

Economics and Business Review

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Editorial introduction

In every developed scientific discipline, scholars tend to focus on narrow, specialist topics and are somewhat confined by the practices in their scientific communities. The impact of such specialisation on the discipline's development is ambiguous. On the one hand, it helps to refine existing evidence; on the other, it risks overlooking potentially relevant mechanisms or perspectives developed by other scientists. This is why significant progress in particular areas of the social sciences is often achieved when researchers look beyond their field and explore its interconnections with other topics and communities of practice. This issue of *Economics and Business Review* highlights the strength of this approach, presenting eight articles which collectively show how topics in economics and finance are closely interconnected, as well as being linked to other areas of the social science. This collection has been prepared by twenty-four authors who work in France, Mexico, Morocco, Poland, Türkiye and Vietnam.

The opening article **Spillover effects of remittances on local public spending in developing economies**, written by Raúl Alberto Ponce Rodríguez, Benito Alán Ponce Rodríguez and Juan Carlos Medina Guirado, develops a political economy model to examine how remittances impact local public goods and their spatial spillover effects in developing economies. Using a theoretical framework, the study identifies asymmetric spillovers influenced by the degree of externalities, inter-regional income inequality, and the nature of public goods (complementary or substitutes). Their findings highlight that the spillover effects of remittances on local public spending are complex and asymmetric. When public goods are complementary, remittances enhance welfare across regions without affecting spending in neighbouring areas. However, with substitutable public goods, remittances in one region can crowd out spending in others, with outcomes heavily influenced by inter-regional income inequality and the extent of public good externalities. These results are particularly relevant for policymakers, development practitioners, and researchers focused on fiscal decentralisation and inter-regional equity.

Fatma Türken and Mustafa Ozan Yildirim's article entitled **Second-round effects of food prices on core inflation in Turkey** investigates how food price shocks influence core inflation using Bayesian Structural VAR analysis on data from 2013 to 2024. Their findings reveal that both domestic and global food price shocks significantly impact core inflation and inflation expectations in Türkiye, with effects being especially persistent post-COVID-19. These second-

round effects arise as food price increases amplify inflation expectations, influencing wage and price-setting behaviours. The study highlights the heightened sensitivity of Türkiye's economy to food price fluctuations due to the large share of food in household expenditures and weakly anchored inflation expectations. The findings might be useful to policymakers, central bankers, and economic analysts focused on inflation dynamics and monetary policy in emerging markets.

The third article, entitled **Analysis of the impact of financial inclusion and FinTech on youth labour force participation in the MENA region**, is written by Hanane Elmasmari and Jabrane Amaghous. The study examines the relationship between financial inclusion and labour market participation among young people in the MENA region. It utilises the World Bank's *Global Findex 2021* database and employs probit estimations with propensity score matching. The findings indicate that young people with higher levels of education, better incomes, and access to mobile phones and the Internet are more likely to participate in both traditional and digital financial systems. Furthermore, the analysis reveals that financial inclusion is a strong predictor of young people's labour market participation.

The subsequent article entitled **Role of subjective norms in shaping entrepreneurial intentions among students** and written by Karolina Nessel, Szczepan Kościółek and Anna Leśniak also deals with the topic of economic activity among young people. The study focuses on entrepreneurial intentions and analyses their determinants using survey data and structural equation modelling. The findings reveal that the influence of subjective norms on entrepreneurial intentions is not direct but is mediated rather by changes in attitude towards entrepreneurship and perceived behavioural control. Furthermore, it was found that students' gender and their own work or entrepreneurial experiences have no impact on these subjective norms. However, the successful entrepreneurial activity of someone close has a positive impact.

The fifth article, which deals with **Religious service attendance and consumer financial outcomes: Evidence from a longitudinal survey**, written by Andrzej Cwynar, Tomasz Potocki, Piotr Białowolski and Dorota Węziak-Białowolska, explores the relationship between religiosity and financial behaviour. The study uses data from a national survey of the socio-economic situation of households in Poland to examine how religious service attendance (RSA) affects savings rates, debt rates, and financial satisfaction. It finds that RSA is positively associated with savings and financial satisfaction, and negatively linked to debt. The research identifies social contacts as a key mediator between RSA and savings. However, no significant mediation effects were found for risk tolerance or trust. These results suggest that religiosity influences financial behaviour through social networks rather than individual financial traits. The findings offer valuable insights for policymakers and financial educators seeking to promote financial well-being.

The sixth paper, entitled **The effects of technology and innovation adoption on firm performance among small and medium enterprises: Evidence from Vietnam's logistics sector**, written by Thanh Tuan Nguyen and colleagues, investigates how technology adoption and innovation affect SME performance in Vietnam's emerging logistics market. Through an analysis of 11,630 SMEs, they find that basic digital technologies like internet access and software usage consistently enhance firm performance, while more advanced automation reveals mixed effects. The study also reveals that organisational innovation has more significant positive impacts than other innovation types. These findings provide valuable insights for understanding how different forms of technological advancement and innovation contribute to business success in developing economies.

Agnieszka Matuszewska-Pierzynka's study, titled **Relationship between corporate sustainability performance and corporate financial performance: The case of companies from the WIG-ESG Index**, examines how environmental, social, and governance (ESG) performance affects financial outcomes in Polish companies. Using data from 21 companies listed on the WIG-ESG Index across two periods (2012–2021 and 2016–2021), the research reveals that environmental sustainability performance positively influences sales revenues in the longer term, while governance practices enhance the return on sales in the shorter period. This work adds important evidence to the ongoing discourse about the financial benefits of corporate sustainability, particularly in emerging European markets.

Finally, in **Social media disagreement and financial markets: A comparison of stocks and Bitcoin** by Sergen Akarsu and Neslihan Yilmaz, the authors explore how disagreements in social media discussions impact market volatility and trading volume. Through a comprehensive analysis of Reddit communities focused on stocks and Bitcoin between 2019–2022, they reveal that social media disagreement significantly affects stock market activity but has a limited influence on Bitcoin trading. The study demonstrates that disagreement in stock-related discussions increases both market volatility and abnormal trading volume, with effects more pronounced for individual stocks than market indices. These findings provide valuable insights into how social media sentiment dispersion differently impacts traditional and digital asset markets.

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