

REGIONAL COMPETITIVENESS INDEX - THE CASE OF CROATIA

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Abstract

Using the English economic terminology, the paper's objective is to explain the regional policy, development, and the Republic of Croatia's directives, with a special emphasis on eastern Slavonia. This research provide the national policy incumbents and the counties with a basis for the formulation of developmental policies streamlined toward a uniform regional development as well as to increase the productivity and competitiveness of certain area

Analyzed in the paper is the Global Competitiveness Index (GCI), which evaluates the Croatian economy and devises a report on the competitiveness of global economy. Also analyzed in the paper is the Regional Competitiveness Index (RCI) in a triennium (2007, 2010, and 2013) for the territory of eastern Slavonia, populated by 797,891 inhabitants, i.e., by 18.9% of the entire Republic of Croatia's population. We applied a comparative analysis of eastern Slavonia and of the Republic of Croatia pursuant to the statistical and perceptual indicators. The secondary data sources (for comparative analyses) were used, significant on national an EU level. Research was conducted using the methodology of the World Economic Forum (WEF) and of the International Institute for Management Development (IMD), wherewith a consistency concerning the competitiveness measurements on a national level is obtained.

With regard to the previous regional competitiveness researches (Regional Competitiveness Index 2007, Regional Competitiveness Index 2010), the alterations in the competitiveness profile of certain counties are observable in 2013, but the least competitive counties have remained to be so, while the most competitive ones have retained the previous status. Most of the indicators used, like the gross domestic product (GDP), employment, and unemployment, manifest the results of a developmental behavior, not the factors on which a developmental capacity depends. According to the GCI, the Republic of Croatia has stagnated the last 10 years.

Therefore, the Regional Competitiveness Index, in view of methodology and focus, contributes to the enrichment and systematization of informational basis concerning the factors on which competitiveness, and thereby also a developmental performance on a county level, i.e., on a subnational level, depend.

Key words: *Economic terminology, Regional Competitiveness Index, Global Competitiveness Index.*