
LANDLOCKED DEVELOPING COUNTRIES AND CHALLENGES TO COMPETE TO THE GLOBAL MARKETS: THE MACEDONIAN CASE

Riste Temjanovski*¹

¹”Goce Delcev” University – Stip - Faculty of Economics – Stip (UGD) – Prof. Riste Temjanovski, PhD
”Goce Delcev” University – Stip Faculty of Economics – Stip ”Krstev Misirkov” bb – Stip P.O. box 201
Republic of Macedonia, Macedonia

Abstract

Often asked question is why landlocked countries are among the poorest in the world with exceptions of several ones, such as Swiss, Austria, Luxembourg etc. Compared with their coastal neighboring countries, they cope with many disabilities and disadvantages from the outset. The main characteristic of these countries is primarily continental geographical position and landlocked, unfavorable characteristics of their foreign trade. The situation is almost always alarming when beside geographical and infrastructural disadvantages landlocked coincides with other non-geographical factors such as inadequate neighboring policy, trade limitations, bad institutional environment, the inaccessibility of the regional integration, inadequate economy policy, interim political crisis etc.

Based on meaning of transport abilities to compete to global market, landlocked countries are obligated to favorize transport infrastructure to escape the isolation and keep abreast of the economic competition in regional and global space. With this ”geographical handicap” country becomes dependent on also with economic and legal policies and regulations of the transit countries, their neighboring, and through its location, size and quality of transport infrastructure, its foreign trade is not entirely under its control.

High costs transit is an important obstacle to their competitiveness in global markets. Because of these limitations and obstacles in the development gap between these countries and other developed countries and developing countries that come out more upsetting. But only by improving the infrastructure cannot solve the problem facing the closed economies. Openness of economy and participation in the international business flows requires extensive cooperation with the overall environment and an appropriate setting for greater development.

This article examines geographical and non-geographical amenities landlocked developing countries coped to strength global market competition, with primarily focus on Republic of Macedonia.

Key Words: landlocked, global market, competition, transport policy, regional cooperation

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*Speaker