



Center for Economic Analyses  
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**The Center for Economic Analyses (CEA) is a think tank of economists who share a common vision for the Republic of Macedonia as an emerging new European economy integrated into the regional and worldwide markets.**

**The Mission of CEA is to continuously research economic development and public policy in the Republic of Macedonia and to offer recommendations, suggestions and measures to the government and non-governmental institutions.**

**THE AMERICAN INSTITUTE FOR POLITICAL AND ECONOMIC SYSTEMS SUMMER  
SCHOOL 2007;  
14<sup>TH</sup> OF JULY TILL 7<sup>TH</sup> OF AUGUST 2007**

**Report is prepared by Ms. Anita Popovska, Member and Economist of CEA**

## **BACKGROUND**

In order to fulfill its mission and in order to provide credible services to its clients CEA needs to invest in the technical knowledge of its members. On the other side CEA provides public goods to Macedonia that should be supported by the Government of Macedonia but the Government of Macedonia has so far largely failed to incorporate economic analysis in its governance of the Macedonian economy on a large scale. The possible deficit of credible and sound economic analyses will be more and more important as Macedonia approach to full EU integration.

Given all this the role of the donors in recognizing the importance of existence of independent research institutions and supporting them in their path of building knowledge economy environment is undisputable.

The Fund for American Studies have recognized and supported the idea of building capacity of CEA in the contemporary issues of economics and politics by sponsoring one of CEA's members to attend the AIPES (American Institute on Political and Economic System) summer school programme organized by the Georgetown University from Washington DC, USA and the Charles University from Prague, Czech Republic, in Prague, Czech Republic, from July 14<sup>th</sup> till August 7<sup>th</sup>, 2007.

CEA member attending the course was Ms. Anita Popovska. Anita will prepare the whole report for the three-week attendance on the summer programme.

## **ABOUT THE PROGRAMME IN GENERAL**

The American Institute on Political and Economic Systems (AIPES) is an academic program designed to explore the political, economic and cultural issues of the world as it grows under democratic principles. AIPES embodies diversity and culture as its cornerstone to educating future leaders. AIPES was launched by The Fund for American Studies (TFAS) in 1993 to capitalize on the historic opportunity created by the collapse of communism. AIPES was created in order to introduce the foundations of democracy and free market economics to young leaders from nations that have emerged from the collapse of communism. Students gather to study the basic foundations of a free society, and are encouraged to apply these



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concepts to the transitions taking place in their home countries. The success of the Institute is evident by the growth of the programme. Beginning as a pilot program of 35 students in 1993, the Institute grew to 55 students from 11 countries by 1994; and by 2007, the Institute grew to over 150 participants from 30 countries representing over 80 universities.

Students who attended this year's programme, had a chance to study the basic foundations of a free society, and are encouraged to apply these concepts to the transitions already taking place in their home countries. Students from a wide range of nationalities, religions and ethnicities had a chance to interact, learn and share their experiences in ways that can benefit their educational and professional development. American students were given an opportunity to discover distant cultures, which once were divided by the barriers of the Cold War.

For three weeks, I as well as other participants in the programme have attended classes in the courses of Economics and Politics, participated in a parliamentary simulation, listen to prominent speakers, and attended to special events designed to engage us in an educational, cultural and social exchange. These combinations of activities lead to life-long friendships and a unique exchange of ideas that in my opinion cannot be gained elsewhere.

## **COURSE'S DESCRIPTION**

### ***Interdisciplinary Course in Political Economy: American Political and Economic Systems of Organization***

The Institute's curriculum engaged the participants in a thorough examination of fundamental **political and economic concepts**, using the American model as its focus. The course was divided into two components -- government and economics.

**The Government Component** examined the principles, structures and theories of the American system of constitutional government in the context of such fundamental concepts as majority rule, the protection of minority rights, civil rights, civil liberties, and mediating institutions. The course covered the founding principles of American government and the mechanisms that serve to separate and diffuse political power. Lectures focused on the structure, role and relationships of the major branches of the national government; as well as the role of political parties, the media, and interest groups in transforming public opinion into public policy.

As part of the government component, we were given the opportunity to use their political and economic knowledge in a parliamentary simulation. We had written laws on contemporary political and economic issues, and debated and voted on the legislation on the floor of a hypothetical parliament.

**The Economics Component** was organized around the idea of the market economy. The existence of the market raised many important questions. What are the advantages of markets? What social functions do they perform especially well? What are the limits of markets – and what is the corresponding economic role of the state? These are the questions that defined the first part of the course.

This understanding of the role of markets *within* countries informed us about international, regional and global market structures. The second part of the course therefore surveyed



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important theories in economics and political economy regarding international trade, international finance, currency markets, and globalization.

Since the time was limited, I did not hope to learn everything about economics (especially all the technical analysis for which economists are famous). But I learned something about the most important economic problems that the world's leaders face today (and will face tomorrow) and the ways that economists try to understand and solve them. The goal of the course, therefore, was to study the economics that tomorrow's leaders will need to understand if they are to solve tomorrow's economic problems.

### **COURSE'S RELEVANCE TO MACEDONIA**

The course on Economics is especially relevant for further developing of the knowledge in the economic theory among economists in the Republic of Macedonia, and also it is relevant for the trends of Macedonian economy.

The second course on Politics is very relevant since Macedonia is experiencing a low level of debate and communication among political parties, and among politicians themselves.

### **FUTURE ACTIVITIES**

During the programme, I had the chance to meet and establish close relations the other participants from different countries in the world and also have met with very distinguished people like the Prime minister of the Republic of Estonia, Mr. Andrus Ansip and his Chief of Staff, Ms. Ruzica Djindjic, who is the current president of the Board of the Fund of Dr. Zoran Djindjic, Professors and Academic Staff from both Georgetown University from USA and the Charles University from Czech Republic, as well as from the Harvard University from USA, and therefore I deeply recommend for CEA to organize some kind of event on which they will attend and also for the USAID to sponsor this kind of event, which will be mostly in benefit of promoting CEA's capacities and also it will contribute in promoting Macedonia abroad.

I deeply recommend this course to Macedonia and to the other members of CEA. Also, I recommend and encourage USAID to sponsor studies on these topics as soon as possible. CEA is open to do research on these topics. One instrument can be for CEA members to work together with relevant professors at the Georgetown University from Washington DC, and at the Charles University from Prague on a specific topic thus, preparing relevant studies and/or research.