

Craftsmanship and local economic development: a Veles municipality case study

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Abstract

Craftsmanship is the oldest work activity that represents human occupation. The existence of Craftsmanship as a business framework dates back to the time before the Second World War. In this period, Craftsmanship included a high trend in society. Taking into account the low level of technological development in this period of time, craftsmanship was the main driver of the economy. As a result of the industry development and the importation of better quality and cheaper handicraft products with an attractive aesthetic appearance from other more developed countries, many of the crafts disappeared, while those that managed to survive were threatened with extinction. However, the craft sector in the Republic of North Macedonia does not stop here. Despite all the obstacles, this became a motive and a reason for new and unique craft activities to appear and be applied in different sectors of the economy, encouraging the craft activity to spread and cover a larger part of the supply side of the market and with that to cover a wider consumption of the population. Its role in the development of entrepreneurship is big, given that the craft supports and helps the normal life course of the population. Craftsmen are entrepreneurs who, with their knowledge and skills, new ideas and desire to upgrade, struggle daily with various challenges for placing their innovative ideas on the market, for promotion and obtaining greater support and assistance from the government, through grants and subsidies as well as for the preservation of traditional crafts that reflect our country and make it unique. From a craft perspective, greater involvement by the state is necessary through development measures and support programs, greater communication between competent institutions and greater protection of this sector, which is small and yet contributes a lot to development.

Keywords: craftsmanship, artisan entrepreneurship, business challenges, economic development, business strategy

Introduction

In recent decades, craft entrepreneurship has garnered significant attention within both the economic and academic communities, particularly in the field of entrepreneurship studies. This growing interest is largely attributable to the expansion of creative and innovative industries that emphasize handmade production of goods and services rooted in local cultural heritage. These industries prioritize traditional skills and produce culturally distinctive handicrafts, reflecting a strong sense of regional identity and cultural authenticity.

Crafts are an integral part of the economies of certain countries, especially emerging economies, and low-developed economies. Crafts are an activity based on the production of industrial objects using small manual labor, which continues to the production process mechanically and is located at the bottom of the production process. The term craftsman is used for a person who is engaged in the professional production of objects.[3]

The origins or first forms of so-called Craft Entrepreneurship are thought to date back to the seventeenth century, as presented by Friedrichs [9] in his study of wool weavers in the German town of Nördlingen who were facing difficulties in coping with economic and environmental change. According to certain historical records and in the period after that, a large number of American commercial companies aimed to improve the quality of craftsmanship in order to adapt to market changes and open up new markets abroad. From a modern perspective, the development and expansion of craft entrepreneurship is currently increasing because craft entrepreneurship is at the heart of the creative economy [10], and one of the sub-sectors of the creative industry. [11]

2. Understanding Craft and Artisan Entrepreneurship

The craftsmanship is included in every aspect of our life. Artisan entrepreneurs are believed to generate social value through active engagement in community-based business practices, but dominant in traditionally family business sectors.

Research on family business as a significant potential of artisanal entrepreneurship today largely embraces and cultivates the perspective of tradition as a resource, using the innovation through tradition (ITT) strategy to illustrate the mechanisms that enable family firms to innovate products that stem from their local and organizational traditions [17]. The potential to reinterpret tradition highlights a strong connection between tradition, craftsmanship, and creativity. Viewing tradition as a foundation for envisioning future possibilities underscores its transformative role in the process of (re)imagination [19]. This process influences not only the crafted products themselves but also shapes the entire entrepreneurial approach. The drive to sustain family business traditions by infusing them with fresh innovation and research has led to viewing tradition as a vital resource. This approach, known as the Innovation Through Tradition (ITT) strategy [20], demonstrates how family-owned firms can create products rooted in local and organizational traditions.

Numerous studies show that their motivations vary depending on how embedded they are in their communities. This variation stems from the diverse nature of artisanal practices. Craftsmanship is directly linked with the early human existence, when there was nothing else in the world other than what the nature gave us, man learned how to create products from basic natural resources primarily for survival and personal existence, and then goods and services for sales and earning. This is essentially what Craftsmanship represents, creating something from basically nothing that

is equally useful and unique, which develops entrepreneurial skills, ideas and development abilities for the craftsman itself. Along with the development of technique and technology, the craft sector is also developing, producing in an easier way than before, the Craftsmen improve their products and from products for their own basic needs, it gives the Craftsman an opportunity to earn money through sale. That is why we say that Craftsmanship skills are a gift to the person whom they belong and a guarantee that there will always be a way to earn money, provide and secure their own existence in a world with fast paced economy and economic changes. However, the craft sector is not left out of the changes that come with the development of technique and technology and is strongly affected by the challenges that globalization brings with it.

Both craft and artisan entrepreneurship are forms of small-scale business that center around creativity, craftsmanship, and a deep connection to the product. These types of businesses involve individuals or groups who make and sell handmade or specialized items, but they each have unique purposes and impacts within their communities.

2.1 Craft Entrepreneurship

Craft entrepreneurship is defined by an entrepreneur's focus on producing and selling handmade, high-quality products. These products often include items like ceramics, woodworking, textiles, and jewelry, all of which emphasize the artistry and craftsmanship of the maker. Craft entrepreneurs typically develop businesses rooted in their unique skills, turning creative pursuits into financially sustainable ventures.

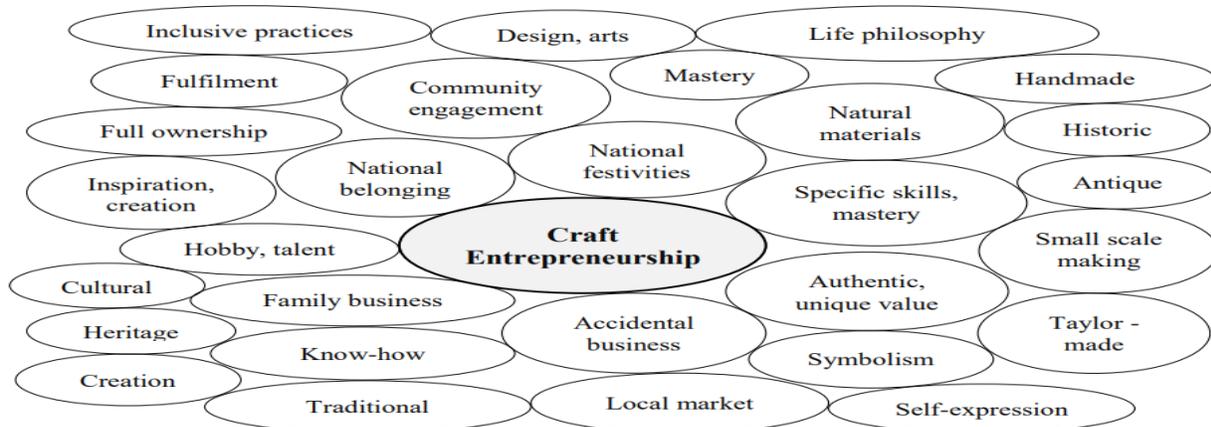


Figure 1 Entrepreneurs' perspective on the specifics of craft entrepreneurship,

Source: Smagina, A., & Ludviga, I., p.405. [15]

Key Aspects of Craft Entrepreneurship:

- **Focus on Skill:** Craft entrepreneurs often draw on specialized, sometimes generational skills, which makes their work highly personal and quality-driven.
- **Customer Interaction:** They tend to engage closely with customers, often creating customized experiences that build strong, loyal relationships.
- **Sustainability:** Many craft entrepreneurs prioritize ethical production, using local or eco-friendly materials. This often appeals to consumers who value responsible purchasing.

Craft entrepreneurship contributes economically to local areas, particularly where traditional crafts are embedded in the community. Recent studies suggest that these businesses support the local

economy by sourcing materials and hiring within the community, while fostering a shared appreciation for cultural heritage [4]

According to Rondi et al. [18] the first step is to internalize traditional knowledge by identifying, selecting, and preserving it, whether as tacit understanding or structured information, to ensure it can be effectively passed down and replicated [23]. Once internalized, this knowledge can be reinterpreted to craft products with new functions or meanings, giving customers fresh incentives to engage with these offerings [21]. Although there is evidence that family businesses can leverage tradition as an innovation source [22], there remains a gap in understanding how artisanal family businesses can evolve their production and entrepreneurial strategies, especially those in which tradition and artisanal imagination are central.

2.2 Artisan Entrepreneurship

There are different opinions, perspectives and approaches in the literature to address the issue of artisanal entrepreneurship. According to Solomon and Mathias [12], artisanal entrepreneurship is seen as work completed by an individual or group of individuals who emphasize manual production, independence over conglomeration, local community over scale, and value creation over profit maximization.

Artisan entrepreneurship shares similarities with craft entrepreneurship, yet it brings a different emphasis. Artisan entrepreneurs are often driven by a mission to create social or cultural value. Their businesses focus not just on high-quality products, but also on preserving cultural heritage and addressing community needs.

Artisan entrepreneurship makes significant contributions to the economy and society [6] Ramadani *et al.* [7] discover how drawing on the traditional Macedonian practice of artisanal beekeeping enables entrepreneurs to contribute to the transition economy, lending them stability in an unsteady political and economic environment.

Key Aspects of Artisan Entrepreneurship:

- **Community-Centered:** Artisan entrepreneurs are often deeply rooted in their communities, with a goal of uplifting local society through their work. This might involve hiring locally, using regional resources, or reinvesting profits into community initiatives.
- **Cultural Preservation:** Many artisan entrepreneurs work to keep traditional skills alive, using their businesses as a way to celebrate and sustain cultural practices that might otherwise fade [5].
- **Socially Driven Goals:** These entrepreneurs often prioritize social impact over profit, with motivations stemming from a desire to preserve culture and benefit their community.

According to Temjanovski and Svrtinov [16] today's successes in the business sector in different countries with different cultural "colorings" undoubtedly requires "literacy" and understanding of different cultures. By multi-cultural literacy we mean understanding how differences in culture in different countries or within the same country can affect the way business is done. In this age of global communications, rapid transportation and world markets, when the era of the global village seems to have just arrived, it is easy to forget how different different cultures really are. Beneath the thin surface layer of modernity, deep cultural differences often remain. To what extent are certain "traces" or threads of cultural identity contained in the entrepreneur's profile. The driving force of entrepreneurship, the ability for growth and transcendence, for success that leads to new ventures, is initiated by different cultural environments and directed towards different national cultures, it represents a primary gift of the creative nature of entrepreneurship, the gift that stimulates human imagination and constantly encourages it to constantly prove and achieve.

2.3. Distinctions Between Craft and Artisan Entrepreneurship

The primary distinction lies in their objectives and community impact. While both types value quality and skill, craft entrepreneurs typically focus more on creativity and customer connection, while artisan entrepreneurs are more community-driven, focusing on social good and cultural heritage.

Table 1 Distinctions Between Craft and Artisan Entrepreneurship

Aspect	Craft Entrepreneurship	Artisan Entrepreneurship
Core Focus	High-quality craftsmanship and creativity	Social impact, community welfare, and culture
Motivation	Personal passion and skill	Desire to benefit society and preserve heritage
Tradition Connection	Often skill-based, not always culturally focused	Strongly rooted in cultural heritage
Social Impact	Indirect, through local economic contributions	Direct, emphasizing community improvement

Source: Author's notes.

Craft and artisan entrepreneurship each bring unique benefits to their communities by promoting economic sustainability, preserving traditions, and fostering social connections. Together, they enrich local economies and uphold values that resonate beyond profit.

3. Legal framework of the craft sector

In accordance with the Law of Craftsmanship of the Republic of North Macedonia [1], any physical person who performs a craftwork activity and is registered in the Craft Register is considered a Craftsman. According to the last changes of this law, in the Craft Register, in addition to Craftsmen as a form of organization, other forms of business entities that perform craft activities are obligated by law to be registered in the Craft Register for which they receive a Craft Work Permit. By craft activity is meant a production or service profit activity for which the following characteristics apply:

- Production or services based on individual orders,
- Production in small batches where serial production is not a predominant part of the activity and
- It is carried out using machines, tools and technical devices suitable for the activity in accordance with the previous paragraph and they do not have the characteristics of an automated work process.

Understanding the concept of "craft" and what sets craft products apart from others has long been a complex endeavor [13]. Defining these elements requires not only a theoretical foundation but also insights drawn from real-world perspectives. This study therefore combines established theories on entrepreneurship and craft entrepreneurship with findings from an empirical investigation conducted among both craft entrepreneurs and craft product consumers. The goal is to develop a comprehensive conceptualization of craft entrepreneurship.

According to the Law of Craftsmanship of the Republic of North Macedonia the various craft activities and activity codes are divided into 4 groups: craft production, craft services, domestic production activity and art production activity. For any activity that belongs in any of these groups,

the craftsman and the performer of craft activities acquire a public document called Craft permit which is recorded in the Craft Register, based on the possession of professional education degree or certificate appropriate for the activity performed by the craftsman or the performer of craft activities. The Craft Register is the database in which all established and registered craftsman and performers of craft activities are registered. The Chamber of Crafts of the Republic of North Macedonia is responsible for its management, which has the form of a legal entity, and at the same time acts as an independent, professional-business organization that exercises public powers established by the "Law of Craftsmanship" and whose actions refer to the entire territory of the Republic North Macedonia. It consisted of fourteen Regional Chambers of Crafts from several cities in the territory of the Republic of North Macedonia, which are responsible for the cities in which they are located, and in those cities where there is no Chamber of Crafts, the chamber that is territorially closest and has public competence and authorization, is responsible. These Chambers of Crafts are called Regional Chambers of Crafts because their competence is limited to a specific region in which they operate. What is in the competence of the Chambers of Crafts and for which they have public authority refers to issuing the following activities in accordance with the "Law on Craftsmanship" [1]:

- Decision on registration in the Craft Register;
- Decision to reject the request for registration in the Craft Register;
- Craft Permit/Licence;
- Decision to register a change;
- Decision to temporarily stop performance of the activity;
- Decision to deregister the activity and
- Decision for temporary performance of Craft activity.

The craftsman, for any need whose realization is recorded in the competences of the craft chambers, is obliged to submit a request to the Regional Chamber of Crafts competent for the region in question, on the basis of which he receives a Decision, as well as for any questions related to his work, he can turn to the craft chambers and get legal or economy advice.

4. The positive side of craftsmanship

Undoubtedly, new global trends need and indicate that the industrial economy is giving way to a new type of economy – one based on creativity, innovation, skills, experience and growing demand for authentic goods and services with high intangible value [14].

Unlike other forms of business entities, the craft form of organization has its own benefits and advantages. One of the advantages of craftsmanship is a simple and quick establishment procedure, by submitting a request to the Chamber of Crafts for registration in the Crafts Register, with which they acquire a Decision and Crafts work permit and their registration in the Central Register of the Republic of North Macedonia, as well as a simpler procedure for deletion from the register and termination of the craftsman compared to other business entities. Most of the craftsman, although they have the opportunity to employ as much as they need employers, most of them as self-employed do not employ other people, and meet the condition for flat-rate taxation, thus they are obliged to pay personal tax, which will be determined by the Public Revenue Administration with a decision, whereby those who establish a company for the very first time and have received a confirmation from the Employment Agency are exempted from paying personal income tax for three years. The costs in terms of establishment, change, deletion, as well as the

foreseen penalties and fines and other needs of craftsmen are lower compared to other business entities, and since most of them are flat taxed, they have no costs related to accounting services, they have no obligation to issue fiscal accounts and submit a annual financial report at the end of the accounting year, and also, in accordance with the law, they are not obligated to pay salary for themselves, except for the basic contributions for mandatory health and pension insurance, so their work is simplified.

5. Challenges of the Craft Sector

The craft sector is theoretically small, but geographically it is spread throughout the territory of the entire country. We say theoretically, because in numbers it is difficult to determine the exact number of craftsmen. At the moment, in the electronic register of crafts, the number of craftsman and performer of craft activities is 8847. However, the register is still in the process of full implementation and registration primarily because there are craftsmen who are already registered, but they need to comply with the latest changes in the Law of Craftsmanship, in accordance with which the electronic register of craftsmen was created and put into use, to register in the electronic register and obtain a Craft permit, as well as a large number of business entities that perform craft activity but are not yet registered in the register of craftsmen and have not received a Craft permit. The reason for the long period of adjustment to the legal changes and registration in the electronic register of craftsmen is also due to the lack of information. For example, business entities that perform craft activities are not informed about the legal changes and the obligation to submit a request for a craft license to the Chambers of Crafts by the entities that are authorized by them for legal and accounting services, procrastination on the part of the craftsmen and business entities performing craft activity for that process because the registration itself entails additional costs for them, because for registration it is necessary to pay fees to the state which are mandatory. The market inspection works to inform the largest possible number of craftsman and business entities that preform craft activities by conducting inspection controls and referring them to their obligation to register in the electronic Craft register, but a longer period of time is needed to cover all of them. Accordingly, we can conclude that the craft sector is not so small and more widespread, taking into account that there are also craftsmen whose craft activities are registered as large companies, for example DOO, DOOEL, trader - individual, etc. which means that craft skills have a great contribution to the development of entrepreneurship in the country and it is necessary to support their work, idea and development of skills and knowledge to promote the entrepreneurial spirit that should lead to economic development. However, craftsman belong to a group of micro and small enterprises, which need support and help from the state for survival, especially those crafts and activities, that are old and in the currently process of extinction.

One of the biggest challenges for craftsmen is finances, at the beginning of their work and during. With the emergence of new and modernized technologies and in conditions of an open economy where imports are large and imported products are available to the population at lower prices than domestic ones, the work of craftsmen is threatened and they face a big challenge - how to be unique and of high quality, and yet with low selling prices of goods and services, when a large part of the materials for work are expensive, how to invest in new and modernized technology for producing products that has a high purchase price, and to produce a product that would be sold on the market at a lower price than imported products. The competition is high and the investment

in being competitive on the market is also high, which creates the need for additional help and support. When we talk about the competition, registered craftsmen also face the challenge of covering the basic costs of health and social insurance during the month, in the presence of unfair competition, i.e. non-registered craftsmen who work outside of legal obligations, taking part of the consumers from registered craftsmen who collect daily to settle the monthly costs for contributions, working in accordance with the laws. In order to increase the competitiveness of the craft sector, it is desirable to attend trainings to upgrade craft skills through training and professional development, which is currently not sufficiently developed and there are obstacles in their implementation, and the craft chambers are also prevented from making their contribution because they don't have yet approved programs by the competent ministries for organizing trainings for various craft activities. As a challenge for craftsmen, which brings with it the development of technology is the strongest and most current tool for selling products - marketing and the Internet. The craftsmen have relatively weak marketing or none at all, the elderly population of craftsman has difficulties with understanding and applying the role of social networks and the Internet for the promotion of their products, which makes them a step backwards in placing the products to larger group of potential consumers.

6. Craft perspective and development strategies

From the positive side of craftsmanship and the challenges faced by the craft sector, we can see that this sector has great potential to become a driving force of entrepreneurship and make a significant contribution to the economic development of the country, but at the same time its potential is not fully used and there is a brake on the development of this sector. The Ministry of Economy, for the period from 2012-2020, in cooperation with the Chambers of Crafts, which emphasize the challenges of this sector, created strategies for development. In this segment we will discuss the implementation of development strategies from a craft perspective.

- Improving the quality of products and services – This strategy is intended to support the development, promotion and upgrading of products and the introduction of innovations in order to increase the quality of craftsmans products through the establishment of training and coaching systems, as well as the establishment of a Center for Craft Design and Innovation that would provide practical training, design solutions, and the introduction of new modernized technologies in production to support innovation. From a craft perspective, this strategy has not yet been implemented, the Center has not yet been established and the process of implementing this strategy is taking a long time. Training programs for development of craft skills and innovations that are acknowledged by the Ministry of Education with approved programs are not yet implemented. Craftsman that want to upgrade their knowledge and craft skills apply to programs and trainings that are not organized in accordance with the law in order to learn new ways and acquire new skills for work, acquiring diplomas and certificates issued by those companies for which they are not competent to sign and are not approved by the Ministry of education, and pay them at high prices.
- Improving market access for products and services – through the creation of international partnerships to promote and expand craftsman products and services on the domestic and foreign markets through the development of a network and strategic partnerships, gaining new experiences, knowledge and skills for entering foreign markets from experienced entrepreneurs, increasing the image of craftsmanship and supporting the internationalization of this sector. From a craftsman's perspective, this strategy is gradually being realized and craftsmen have had the opportunity to attend multiple

workshops, to meet experienced entrepreneurs from abroad who shared their knowledge and experience with our craftsmen on new working techniques, global trends, and modernization of work technologies. For example, several projects and workshops have been organized in cooperation with the Embassy of the Republic of Slovenia, cooperation with the Croatian Chamber of Crafts, organization of a World Cup in skiing for hairdressers and beauticians, which included panel discussions, seminars, education and workshops with the presence of representatives from craft chambers from the Balkans, top experienced businessmen, educators and entrepreneurs from the field.

- Development of market communication tools – This strategy is intended for craftsman to understand the role of the internet and learn how to use it to promote their products, attract and access a larger group of consumers. From a craftsman's perspective, this strategy is also being implemented and trainings on digital marketing and communication with clients have been conducted in several cities such as Ohrid, Resen and Gostivar, and their intensive implementation is necessary to reach as many craftsmen as possible who are interested in progressing and taking their business to a higher level
- Revitalization of the vocational education system and support for dual vocational education and training - This strategy seeks to strengthen cooperation with vocational education institutions to familiarize students with the way craftsmen function, acquiring new knowledge from experienced craftsmen, improving their skills so that upon completion of the educational process they will possess craft skills with which they will be able to secure their existence and become successful entrepreneurs. From a crafts perspective, this strategy is also being implemented. There is cooperation between vocational education institutions and craft chambers. Some craftsman also accept interns from schools. The only problem they face is the possibility of losing flat-rate taxation and having to be fiscalized and submit an annual financial report at the end of the accounting year to the Public Revenue Administration, for which there should be some relief, given that the majority of craftsmen register as such in order to enjoy the right to be exempt from issuing fiscal invoices and submitting final accounts at the end of the accounting year, since in this way their costs for accounting services that they would otherwise pay are reduced, they do not have an increased workload and do not employ another person, giving the fact that they only teach young people a craft that is of great importance for their further development of skills and success in the field.
- Improving access to finance, grants and subsidized interest rates – taking into account the challenges that craftsman face in terms of finance, this strategy should, through public calls for subsidies and grants, make their work easier, support their innovation and desire to develop and expand their work and improve the quality of their products. From a craftsman's perspective, this measure is not sufficiently utilized by craftsmen, especially by flat-rate taxed craftsmen, because the application documents require a report on positive financial performance for the year from which they are exempted from filing, as well as a large part of craftsmen from the older generation who do not use the internet and are not informed about this measure, which requires greater engagement of the craft chambers to inform craftsmen and assistance in explaining the necessary documentation, as well as public media. Greater cooperation with banks is also needed, because they restrict craftsmen from approving loans with documentation they do not possess, such as requiring them to submit annual accounts, most of which are exempt from submitting, and in order to show the income to the bank, they can do so by presenting their flat - rate taxation decision where the income is determined by the Public Revenue Office. But most banks do not take this into account and make it difficult for the most vulnerable category – craftsman that have flat rate taxation approved, who do not have employees and have a smaller workload – to access additional financial resources and instruments, denying

them the opportunity to access financial resources that would raise their business to a higher level and expand their workload.

A positive example for development of the craft sector and support for craftsmen is the measure for self-employment through the Employment Agency, where potential craftsmen attend training courses, create a business plan and finally register their companies, with the Agency, in cooperation with UNDP, awarding them a grant of 5,000 euros to assist and support their start-ups. This measure encourages a larger number of craftsmen to register and start working, and thus to pay the mandatory duties and contributions and an opportunity for the state to collect funds from taxes, as well as craftsmen who work unregistered and outside of the law and are creating unfair competition to registered craftsmen are encouraged by this measure to register and work in accordance with the laws, reducing unfair competition. This is a measure that has been successfully implemented for several years, and craftsmen are actively using it making the interest for this type of measure to grow from year to year.

7. Survey and analysis of results

In order to get a better perspective on the craft sector and the challenges they face, a survey was conducted in the territory of the city of Veles, where 70 craftsmen from various activities responded to the survey. The results of the survey were obtained in year of 2020, and we will present them in the following table:

Table 2 Survey results

1. Expenses that I have every month are: (multiple answers are possible)	
Contributions	67
Rent	35
Salary	3
Utility services	16
Material costs	46
Personal tax	50
Other	0
2. What is your monthly cost of contributions?	
Below 1000 denars	0
1000 – 2000 denars	17
3000 – 4000 denars	2
5000 – 6000 denars	46
Above 6000 denars	0
Exempted from payment	3
3. Are you flat-rate taxed?	
Yes	66
No	4
4. I pay personal income tax in the amount of?	
1040 denars	25
820 denars	20
Exempted from payment	25
5. What is your monthly rental expense, if you have a lease?	

Below 2000 denars	6
2000 – 3000 denars	17
3001 – 4000 denars	7
Above 4000 denars	6
I don't have rental expense	34
6. Do you have expenses for work materials every month?	
Yes	40
No	30
7. What is your average cost of materials?	
Below 10 000 denars	30
10 000 – 30 000 denars	15
Above 30 000 denars	8
No answer	17
8. I have difficulties related to monthly expenses with: (multiple answers are possible)	
Contributions	43
Salary	2
Personal tax	8
Rent	4
Commission	5
Material costs	20
No difficulties	3

Source: The author's calculations are based on the results of the survey conducted by craftsmen in the city of Veles, members of the Crafts Chamber of the Republic of North Macedonia (in the period from March 2020 to July 2020).

From the obtained results, we can notice that most of the expenses of the craftsmen are related to the monthly contributions for pension and health insurance, costs for the purchase of materials for work and personal income tax. We can also notice that most of the difficulties that they face are related to these two problems. From the answers received, we can confirm that almost all craftsman that answered this survey are flat – rate taxed by the Public Revenue Authority, with 25 craftsman using the right to exemption from personal tax for a period of three years. We can also notice that a large number of craftsmen have high monthly costs for the purchase of work materials. According to the obtained results, taking into account that almost all of the craftsman have difficulties with paying contributions, we can say that they have problems with selling or charging for the product or service and they cannot collect enough funds to settle these charges, which may be due to the higher prices of their products compared to the prices of imported goods, which may be the result of high costs of work materials that are included in the selling price.

8. Conclusion

Craftsmanship, being a broad, historically rich, and culturally rooted activity, encompasses a wide array of terms that vary significantly across different nations and ethnic groups. Each culture and craft tradition brings its unique terminology, shaped by the specific practices and heritage of that society. When translating these terms from one language to another, it is essential for the translator to understand their origins and to consider the cultural nuances they carry. This requires

a thoughtful approach to interpretation, carefully adapting terms in ways that honor the specific characteristics and heritage of the original culture.

Although the craft sector is small in scope, it is geographically widely spread throughout the territory of the country and the craft is applied in every sphere of life. The craft sector is seriously affected by globalization and faces difficulties in adapting to changes in technique and technology and their application in production, as well as insufficient utilization of the basic promotion tool - marketing and the Internet to expand its business and reach a larger market of consumers. Also, from the above, we can note that craftsmen have many advantages in contrast to other business entities, which makes their establishment and operation partially easier. However, as micro and small enterprises, they also face many challenges brought by internationalization and the availability of a large number of imported products with lower prices, which further increases the competition of this sector. The innovation that craftsman possess and the skills and knowledge they have make room for opening up to new opportunities for development and expansion, which would contribute to the development of entrepreneurship in the country. It is necessary to create a stronger system for informing both existing craftsman about measures, trainings and public calls intended to help and support the craft sector, which include all craftsman, including those who are flat – rate taxed, as well as for potential craftsman to get to know with the way of establishing and functioning of this form of organization and the benefits that come with it. The strategic plan for the development of the craft sector covers the critical points for which craftsman need support, but the time period for their implementation is long and lasts longer than planned according to the plan. Greater cooperation is needed between the competent institutions and the media for a smooth flow of information to the craftsman and the other forms of business entities that perform craft activities, as well as the creation of a system for education and upgrading of the craft skills, which, in combination with a good marketing plan and improving the quality of products and services of the craftsman, would bring craftsmanship to the point of being a driving force for the development of the economy and entrepreneurship in the country.

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