

THE 2012 SEE MANAGEMENT FORUM

How to Improve Competitiveness of SEE: Context, Strategy, Economic Policies and the Role of Business Leaders

September 19-20, 2012

Chamber of Commerce and Industry of Serbia Belgrade

Under the patronage of the Government of the Republic of Serbia



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The South East Europe (SEE) economy is clearly struggling to recover from double dip recession of unusual depth and duration. Reductions in tax receipts, the stimulus spending necessitated by the financial crisis and rapid growth in the health care outlays due to population aging are to leave governments with soaring deficits and debts. In the same time SEE national economies face less visible but more fundamental challenge: a series of underlying structural changes that could permanently impair their ability to raise the competitiveness. Today the danger of doing nothing is most serious problem for policy makers. Also, if government and business leaders react only to the downturn and fail to confront deeper challenges, they will leave the economy with weak long-term prospects.

Business leaders from the region can and must play a far more proactive role in transformation of competition and investing in local industries than being passive victims of controversial public policy. We could have double digit economic growth for the next two decades and still have big deficits and indebtedness. Deficits and debt consume the resources we must invest in keeping the SEE competitive. That would not address the fact that demographics have changed and health care costs are increasing at a much faster rate than the GDP. The rate of growth of health care costs in these countries should be, at most, one percentage point more than the GDP growth rate due to population aging. We could not solve the problem just by raising taxes. Also, mentioned contradiction cannot be solved entirely with cost cuts. The solution will require economic growth. It will require industry policies, some revenue which could come from new investments, monetary model justification, simplifying the tax code, broadening the tax base, and eliminating the deficit back door spending.

In times of crisis, business as an institution faces rising skepticism in society. Not to decide is to decide. All of us in business must put aside our individual wish lists and think about what is really important for the country. If we are unwilling to do that, then future generation, are going to be in a word of hurt. Polarized and sometimes paralyzed political system is not alibi for business leaders. In some national economies big state investments in infrastructure development lead to "crony capitalism" which triumphs at the expense of the entrepreneurship and true innovation. Current account and budget deficits are a new bubble, one with terrible ripple effects. Some current SEE strength such as workforce skill levels were seen as declining. The SEE cannot enjoy any more a "late mover" advantage relying on cheap labor, natural resources and imported ideas and innovations. The raising costs of labor, energy, and raw materials are already undercutting the competitiveness. In the future the main competitive tenet will not be "made-in SEE" but "created-in SEE". To do that you need strategists, first-class researchers, inspired entrepreneurs, imaginative financiers and statesmen.

From macro perspective, a competitive nation requires sound monetary and fiscal policies, strong human developments, and effective political institutions. Macro foundations create potential for long term productivity, but actual productivity depends on microeconomic conditions that affects business itself. A competitive nations exhibit a sound business environment including imaginative industry leaders, strong clusters of firms and supporting institutions such as technological platforms. All previous requires stronger links among innovators, businesses, and universities. Discrete reforms would undoubtedly help, but real progress will come only from a systemic, well choreographed approach to creating positive sustainable change.

AGENDA

Tuesday, September 18		
Serbian Business Club “Privrednik”		
20.00-21.00	Welcome Party	
Wednesday, September 19		
Chamber of Commerce and Industry of Serbia, Resavska 13-15		
08.30-09.00	Registration	
09.00-09.30	Welcome address	
	Milos Bugarin , President, Chamber of Commerce and Industry of Serbia Aleksandar Vlahovic , President, Serbian Association of Economists	
09.30-09.50	Keynote speech	
	Ivica Dacic , Prime Minister, Government of the Republic of Serbia	
09.50-10.20	Special guest	
	Indermit Gill , Chief Economist for Europe and Central Asia, World Bank	
10.20-11.20	Plenary session 1: Macroeconomic context and new competitiveness strategy	
	Jorgovanka Tabakovic , Governor, National Bank of Serbia Rasto Ovin , Deputy President of the Fiscal Council of Government of Slovenia Kemal Kozaric , Governor, Central Bank of Bosnia and Herzegovina	
11.20-12.40	Plenary session 2: New competitiveness strategy basics	
	Joze Mencinger , Professor, School of Law, University of Ljubljana Ljubo Jurcic , President, Croatian Association of Economists Dragan Djuricin , Professor, School of Economics, University of Belgrade Erhard Busek , President, IDM Austria	
12.40-13.00	Coffee break	
13.00-14.30	Plenary session 3: Beating crises: Policy perspective	
	Loup Brefort , World Bank Office Director in Serbia Miroljub Labus , Professor, School of Law, University of Belgrade Kosta Josifidis , Professor, School of Economics, University of Novi Sad Radovan Jelasic , CEO, Erste Bank, Hungary Tihomir Domazet , President, Croatian Institute of Finance and Accounting Vladimir Vuckovic , Member of the Fiscal Council, Serbia Slavko Caric , President of Executive Board, Erste Bank, Serbia Matjaz Rakovec , President of the Management Board, Zavarovalnica Triglav	
14.30-15.30	Plenary session 4: The use of translational science and technological platforms	
	Petar Petrovic , Professor, Faculty of Mechanical Engineering, Belgrade University Rok Ursic , President, Instrumentation Technologies, Slovenia Mark Plesko , President, Cosylab, Slovenia Dragoljub Vukadinovic , Chairperson, Metalac Gornji Milanovac Branislav Grujic , Chairperson, PHP Farman Stjepan Car , Chairperson, Koncar–Electrical Engineering Institute, Croatia	
15.30-16.00	Lunch – sponsor Chamber of Commerce and Industry of Serbia	
16.00-17.30	Panel 1: Energy and environmental policy proposals	Panel 2: Information and communication technology as a development challenge
Parallel tracks	Panel host: Aca Markovic , Chairperson, Elektroprivreda Srbije Panelists: Vojin Lazarevic , Chairperson, Rudnap Group Peter Baloh , Member of the Board, BISOL Dusan Bajatovic , CEO, Srbijagas Goran Novakovic , Partner, Energowind David Allison , HSE director, NIS Stjepan Car , Chairperson, Koncar–Electrical Engineering Institute, Croatia	Panel host: Branko Radujko , CEO, Telekom Srbija Panelists: Ivica Mudrinic , Chairperson, T-HT Goran Vasic , Chief Corporate Affairs Officer, Telenor, Serbia Biljana Weber , General Manager, Microsoft Peter Hajdu , General Director SEE, Cisco Systems Hungary

17.30-19.00	Panel 3: The role of fast growing companies in economic recovery	Panel 4: Influence of political, physical and conceptual infrastructure on human capital
Parallel tracks	Panel host: Goran Percevic , CEO, Interkomerc Panelists: Miroslav Okuka , CEO, Tarkett Eastern Europe Miroslav Bogicevic , CEO, Farmakom Jasmin Hoso , CEO, Tondach SEE Tomislav Debeljak , Chairperson, DIV, Croatia Janez Skrabc , President, Riko	Panel host: Toplica Spasojevic , President, Serbian Association of Corporate Directors Panelists: Vidosava Dzagic , Vice President, Serbian Chamber of Commerce Ana Trbovic , Professor, FEFA Vidoje Vujic , Acting President, Primorsko-Goranska County Nadya Zhexembayeva , Coca-Cola Chair for Sustainable Development, IEDC-Bled School of Management
Thursday, September 20		
Chamber of Commerce and Industry of Serbia, Resavska 13-15		
09.00-09.15	1st Day panel reports	
09.15-09.35	Keynote speech	
	Mladjan Dinkic , Minister of Finance and Economy, Government of the Republic of Serbia	
09.35-10.05	Keynote speech: What to do from glocal perspective?	
	Danica Purg , President, IEDC-Bled School of Management Aleksandar Vlahovic , President, Serbian Association of Economists	
10.05-11.35	Plenary session 5: Innovative financiers in crisis	
	Draginja Djuric , President of the Executive Board, Banca Intesa, Serbia Dejan Soskic , Professor, School of Economics, University of Belgrade Philippos Karamanolis , President of the Executive Board, EFG Bank, Serbia Goran Pitic , President of the Management Board, Societe Generale Bank Serbia	
11.35-12.15	Plenary session 6: How to improve competitiveness: Policy perspective	
	Mladen Vedris , Professor, School of Law, University of Zagreb Dusan Vujovic , Professor, FEFA	
12.15-13.45	Panel 5: Regional business alliances in agriculture, food processing and confectionary	Panel 6: The new role of insurance industry
Parallel tracks	Panel host: Miodrag Kostic , Chairperson, MK Group Panelists: Slobodan Petrovic , CEO, Danube Foods Enzo Smrekar , Senior Executive Director and Member of the Board, Droga Kolinska/Atlantic Group Ante Todoric , Executive Vice Chairperson, Agrokor Zoran Mitrovic , Chairperson, Victoria Group Bojan Radun , Executive Director, Nectar Zlatko Bazianec , Director, AT Kearney Zvonimir Mrcic , Chairperson, Podravka	Panel host: Rudolf Ertl , Member of the Extended Executive Board, Vienna Insurance Group Panelists: Milenka Jezdimirovic , CEO, Dunav Insurance Antonio Marchitelli , CEO, AXA Insurance Andrea Simoncelli , Chairman and CEO, Delta Generali Insurance Franz Weiler , Executive Director, UNIQA International Representative of Zavarovalnica Triglav TBC
13.45-14.00	2nd Day panel reports	
14.00-14.30	Closing keynote	
	Toplica Spasojevic , President, Serbian Association of Corporate Directors	