

Editorial

Editorial for *Forum for Economic and Financial Studies* (Volume 3, Issue 1)

Kavous Ardalan

School of Management, Marist University, Poughkeepsie, New York 12601-1387, USA; Kavous.Ardalan@marist.edu

CITATION

Ardalan K. Editorial for *Forum for Economic and Financial Studies* (Volume 3, Issue 1). *Forum for Economic and Financial Studies*. 2025; 3(1): 3245.
<https://doi.org/10.59400/feefs3245>

ARTICLE INFO

Received: 25 March 2025
Available online: 31 March 2025

COPYRIGHT



Copyright © 2025 by author(s).
Forum for Economic and Financial Studies is published by Academic Publishing Pte. Ltd. This work is licensed under the Creative Commons Attribution (CC BY) license.
<https://creativecommons.org/licenses/by/4.0/>

The papers in this issue, nicely fit together within the “systems approach,” as they all regard the economy as a system and analyze one or a few of its components. The systems approach has received increasing importance in various branches of analysis. The systems approach is commonly organized around general principles, such as the following: (i) that the system can be identified by some sort of boundary that differentiates it from its environment; (ii) that the system is essentially processual in nature; (iii) that this process can be conceptualized in terms of a basic model that focuses upon input, throughput, output, and feedback; (iv) that the overall operation of the system can be understood in terms of the satisfaction of system needs geared to survival or the achievement of homeostasis; (v) that the system is composed of subsystems that contribute to the satisfaction of the system’s overall needs; (vi) that these subsystems, which themselves have identifiable boundaries, are in a state of mutual interdependence, both internally and in relation to their environment; (vii) that the operation of the system can be observed in terms of the behavior of its constituent elements; (viii) that the critical activities within the context of system operation are those that involve boundary transactions, both internally between subsystems and externally in relation to the environment.

In the paper entitled “The Curse of Dependency: Examining Structural Change in African Economies,” Wung et al. [1] investigate the effect of external dependency on the structural change of African countries. They adopt the Two-Step System Generalized Method of Moments strategy to control for potential endogeneity problems. Their findings reveal that structural change in Africa is strongly impaired by the level of external dependency. Their policy recommendations are that for structural change to concretely take place in Africa, the rate of external dependence should be limited, and resources in Africa and local methods of growth should be used.

In the paper entitled “The Role of Artificial Intelligence in Enhancing Economic Efficiency and Innovation,” Dejanović [2] notes that the European Union (EU) has prominently embraced AI to boost sustainable economic growth and global competitiveness, particularly in manufacturing, healthcare, and finance. The author recommends that future efforts should focus on strategic investments in AI research, ethical deployment, and regulatory frameworks to maximize benefits while effectively managing challenges. The author notes that in Serbia, AI offers potential to reduce costs, boost profitability, mitigate risks, and capitalize on business opportunities, facilitating informed decisions that foster sustainable economic growth.

In the paper entitled “Designing a General Economic Model to Incentivize Maintaining Infrastructure in Informal Settlements,” Cahan [3] sketches the design for a general economic model (GEM) quantifying how informal settlements (also known as slums) function and interact with ancillary urban or rural regions. The author notes

that GEM is an essential tool for calculating the incentive fee payable to residents of the informal settlement to maintain housing, healthcare, schools, water, sanitation, or other infrastructure improvements and investments made by third parties and to identify potential payors or funders of the incentive fee. The author applies GEM to Fiji and Indonesia.

In the paper entitled “Identifying Solutions to Ensure the Financial Security of the Enterprise in Current Conditions,” Postolache [4] notes that the issue of ensuring the economic security of enterprises has become increasingly pressing, encompassing a wide array of components, including technical, technological, financial, intellectual, human resources, fiscal, legal, property, and informational dimensions. The objective of the author’s research endeavor is to ascertain viable solutions for a system that supports the enterprise’s sustainable growth and development, both in the short and long term, while being adaptable to the specific economic conditions and sectoral characteristics in which the enterprise operates.

In the paper entitled “Unemployment and the Informal Economy in Uganda: An Empirical Investigation,” Esaku and Mugoda [5] investigate the relationship between unemployment and the informal economy in Uganda. Using annual time series data from Uganda, the authors apply the ARDL method to investigate this relationship. Their results indicate a positive and statistically significant relationship between unemployment and the shadow economy, which is detrimental to the formal economy. Their results suggest that curbing informality requires implementing fiscal, economic, and political reforms aimed at ensuring proper functioning of the business environment.

In the paper entitled “Assessing the Future Influence of Tourism-Related Factors on Economic Growth in Selected South Asian Countries through a Random Forest Approach,” Acharya et al. [6] apply sophisticated machine learning techniques to measure the effect induced by important tourism indicators upon the GDP of six South Asian countries. Their results indicate that tourist arrivals and international tourism expenditure are good indicators of economic growth, while the unemployment rate and population growth have only minor effects. Therefore, policymakers need to focus on the development of tourism infrastructure and international marketing.

In the paper entitled “Integration between Islamic Financial Technology and Islamic Financial Principal to Improve Performance of SMEs in Indonesia,” Sukrisno et al. [7] investigate the integration of Islamic financial technology and principles and their impact on small and medium enterprise (SME) performance in Indonesia. They utilize a quantitative research methodology that employs correlational design. Their Results indicate statistically significant positive correlations between Islamic financial technology, Islamic financial principles, and SME performance. They make corresponding policy recommendations.

Conflict of interest: The author declares no conflict of interest.

References

1. Wung EA, Tameko JD, Wirajing MAK. The curse of dependency: Examining structural change in African economies. *Forum for Economic and Financial Studies*. 2025; 3(1): 2269. doi: 10.59400/feFs2269

2. Dejanović M. The role of artificial intelligence in enhancing economic efficiency and innovation. *Forum for Economic and Financial Studies*. 2025; 3(1): 1541. doi: 10.59400/feFs1541
3. Cahan B. Designing a general economic model to incentivize maintaining infrastructure in informal settlements. *Forum for Economic and Financial Studies*. 2025; 3(1): 1774. doi: 10.59400/feFs1774
4. Postolache V. Identifying solutions to ensure the financial security of the enterprise in current conditions. *Forum for Economic and Financial Studies*. 2025; 3(1): 2593. doi: 10.59400/feFs2593
5. Esaku S, Mugoda S. Unemployment and the informal economy in Uganda: An empirical investigation. *Forum for Economic and Financial Studies*. 2025; 3(1): 2218. doi: 10.59400/feFs2218
6. Acharya S, Sajib MSK, Abdi AA, Mahadi G. Assessing the future influence of tourism-related factors on economic growth in selected south Asian countries through a random forest approach. *Forum for Economic and Financial Studies*. 2025; 3(1), 2519. doi: 10.59400/feFs2519
7. Sukrisno, Dewi IK, Pranoto, et al. Integration between Islamic financial technology and Islamic financial principal to improve performance of SMEs in Indonesia. *Forum for Economic and Financial Studies*. 2025; 3(1): 2015. doi: 10.59400/feFs2015