

EDITORIAL

Upon conducting the double-blind peer review process, the Issue 2 Volume 26 Year 24 of the *Economic Horizons* scientific journal contains four original scientific papers, two review papers, a review of the scientific conference and the Acknowledgement to the reviewers of the manuscripts submitted to the Editorial Board of the Journal in the year 2023.

The coauthors *Marsellisa Nindito, Ilya Afianti, Poppy Sofia Koeswayo* and *Nanny Dewi Tanzil* examine the influence of related-party transactions on financial statement frauds in publicly listed companies in Indonesia. Relying on the theoretical foundation of agency theory and the application of logistic regression in the analysis of a sample including 500 unit data of the companies listed on the Indonesian Stock-Exchange in the period from 2017 to 2019, the coauthors come to a conclusion that related-party transactions and institutional ownership significantly influence the probability that there will be frauds in relation to financial statements in Indonesia. Actually, institutional ownership can mitigate the influence of related-party transactions on the probability that there will be frauds of this kind. The research study provides useful pieces of evidence of the role played by related-party transactions and corporate management in giving shape to the quality of financial statements in emerging economies.

Starting from the attitude that there has been no completely clarified connection between exports and firm performance in the relevant literature, the coauthors *Milan Čupić* and *Stefan Vržina* investigate the connection between exports and the productivity and profitability of enterprises operating in Serbia. Confronting the learning hypothesis with the self-selection hypothesis and applying adequate

econometric methods as well, the coauthors point to the fact that the connection between exports and productivity is statistically significant. This finding is robust to changes in the productivity measures and the sample size. The connection between exports and firm profitability is sensitive to changes in profitability measures. Also, the results obtained in the research study are more characteristic of the production sector. The paper highlights several reasons for the bad performances of Serbian exports and offers a few recommendations.

Pursuant to the results obtained in the previous research studies that have shown that intangible assets exert a positive effect on the profitability of a company in different contexts, the coauthors *Vladimir Dženopoljac, Amer Rastić* and *Aleksandra Dženopoljac* examine how intangible assets, measured by the value-added intellectual coefficient (VAIC), influence the margins and return indicators of the most profitable companies in Serbia. Using a data sample for the 72 most profitable companies that meet the VAIC criteria in the period from 2017 to 2020, the coauthors indicate the fact that intangible assets have a positive influence on all the four profitability indicators included, which implies that companies in Serbia should prioritize investment in intangible assets so as to increase their profitability and competitiveness.

The coauthors *Vladislav Radak, Aleksandar Damjanović, Vladimir Ranković* and *Mikica Drenovak* examine the efficiency of the strong Pareto optimum evolutionary algorithm as a technique of the genetic algorithm, for bank portfolio optimization when the expected (average) return and the percentage expected loss are set as the optimization goals. The results suggest that this technique offers well-distributed portfolios along the efficient frontier covering different risk levels. The coauthors also prove that the optimal portfolios obtained from the "average return – expected loss"

* Correspondence to: M. Jakšić, Faculty of Economics of Kragujevac University, Liceja Kneževine Srbije 3, 34000 Kragujevac, Republic of Serbia; e-mail: milenaj@kg.ac.rs

optimization are more superior throughout the efficient frontier in the average return – expected loss plain in comparison with those obtained through the “average return – value at risk” optimization. Simultaneously, the optimal portfolios obtained through the “average return – expected loss” optimization shown in the average return – value at risk plain converge towards the portfolios obtained on the basis of the “average return – value at risk” optimization and almost coincide with them for high levels of expected return.

Pursuant to the fact that the trade relations between Bosnia and Herzegovina and Hungary are not at the level that might be expected bearing in mind the size of and distance between these two countries, the coauthors *Marko Đogo*, *Dragan Gligorić* and *Marianne Berecz* apply the gravity model in order to examine the factors that affect both exports and imports. The results of the application of the basic variant of the gravity model (which only takes into consideration the size of the economy and the distance) reveal that these characteristics cannot account for the low trade volume between Bosnia and Herzegovina and Hungary. Bosnia and Herzegovina’s international trade is significantly influenced by the fact that it was a member state of the Former Yugoslavia, which is indicative of the importance of historical, cultural and political ties. The results the study has come to, which on their part pertain to Bosnia and Herzegovina’s ten most significant trading partners, also refer to the fact that the distance between major cities more strongly impacts exports than imports.

With the aim to investigate the socioeconomic dynamics of entrepreneurial and traditional employment in Hungary as the selected country of the so-called EU periphery, the author *Márton Gosztonyi* applies a series of econometric techniques to a set of data from the year 2022. Simultaneously also examining the manner in which individual self-perceptions

and the local socioeconomic environment impact the employment types, the author points to the similarities and differences in that relation in different contexts. The basic conclusion of the research study implies that there are significant deviations in the manner in which entrepreneurs and the traditionally employed perceive local economies, trust in institutions and perceive their respective personal roles within the given economic system.

This Issue of the Journal contains a review of the international scientific conference entitled the *Global Strategic Communication Consortium 2024 Conclave*, which was submitted by *Marko Selaković*, *Nikolina Ljepava*, *Shannon A. Bowen*, *Yicheng Zhu*, *Elina Erzikova* and *Brett Robertson*. The Conference was organized by the University of South Carolina (USA) and held in Saint Petersburg (Florida) from 10th to 13th March 2024.

Issue 2 Volume 26 Year 2024 contains the Acknowledgement to the reviewers of the manuscripts submitted to the Editorial Board of the Journal in 2023, of which those having positively been rated in the double-blind peer review process were published as the original scientific and review papers in the Issues 1, 2, and 3, Volume 25 Year 2023 of the Journal.

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 Issue 2 of the Journal. Simultaneously, our special gratitude goes to the reviewers whose constructive and critical comments and suggestions given to the authors of the submitted contributions have contributed to raising the level of the quality of the published papers.

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Editor-in-Chief
Milena Jakšić

Milena Jakšić is a full professor teaching at the Faculty of Economics of the University of Kragujevac. She earned her PhD degree at the Faculty of Economics of the University of Kragujevac in the narrow scientific field of general economics and economic growth. The key areas of her scientific and research interests are the financial system, financial markets, financial instruments and financial institutions.