

BOOK REVIEWS



THE INTERNATIONAL MONETARY FUND AND THE REPUBLIC OF CROATIA

**Ana Vizjak
Elvis Mujačević**

(2011), Faculty of Tourism and Hospitality Management, Opatija,
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The book by prof. dr. sc. Ana Vizjak and prof. dr. sc. Elvis Mujačević entitled THE INTERNATIONAL MONETARY FUND AND THE REPUBLIC OF CROATIA, Setup, Structure and Development was printed in October of 2011. The contents of this book are a reflection of the needs of students studying at faculties of economics, and all who engage in economics. Such literature, which presents all the relevant and the latest information on the IMF, its setup, structure and activities, is hard to find in Croatia. All data are presented in one place, which is especially significant. The above-mentioned data are especially relevant at this particular point in time, when Croatia faces severe economic crisis and needs to closely cooperate with the IMF in terms of credit and economic co-operation.

The book consists of 281 pages of densely written text, divided into seven chapters, the introduction, conclusions, tables and addendums, and 233 footnotes. This is the first complete book of this kind in Croatia, fully adapted to students and other users engaged in the field of finances and economy. The book was written clearly and legibly, and the terminology is adapted to the economic profession, providing all the necessary information and examples.

The subject of analysis is the IMF and its impact on the world economy. It is analysed as a powerful world financial and economic organisation. The book was accepted by the authorised committee for university textbooks as an university textbook.

After the Preface and the Introduction, the authors provide analysis in the following chapters:

1. The Need for the Setup of the IMF, accompanied by more significant topics, such as: historical conditions which stimulated the setup of the IMF, with the following sub-topics: the basics of post-war economic structure, the IMF – an important factor of international economic order, functioning of the IMF, co-operation between private capital and the IMF, global monitoring of the world economy and finances by the IMF, social and economic changes in the Eastern Europe and Asian countries from 1990 to 2004, globalisation and economic crises from 2005 until present time, general remarks on the co-operation between the World Trade Organisation and the IMF, and co-operation between the IMF and the International Bank for Reconstruction and Development – IBRD.

2. Organisational Structure of the IMF with the following topics: International Monetary Fund - IMF, setup of the International Monetary Fund – IMF, functioning of the IMF, development and activities of the IMF organs and bodies, management organs of the IMF with all the relevant organs, such as: the Board of Governors, IMF Ministry Boards, Executive Board of the IMF, Managing Director, Fiscal Affairs Department, Monetary and Capital Markets Department, Legal Department, Strategy, Policy and Review Department, Research Department, Statistics Department, IMF Education Institute, IMF Regional Offices, four supporting departments – External Relations Department, Technology and General Services Department, Secretary's Department, Human Resources Department, Club of Ten, Committee of Twenty, Interim Committee, IMF offices around the world, the Prominents' Board, the IMF Ethics Office and Integrity Hotline.

3. Reform Activities of the IMF, covering the following topics: Two-Year-Plan of future IMF activities, strengthening and protection of the voters in underdeveloped countries, co-operation of the IMF with intergovernmental groups, co-operation between the IMF and civil society organisations, the media and renowned members of academic communities, Independent Evaluation Office, transparency of IMF activities, the UN and IMF Millenium Development Goals.

4. Financial Structure of the IMF and Its Activities with the following topics: financial activities of the IMF, IMF quota system, types of credit operations, drawing rights, special drawing rights (SDR), types of IMF loans, the procedure of obtaining credit arrangements by drawing rights, determination of the participation quotas, instruments of IMF crediting, the IMF and co-operation with other international financial institutions, compilation of the IMF balance of payments, various IMF assistance programmes for underdeveloped countries, provision of technical support by the IMF to underdeveloped countries, stand-by arrangements, methods for solving debt crises, IMF assistance to the poorest countries, problems and perspectives of future IMF activities regarding the poorest countries.

5. Impact of the World Economic Crisis on IMF Activities: Norwegian economic system – an example for others, the world economic crisis and advice by the IMF for its solving, collapse of international trade and the world financial system, meeting of the G-20 group covering the topic of world economic crisis, the social aspect of the world economic crisis, increase in the capital of the IMF allocated for more successful solving of the crisis, the impact of triple capital resources of the IMF on world crisis effects, a brief overview of IMF activities, growing negative effects of the world economic crisis, prognoses of the IMF for overcoming the world crisis, the impact of the world economic crisis on the social component, behaviour of the most developed countries towards the world economic crisis, the IMF and introduction of a new reserve currency in its business transactions, how would a new model of the IMF and its role in the world economic system appear, the United Nations support China's concept, the IMF and the EU support domination of dollar in the world economic system, the first signs of overcoming the world economic crisis on the examples of Germany and China, the first countries which have resolved the issue of the world crisis, meeting of the IMF G-20 groups in Seoul, growing protectionism reduces economic possibilities of trade, the necessity for social and economic reforms in the EU with the purpose of stimulating economic development, great social and economic differences in the EU, realistic economic state in Europe, Germany and common European currency, Ireland – a candidate for bankruptcy, EU Member States which might soon go bankrupt, Spain on its way to bankruptcy, Portugal moves towards bankruptcy, Italy – a candidate for bankruptcy.

6. Co-Operation Between the IMF and the European Union, the EU, EMU and the IMF, EMU serving future economic and financial development of the EU, co-operation with the IMF, political stimulations for development of the EMU and its institutional activities, loss of EU influence on IMF activities, determination of the financial position of Europe in the IMF,

reactions of significant EU officials to the world economic crisis, implementation of the IMF reform and contribution of the European Union, legitimacy, resources, relevance, European Union officials call IMF to consider the Tobin tax, the Lisbon Treaty should secure the EU a seat in the IMF boards, the European Union provides new financial resources for IMF activities, visits by the IMF and the EU and the mission to Romania, co-operation between the IMF and the EU providing technical support to Africa, the impact of the world economic crisis on the new EU members and IMF activities, the attempt of setting up of the European Monetary Fund – EMF.

7. Co-Operation Between the IMF and the Republic of Croatia, history of co-operation between the Republic of Croatia and the IMF, co-operation between the ex-Yugoslavia and the IMF, co-operation between independent Croatia and the IMF, the IMF and the Croatian economic system, Croatian globalisation experiences and adoption of the IMF system, Croatian governments, globalisation and the IMF, foreign capital in Croatian economy and the IMF, connection between the WTO, the IMF and Croatia, creation of a favourable economic strategy with the assistance of IMF, realised financial arrangements of the Republic of Croatia, perspectives of future development of the Croatian economy with the assistance of the IMF, tourism expressed through the balance of payments of the Republic of Croatia by using the IMF balance of payments system, the IMF balance of payments model, balance of payments of the Republic of Croatia, history of development of the balance of payments, realisation of the gross domestic product – GDP – in the Republic of Croatia, methodology of expressing tourism in the balance of payments of the Republic of Croatia, the concept of the balance of payments and foreign exchange balance in Croatia, realistic state of Croatian economy and predictions during the world crisis, new credit arrangement at the World Bank, Croatia's credit rating at the end of 2009 and the prediction for 2010, analysis of the GDP of the ex-Yugoslavia and all the countries which emerged after its collapse.

It should be pointed out that the main value of the book is presentation of all the available data on the structure and activities of the IMF as one of the most important financial and economic segments of the world economic system, which the authors had collected from various foreign and domestic sources and included them in the book. This book is especially useful as a university textbook, and it is important for university education. It may also be useful to economists conducting research, as well as politicians, as a starting point for solving individual economic issues in their respective fields.

Prof. Goran Marijanović, PhD
University of Osijek
Faculty of Economics
Trg Ljudevita Gaja 7
Osijek, Croatia

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WHO IS WHO IN Croatian tourism and hospitality

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The celebration of the 50th anniversary of the Faculty of Tourism and Hospitality Management and the 20th anniversary of Croatia's independence have been the reasons why, in cooperation with the professional journal with the longest tradition - „Hospitality and tourism“ (it has been published for 59 years)- the comprehensive edition on human resources in Croatian tourism and hospitality „WHO IS WHO IN CROATIAN TOURISM AND HOSPITALITY“ has been launched.

Although scientists and professionals have divided opinions on the quality of domestic hospitality and tourism management, both agree that domestic managers lack permanent professional education when compared to world trends. However, it should be noted that Croatian graduates leave their faculties with the same or even higher quality of hospitality and tourism knowledge. The problem is in continuing the process of management learning and training throughout their careers, which is very rare in Croatian hospitality enterprises. We strongly believe that this edition will contribute to changing the perspective on the importance of continuous development and professional qualification.

The very mention of some of the names of distinguished tourism and hospitality colleagues will surely awaken fond, yet nostalgic memories with previous generations of tourism and hospitality workers when reminded of the great contributions these great individuals have left behind. What we are primarily referring to are their first steps as pioneers for the development of the tourism and hospitality industry, as well as the way they ran businesses and cooperated with their employees and partners. Although that by mentioning the names of certain individuals who are rightfully considered to be leaders of the Croatian tourism and hospitality industry negative associations might be awakened with some readers, it is undeniably true that these people had very charismatic personalities.

There is a growing trend of employing foreign managers in order to protect invested capital, even though they are rarely seen as the bearers of something new, something better, more modern or more successful in tourism and hospitality business.

The first glance at the numerous and diverse organizational structure of professional associations, organizations, and groups points to the conclusion that in Croatia there is a great potential of highly distinguished individuals who are the leaders of economic subjects, societies, boards and other businesses who could act in synergy (and with great energy) to contribute to a better positioning of tourism and hospitality.

We hope that the names mentioned in this edition constitute a warranty that the future of Croatian hospitality and tourism will be even better and of higher quality. We believe that this is the most complete edition of its kind in Croatia since it consists of 700 curriculum vitae of managers who work in tourist institutions, educational institutions, consultancy firms, national and regional associations as well as all levels of hospitality and tourism. This is a useful guide as well as historical overview of the individuals who created, are creating and will create the tourism industry.

Prof. Vlado Galičić, PhD

University of Rijeka

Faculty of Tourism and Hospitality Management, Opatija

Primorska 42, P.O. Box 97, 51410 Opatija, Croatia

e-mail: vladog@fthm.hr