

EDITORIAL

Upon completion of the double-blind peer review process, Issue 1 Volume 25 Year 2023 of the scientific journal *Economic Horizons*, whose publisher is the Faculty of Economics of the University of Kragujevac, contains three original scientific papers and three review papers.

Starting from the fact that technological innovations make continuous changes on the labor market, the author *Joshua Adeyemi Afolabi* strives to perceive the link between employment and innovations in Nigeria's economic sectors by employing the autoregressive distributed lag (ARDL) model. It is concluded that that link is present in the short run, that technological advancement encourages employment in the service sector and, with a lag of one quarter, in the agricultural sector. The robustness of these findings is checked by expanding the model with additional variables - the manufacturing value as per sectors, the inflation rate and the participation of the domestic loans to the private sector in the gross domestic product. The results confirm that technological development does encourage employment and the reallocation of the workforce, based upon which the author suggests the full operationalization of technological innovations in all Nigerian economic sectors, all aimed at solving the unemployment issue.

Highlighting the fact that the question of the influence which macroeconomic fundamentals exert on the foreign-exchange rate fluctuations in the emerging-market countries and the inflation targeting regime is still an open one, the coauthors *Haryo Kuncoro* and *Fafurida Fafurida* do research in the way in which a deficit of the current account on balance of payments and the volume of foreign-exchange reserves influence foreign-exchange rate volatility in Indonesia. By applying the threshold nonlinear quantile regression model, they draw a conclusion that both variables have a statistically significant influence. A deficit of the current account on balance of payments exerts an

influence on foreign-exchange rate volatility once the threshold of two percent of the gross domestic product has been exceeded. Given the fact that this influence is asymmetric, the paper indicates the possibility of the imbalance of balance of payments to endanger the credibility of the monetary policy in the inflation targeting regime. Therefore, the need to maintain an optimal stock of foreign-exchange reserves which may serve to mitigate foreign-exchange rate fluctuations, whereas the Central Bank is focused on achieving the targeted inflation rate, is pointed to.

Employing panel data regression models, the author *Maja Putica* researches the influence that business and institutional determinants have on annual effective tax rates in the Republic of Serbia's banks. Using the accounting and current effective tax rate as the measure of the real tax burden, the authoress concludes that the real tax burden of the banks in the Republic of Serbia is substantially lesser than the legal one. The results of the analysis obtained through the application of a few models being developed in the paper reveal that the tax burden is under the biggest influence of the consolidation of the assets and capital of the acquiring bank as a consequence of mergers and acquisitions. The current effective tax rates are reduced as the bank grows in size, but only up to a certain level. The key implication of the carried-out analysis says that the banks in the Republic of Serbia can manage the tax burden through the regulation of the capitalization level and the size.

Based upon the research done in the determinants of unemployment amongst the young in Morocco through the application of a logistic model, the coauthors *Marwa El Foutoun*, *Ahmed Kchikeche* and *Driss Mafamane* indicate the three possible groups of factors. The first group consists of the geographical and sociodemographic characteristics of the young, namely their sex, age, marital status and residence. The second group comprises socioeconomic factors, such as the family background of the young and the number of employed persons in the household. Ultimately, the third group of factors pertains to the different formal education levels. The authors come to an interesting conclusion

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that graduate students in Morocco are more likely to be unemployed than it is the case with the persons having no diploma at all; however, this probability also varies depending on the type of the diploma.

Examining the connectedness between networking and innovativeness of social enterprises from eleven European countries, the coauthors *Ana Aleksić Mirić*, *Zorica Aničić* and *Marina Petrović* point out the fact that networking is one of the key characteristics of these organizations. The research results indicate that networking is an important factor when the innovative behavior of the social enterprises established prior to the year 2000 is concerned, but its significance has been lost in the new millennium. These findings are explained by the fact that networking in the 21st century is becoming deeply rooted into everyday business operations of the organizations and is a necessary condition for doing business. Of the factors influencing innovativeness in these social enterprises, the following ones are singled out: the economic activity type; the significance assumed to an enterprise's growth through an increase in the number or scope of its business activities and/or an increase in the number of the employed; the degree of the mutual trust of the organizational members and the highest acquired education level of the owner or manager of the social enterprise.

Analyzing the relationships between smart governance, cashless payments and regional income in the Province of North Sumatra, Indonesia, the coauthors *Dias Satria*, *Tiara Juniar Soewardi* and *Joshi Maharani Wibowo* point to the generally positive attitude expressed by the respondents towards the electrification of regional payment transactions. Initiated in the COVID-19 pandemic conditions, this process has the potential to intensify the economic activity and increase tax income. Employing the Structural Equation Model-Partial Least Square (SEM-PLS) models on the primary data collected via the questionnaire, the expected performances due to the adoption of new technology, the social influence and technical conditions are being proven to exert a statistically significant positive effect on the acceptance of the cashless payment of tax. The ways in which

the Indonesian Government can intensify a form of regional transactions like this one reflect in the support to education in the advantages of cashless payments, the improvement of the banking and information-telecommunication infrastructures and the building of the public's trust in its capacities in this domain.

On behalf of the Editorial Board of the Journal and on my own behalf, I hereby express my gratitude to the authors of the contributions published in this Issue of the Journal. Simultaneously, my special gratitude is owed to the peer reviewers whose constructive and critical comments and suggestions made to the authors of the submitted manuscripts have contributed to raising the quality of the published papers to a higher level.

In January 2023, the Faculty of Economics made a change in the Editorial Board of the Journal. The members of the former convocation of the Editorial Board contributed to the *Economic Horizons* scientific journal continuously receiving increasingly high rates from the international bases and the domestic Serbian Citation Index base.

This is the occasion to express gratitude to the members of the former convocation of the Editorial Board on behalf of the Faculty of Economics of the University of Kragujevac, as the publisher of the *Economic Horizons* scientific journal, the Editorial Board of the Journal, and on my own behalf. My special gratitude goes to Vlastimir Leković, PhD, a full professor in retirement, whose unselfish engagement in and commitment to editing the Journal contributed to the outstanding international reputation of the Journal. I also thank the eminent representatives of the academic community, whose acceptance of the membership on the Editorial Board of the Journal allows them to contribute to the reputation of both the *Economic Horizons* and the Faculty of Economics of the University of Kragujevac.

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