (HAC standard errors & covariance) is also employed.

Table 5. Parsimonious regression results

Dependent variable: LOG(TT)				
Method: OLS				
Included observations: 20				
HAC standard errors & covariance (Bartlett kernel, Newey-West fixed bandwidth = 3.0000)				
Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	37.49819	14.54530	2.578027	0.0195
LOG(FOREIGN)	2.291352	0.534783	4.284639	0.0005
LOG(OVER)	-3.200760	1.255940	-2.548497	0.0208
Adjusted R-squared	0.554077	F-statistic		12.80411
S.E. of regression	0.525823	Prob(F-statistic)		0.000406
		Durbin-Watson stat		0.558620

The value of the coefficient of determination (adjusted R-squared) is now lower (0.554077), the standard error of the regression is higher up to 0.525823, while the *F*-statistic declined to 12.80411. From Table 5, one may see that both FOREIGN and OVER exert economically important influence on total T&T contribution to GDP. As all the variables in the regression are expressed in logarithms, the regression coefficients can be interpreted as showing the elasticities. For instance, a 1% increase in foreign tourist arrivals is associated with a more than 2% increase in total T&T contribution to GDP. This implies that Macedonian tourism industry is highly elastic to the number of foreign tourists. With regards to the total overnights, it is interesting to note that a negative regression coefficient is obtained, which is contrary to prior expectations. This

might be explained as follows: First, the regressor OVER refers to total overnights including both domestic and foreign, though domestic overnights are predominant. For instance, their share in total overnights averaged 75% during 2000-2012. Second, and related to the above, domestic tourists are known to spend low amounts on extra tourism services, which explains why the value added of the tourism industry remains low despite the increasing number of overnights. In this line, one may note the necessity of identifying measures and activities in the line of attracting larger number foreign tourists who will spend much more in additional tourism services. Hence, the introduction of new intelligent ways for tourism promotion of Macedonia is a must (Petrevska & Koceski, 2013).

Conclusion

This empirical investigation has resulted in reaching several conclusions concerning the possibility to estimate tourism contribution to Macedonian economy. The data set covered the period 1993-2012 and the estimations are done by applying the OLS method, as one of the most reliable regression methods.

This research confirmed that the foreign tourist arrivals and total overnights are relevant and significant predictors when referring total tourism contribution to GDP. More precisely, the regression results pointed that these variables exerted economically important influence on Macedonian economy, by showing elasticity. In this line, in a case of having 1% increase in foreign tourist arrivals, it is expected to have more than 2% increase in total tourism contribution to Macedonian GDP, thus presenting high elasticity. Yet, the regression results draw completely opposite conclusion concerning the total overnights due to obtained negative regression coefficient. In this line, some presumptions must be taken in consideration. Namely, this variable encompasses total overnights (nights spent by domestic and foreign tourists) whereas domestic tourists have major domination. Simultaneously, it must be underlined that domestic tourists seems to be very modest consumers since they spend very small amounts on additional

tourism services. Consequently, there is an absence of additional value added to the Macedonian tourism industry, despite the increasing number of overnights during the sample period.

The variable capital investment was excluded since it was responsible for the distortion of the result preventing the precise estimation of the effects of each variable on total tourism contribution to GDP. It seems that regardless the average amount of more than 20 mill. EUR per year, the capital investment in tourism industry, cannot be envisaged as important factor that contributes to national economy.

Beside the several limitations that occurred during calculations in terms of statistical data, yet one may conclude that the presented model may be useful and applicable.

However, several other topics remain open for further research in this area in terms of including more variables, increasing the sample period, making comparisons with similar countries etc.

Generally, this research identified the factors that had an impact over total tourism contribution to GDP in Macedonia. Finally, the paper emphasized that foreign tourist arrivals, as a major influencing factor, is crucial for further tourism development, thus supporting national economy. Therefore, the study underscores the necessity for continuous analysis of tourism direct economic impacts as an important consideration for strengthening Macedonian economy.

References

- Babu, S. S., Mishra, S. & Parida, B. B.: *Tourism development revisited: concepts, issues and paradigms*. Saga, 2008.
- Crompton, J. L.: Economic impact analysis: Myths and misapplication. *Trends*, 30(4), 1993.
- Cypher, M., J. & Dietz, L. J.: *The process of economic development*, Routledge, 2009.

- Frechtling, D. C.: Assessing the economic impacts of travel and tourism - Introduction to travel economic impact estimation, in: Ritchie, J. R. B. and Goeldner, C. R. (Eds). *Travel, Tourism and Hospitality Research*, John Wiley and Sons, 1994.
- Frechtling, D. C.: *Forecasting Tourism Demand: Methods and Strategies*, Butterworth – Heinemann, 2001.
- Gujarati, D. N.: *Basic econometrics*, New York: McGraw Hill, 2003.
- Huybers, T.: *Tourism and developing countries*. Edward Elgar Publishing, 2007.
- Grabowski, R., Self, S. & Shields, P. M.: *Economic Development: A Regional, Institutional and Historical Approach*, Sharpe Inc., 2007.
- Gunn, C. A.: *Tourism Planning - Basics, Concepts, Cases*, Taylor & Francis, 1993.
- Hall, M. C.: The Future of Tourism Research, in: Ritchie, B. (Ed.) *Tourism Research Methods: Integrating Theory with Practice*, CABI Publishing, 221-231, 2005.
- Hayami, Y. & Godo, Y.: *Development Economics: from the Poverty to the Wealth of Nations*, Oxford University Press, 2005.
- Kanbur, R.: *Conceptual challenges in poverty and inequality: One development economist's perspective*, Cornell University, 2003.
- Lundberg, D., Donald, E., Krishnamoorthy, M., & Stavenga, H.: *Tourism Economics*, John-Wiley, 1995.
- Osberg, L. & Sharpe, A.: *Human Well Being and Economic Well Being; What Values Are Implicit in Current Indices?*, Canada, 2003.
- Petrevska, B. & Koceski, S.: Recommending ideal holiday at national level, *Journal of Applied Business and Economics*, 1(1), 15-22, 2013.
- Ramos, A. D. & Jimenez, P. S.: *Tourism development: economics, management and strategy*. Nova Science, 2008.
- Soubbotina, T.: *Beyond Economic Growth: An Introduction to Sustainable Development*, World Bank, 2004.

Stabler, M., Papatheodorou, A. & Sinclair, T.: *The Economics of Tourism*, Taylor & Francis, 2010.

State Statistical Office, *Statistical Yearbook of the Republic of Macedonia*, Skopje, various years.

Todaro, P. M. & Smith, C. S.: *Economic Development*, Pearson Education, 2009.

Williams, A. & Shaw, G.: *Tourism and Economic Development*, Belhaven Press, 1991.
