



**NEW 2020
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Challenges at a Junction Between Recession and Sustainable Growth



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*"New Global Economy Threats Challenges at a Junction Between Recession
and Sustainable Growth"
(Technological, Climate and Demographic Changes)*

**ZOOM PLATFORM
BOOK OF ABSTRACT**

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BOOK OF ABSTRACT

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A DOWNSIDE TO THE BRAIN GAIN STORY

Ilhom Abdulloev¹, Gil S. Epstein², Ira N. Gang³

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¹ Open Society Institute - Assistance Foundation in **Tajikistan** and IZA, Bonn

² Bar-Ilan University, **Israel**, GLO, CReAM, London and IZA, Bonn

³ Rutgers University, **USA**, CReAM, London, GLO, IOS Regensburg, IZA, Bonn and RWI, Essen

ABSTRACT

We consider how the possibility of international migration affects an individual's educational choices in their home country. People choose their educational investment (and hence their skill level) as we might expect. To this normal choice the higher status given professionals is also accounted for. Consider now how the opportunity for international migration to a higher paying job affects both professionals and non-professionals. Despite the higher status a professional enjoys, once an individual takes the possibility of migration to a different country into consideration, he may well decide to choose education leading to non-professional employment. A result of this paper is that if there are low chances of obtaining professional jobs in the host country, individuals may well choose an educational track leading to a low occupational profession in order to increase their chances of obtaining a job in the host country after migration. Thus, all home country students may choose the non-professional education track. Those who might have otherwise pursued higher, professional education may forgo that schooling. The theory developed here explains the forsaken schooling phenomenon. This phenomenon shows that low-skilled and skilled home country workers are willing to accept low-skilled positions in host countries. This leads to the forgoing of professional schooling in the home country since it is not optimal for the worker in the home country to choose a high skilled education since, they will be overqualified in the host country. This will have a long run affect. As time goes on, therefore, people who consider migrating abroad will have either lower years of schooling, or generally have not completed professional schools (technical-vocational or tertiary).

Keywords:

traps, migration, poverty, inequality, education, skill, brain gain, brain drain

JEL: O15, P46, F22, I24

DUAL-LABOR MARKET AND UNEMPLOYMENT COMPENSATION

Taro Abe¹

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¹ Nagoya Gakuin University, Department of Economics, Japan

ABSTRACT

This paper discusses the impact of unemployment compensation on the employment and wages of regular and non-regular labor in a dual-labor market. The model in this paper assumes an effective demand constraint and an imperfectly competitive market. The results obtained are as follows. An increase in unemployment compensation increases the wages of regular labor to maintain its productivity. However, this temporarily decreases the employment of regular labor, so that the productivity and wages of non-regular labor decrease. The result is an increase in the relative wage rate of regular labor and the relative amount of non-regular labor employed. This result is independent of any economic regime. In terms of the impact on employment volume, the existence of two regimes, one wage-driven and one profit-driven, is confirmed. However, the effect on employment is weaker if unemployment compensation is financed by taxing profits.

Keywords:

Dual labor market, unemployment compensation, wage-led economy, Egalitarian policy, Post Keynesian, Globalization

JEL: E12, E24, J31, J42

VALUING WOMEN ENTREPRENEURSHIP IN THE INFORMAL ECONOMY IN BANGLADESH

Mohammad Mushfiqul Haque Mukit¹, Nusrat Jahan Nabila²,
Mohammad Safiqul Islam³ and Assim Ibrahim Abdel-Razzaq⁴

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¹ Department of Economics, Jahangirnagar University, Dhaka, **Bangladesh.**

² Department of Business Administration, University of Asia Pacific, Dhaka, **Bangladesh.**

³ Department of Economics, Jahangirnagar University, Dhaka, **Bangladesh.**

⁴ Accounting & Finance, Prince Mohammad Bin Fahd University, Al-Khobar, **Kingdom of Saudi Arabia (KSA).**

ABSTRACT

The study aims to address issues related to valuing women entrepreneurship in the informal economy in Bangladesh. To achieve the above objective, both qualitative and quantitative methods have been used. The author reviewed several articles, research reports, and included face to face in-depth interviews of fifteen entrepreneurs. Moreover, the applied five-point Likert scale questionnaire responded 100 random entrepreneurs from the rural areas of Bangladesh to recognize the barriers in accessing financial institutions and figure out how financial inclusions can contribute more in the informal economy. The results of this study suggest that complicated loans process, high-interest rates, absence of a life skills program, lack of financial freedom for women and property rights, entrepreneurial paradox, absence of collaterals, financial institutions negligence, mismanagement of loans, lack of interactions with local successful entrepreneur and imbalance of family and professional promise are the major barriers in accessing financial institutions in Bangladesh. In addition, financial inclusions are required to bring about changes in their lives. The results of the study will help Bangladesh and other developing countries break down the barriers for women entrepreneurs and develop the business opportunities created by women. In this regard, future research will anticipate both urban and rural areas, with a larger sample and quantitative studies will be conducted.

Keywords:

collaterals, entrepreneurship, financial inclusion, informal economy, rural.

JEL: C54, E26, F43, O11, P52

THE ROLE OF ORGANIZATIONAL CULTURE IN COMMITMENT TO IMPLEMENT TOTAL QUALITY MANAGEMENT (CASE STUDY OF ALGERIAN PUBLIC COMPANIES)

Fellague Mohamed¹

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¹ Faculty of Economics, Commerce and Management Science, University Hassiba Benbouali Of Chlef, **Algeria**

ABSTRACT

The management in TQM implies that it's a management approach, not just a narrow quality control or quality assurance function. Some principles and practices of TQM may differ among firms and industries, but there is unanimous agreement as to the importance of organizational culture in implementing TQM. Accordingly the objective of the paper is to empirically investigate the relationship between organizational culture and the implementation of TQM. This study limited to public companies in Algeria. The sample of study consisted (107) executives and managers who are working under functional heads. We used convenience sampling in selecting the subjects. The instrument used in the study was a survey questionnaire. The Correlation analysis explained a positive moderate relationship between organizational culture and implementation of TQM ($r=0.580$, $p=0.000$) that is culture of a (Algerian public companies) is positively related to the implementation of TQM. The study recommended increasing the interest in improving the availability levels of the organizational culture dimensions in general; and place a particular focus on the relatively low level dimensions, and the necessity to take into account realizing coherence among these dimensions in terms of the closeness of the availability levels, and lessening the deviations among these dimensions as well as among the elements of the same one dimension, due to the integrative nature among them. The study further recommended assimilating the organizational culture concept as an administrative concept by the managerial executives in the Algerian public companies, being an important foundation, upon which the success or failure of applying the TQM depends.

Keywords:

organizational culture, Total Quality Management, Algerian public companies.

JEL: M14, L15

ANTI-FRAUD STRATEGY

Zdravko Todorović¹, Darko Tomaš², Boris Todorović³

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¹ Faculty of Economics, University of Banja Luka, **Bosnia and Herzegovina**

² Faculty of Economics, University of Banja Luka, **Bosnia and Herzegovina**

³ Axelyos, Banja Luka, **Bosnia and Herzegovina**

ABSTRACT

Fraud is not an individual problem, but rather, we deal with a systematic fraud, particularly in the public sector through the creation of a private monopoly over public sector. Therefore, the first step, which needs to be set in organization in order to develop an efficient system for fraud control is development of anti-fraud strategy. Anti-fraud strategy is based on a policy of integrity and zero tolerance for fraud. Under the fraud we imply: corruption, assets misappropriation and fraudulent statement. Fraudsters are in the organization and beyond. Factors influencing performing of fraud are: pressure, opportunity and rationalization. Costs incurred due to the fraud may be difficult to realistically consider. Battle against fraud is determined by political will, effective legislation and anti- fraudulent culture and strategy.

Keywords:

Fraud, Anti-fraud strategy, Audit Committee

JEL: M15, M21, M42

COVID-19 PANDEMIC AND OUTWARD FOREIGN DIRECT INVESTMENT: A PRELIMINARY NOTE

Folorunsho M. Ajide¹ & Tolulope T. Osinubi²

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¹ University of Ilorin, Ilorin, **Nigeria**

² Obafemi Awolowo University, Ile-Ife, **Nigeria**

ABSTRACT

Social-distance policy of most governments and the pandemic impact of corona virus (COVID-19) on human health are expected to shutter international investment and business environment. However, there is little or no study to show the early empirical evidence on this relationship, most especially its impacts on FDI flows in the economies. This note provides a preliminary evidence of the impact of COVID-19 on FDI outflows. Our data cover cross-sectional first quarter, average data; between 1 January – 31 March, 2020 from 43 countries. Using Ordinary least square (OLS) and Quantile regressions, we document that there is a positive relationship between COVID-19 confirmed cases and FDI outflows. In addition, there is a positive impact of COVID-19 related confirmed deaths on FDI outflows across all quartiles estimations. This means that COVID-19 pandemic fuels the foreign direct investment outflows. The major causes could be the reduction in the ability of firms to invest due to a shortage in the number of skilled employees because they care for their health safety, a decline in corporate profits and increase in cost of finance. In addition, the propensities to invest have been widely affected negatively in most economies. These factors also become obvious when most economies experience a very high level of risk perception in financial market.

Keywords:

COVID-19, Cross-sectional Analysis, FDI, Quantile Regressions.

JEL: F21; F23; O5; I18

A CASE STUDY OF ETHNO VILLAGE IN SLOVENIA AND BOSNIA AND HERZEGOVINA

Andrej Raspor¹, Petra Kleindienst¹, Kildi Tjaša Peršič¹, Zoran Mastilo²,
Draginja Borojević², Vesna Miletić²

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¹ School of Advanced Social Studies, Nova Gorica, **Slovenia**

² Oikos Institute-Research Center, Bijeljina, **Bosnia and Herzegovina**

ABSTRACT

Background: The world tourism industry is subject to big changes. A number of tourists traveling steadily grows, resulting in turnover and income. The destinations, that tourists are attracted, to are numerous, and there are also newcomers who arrive to a certain destination for the first time. Nowadays, even some very distant places are on the travellers' bucket lists. What is more, tourists are looking for authenticity, in terms of which the concept of ethno village proves to be such an example.

Purpose: The purpose of this paper is to investigate how this kind of tourism is regulated in Slovenia and Bosnia and Herzegovina. The emphasis will be on the study of specific ethno villages.

Methods: Regarding the article, desk analysis will be done. The data were gathered from the world web, from the World Tourism Organisation's data and from the data gathered from Slovenian and Bosnian national statistical office as well. The Excel was used for the analyses. Two examples of an ethno village are also described.

Results: The ethno village as a part of rural tourism offers great opportunities for new work posts but capacities should be used to a greater extent and the problem of seasonality should also be overcome. All the key aims of rural development must be defined by the following strategy: the development of sustainable and efficient agricultural sector, the living standard of the population who lives from agriculture, creation of social and economic conditions in the rural regions; all of it within the National strategy of the rural development.

Conclusions: Tourism industry is being developing as a part of modern touristic migration. There are more and more visitors coming overseas or coming from more remote places. They stay for a short period of time and they have different expectations as before.

Keywords:

Slovenia, Bosnia and Herzegovina, cultural tourism, ethno village

JEL: L83

FACTORS AFFECTING PRECISION AGRICULTURE ADOPTION: A SYSTEMATIC LITERATURE REVIEW

Taoufik YATRIBI¹

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¹ Department of Rural Economy, National School of Agriculture in Meknès, **Morocco**

ABSTRACT

The aim of this paper is to present the main advances in the adoption of precision agriculture technologies. While we are witnessing the emergence of a literature dedicated to the adoption of new technologies, this theme still suffers from a lack of consensus on its conceptualization. Based on the prisma statement method (Preferred Reporting Items for Systematic Reviews and Meta-Analyzes), the objective is to carry out a review of the systemic literature in order to identify the main factors of adoption of the technologies of precision agriculture over the past ten years. The results show that individual factors are the most empirically identified as determining factors in the adoption of precision agriculture technologies. That said, the farmer is at the center of the adoption decision. Perceived utility is the factor most identified in the literature as the determinant of adoption.

Keywords:

Technology adoption, technological innovations, precision agriculture, Systematic reviews

JEL: R11

FOREIGN DIRECT INVESTMENTS AND REAL ESTATE. PRACTICE AND MODELS FOR A SUSTAINABLE TERRITORIAL DEVELOPMENT. THE LOMBARDIA EXPERIENCE

Alberto Celani¹, Gianandrea Ciaramella¹, Ludovica Lomacci¹

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¹ Politecnico di Milano, Italy

ABSTRACT

This article analyzes practices of attraction of foreign investments, studying their perspective of territorial competitiveness. The analysis of investment attraction practices is assessed for the impact on the territory, from a territorial enhancement perspective. The perspective of corporate and property management and its complementarity with the needs of territorial competitiveness in a global competitive scenario is analyzed. The methodology follows what has been proposed by the literature for the implementation of corporate strategies, adapting methods and models to the context.

Keywords:

Real Estate, Territorial Development, Foreign Direct Investments, FDI, Valorization, Facility Management, Corporate Real Estate

JEL: R58; R11; R38

ANALYSIS OF OKUN'S REGULARITY: THE CASE OF BOSNIA AND HERZEGOVINA

Ognjen Eric¹, Goran Popović¹, Jelena Bjelić²

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¹ University of Banja Luka, Faculty of Economics, **Bosnia and Herzegovina**

² Indirect Taxation Authority, **Bosnia and Herzegovina**

ABSTRACT

Economic growth, or, more precisely, GDP growth rate (Y) is the key macroeconomic indicator. Positive tendencies of GDP growth (r) mostly impact the economic welfare of the national economy. Hence, output is analysed in combination with other macroeconomic aggregates and indicators: investments, inflation, unemployment, trade exchange and the like. In the context of researching the relation between GDP trends and unemployment rate, A.M. Okun was the first to notice regularity between these variables. Okun's law shows the direction and strength of GDP changes under the influence of (un)employment and represents functional relation between the output market and labour market. This paper aims to prove that, to a certain extent, there exists Okun's regularity in Bosnian and Herzegovinian economy for the period of 2000-2019. The results of linear regression analysis show that there is negative correlation ($R=0,451$) between variables Y (output) and X (unemployment). Determination coefficient $R^2 = 0,204$ indicates that 20,4% variations in GDP is determined by the changes in unemployment. Coefficient β in linear regression equation is negative, amounting to -0,596, which means that a change in unemployment by 1 percentile point brings about an inverse change in GDP by approximately 0,6 units. Variable direction indicates that there exists Okun's regularity, though with significantly weaker intensity among the variables. This proves the hypothesis that there is a negative functional relation between the output market and labour market in Bosnia and Herzegovina.

Keywords:

unemployment, GDP, Okun's law, Bosnia and Herzegovina.

JEL: O40, E24, F43

CREATIVE ECONOMY: A LITERATURE REVIEW ON RELATIONAL DIMENSIONS, CHALLENGES, AND POLICY IMPLICATIONS

Semra Boğa¹, Murat Topcu²

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¹ Adana Alparslan Türkeş Science and Technology University, International Trade and Finance Department, **Turkey**

² Istanbul Gelişim University, The Institute of Social Sciences, Department of Business Administration, **Turkey**

ABSTRACT

In the development of the global economic system, the cumulative knowledge from past to present is of great importance. This knowledge produced by social life offers creative individuals and groups an opportunity to produce new meanings, values, contents and a source of inspiration. The influence of creative sectors in the urban life and socio-economic climate built by the industrial society created by the industrial revolution has started to increase in recent years. In the current industrial economic organization style, together with entrepreneurship, the creativity based on knowledge and technology have been added nowadays, to the land, labor and capital required for production. However, worldwide studies focus on the beneficial aspects of creative economies. There are not many studies in the literature on the past and future problems and development of the creative sector from a long- term historical perspective. In this context, it is necessary to reveal the relational ties of creative sectors with other fields; how they are positioned in national economies and how they will be analyzed. In this framework, the study aims to determine the position of the creative economy in the general economy by using the studies in the literature, to reveal the relational ties of the creative sectors with other actors, to identify the challenges in the sector, and to reveal the policy implications in creative industries. As a result of the study, it has been observed that the creative sectors are nested cellularly in all sectors of the general economy, from tourism to the automotive sector; from urban life to social networks, due to the internet, information communication technologies and digital applications. Since the outputs of the creative economy are based on the intellectual property rather than physical products, it has been determined that problems arise in the financing, accounting of services and contents introduced in this field, and measurement of the products at international standards. In addition, it has been observed that the time perception in creative sectors and the time perception of the industrial economic system differ from each other. Another important finding obtained as a result of the research is that creative economies create class differences in urban spaces and cause social segregation.

Keywords:

Creative Economy, Creative Economic Policies, Cultural Economy

JEL: O1, O3, O5, Z1