

FOREWORD

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Globally, in June 2021, the World Bank improved its growth forecast for 2021 by 1.5 percentage points, to 5.6%, which means that the world economy will record the strongest growth in the last 80 years. However, the international financial institution warns that many countries, especially the poor ones, are left behind and will need several years to return to pre-pandemic levels.

According to World Bank President, David Malpass, coordinated efforts are needed globally to accelerate the distribution of vaccines and debt relief for low-income countries.

The World Bank report shows that the recovery will be uneven, given that the world's major economies, especially the United States, are benefiting from the progress of the vaccination campaign and stimulus programs. While among advanced economies, about 90% of them would return by 2022 to the per capita income they had before the pandemic, among emerging and developing countries only a third will achieve the same performance. As a result, the gap between advanced and poorest economies in per capita income will widen further, narrowing before the pandemic.

The United Nations also announced, in June 2021, that the growth of the world economy would reach 5.4% this year, returning after a 3.6% contraction in 2020. It is a better performance than is expected in January 2021, according to the latest World Economic Situation and Prospects report published by the UN.

However, growth prospects in some countries in South Asia, sub-Saharan Africa and Latin America remain "fragile and uncertain" due to slow progress in vaccination, according to a report published by the UN Department of Economic and Social Affairs in June 2021.

"Vaccination inequality between countries and regions poses a significant risk to a global recovery that was already uneven and fragile. Timely and universal access to COVID-19 vaccines will make the difference between ending the pandemic or losing several years of growth, development and opportunities," said UN chief economist,

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Elliott Harris. For example, China and the United States, which have made rapid progress with their immunization programs, are expected to experience economic growth of 8.2% and, respectively, 6.2% this year. In contrast, Nigeria's economy will grow by only 1.8% as the country has vaccinated less than 1% of the population.

The UN asked for vaccines to be made available to all countries and has also called on donors to fund the COVAX facility, which aims to purchase 1.8 billion doses of vaccine by the end of 2021 to ensure equitable access globally.

In a separate report released in March 2021, the UN called on countries to contribute \$ 20 billion to vaccinating poor countries this year and also called on rich countries to offer debt and investment cuts to less developed countries.

In the current context, the authors found forums for discussions and debates and have written articles for the current issue trying, as far as possible, to look at some solutions for the problems facing the new world state of economy. Whether or not they succeeded in responding to the challenges, we leave it to you to determine.

In their scientific paper entitled *Recent Trends and Developments in the Global Workplace and Their Impact on Employment Relations in Kenya*, the authors, Kennedy OLUNGO and Wilfred UKPERE, are talking about various perspectives that exist amongst people about globalisation – a phenomenon that has impacted local economies in terms of trade, foreign direct investments, agriculture, technology transfer, dominant culture, as well as international standards. The study relied on a mixed methodology approach, which is a combination of quantitative and qualitative approaches. A total of 500 closed end questionnaires were distributed to the employees of the sampled companies, out of which 483 were satisfactorily responded to, which amounts to 97% response rate. In addition, 10 key employment relations stakeholders were interviewed. The findings of the study revealed that there has been an increase in the rate outsourcing by many organisations in Kenya, which has partly contributed to raising incidents of downsizing and retrenchment that have exacerbated the level of unemployed. Technological advancements have also been noted as a major contributor to retrenchment in Kenyan organisations. Although technology has accelerated performance, which has helped many organisations reduce the operational costs, it has, at the same time, affected employees who have lost their livelihood as a result of the incursion of advanced technological innovations. Many organisations are currently engaging employees on casual or temporary work, which are sourced from labour brokers as a cost cutting mechanism. This state of affairs has affected the morale and psychological contract of many workers in Kenya.

The authors, Alidu Olatunji KAREEM, Musediq Olufemi LAWAL and Sheriff Omotayo RASAQ, in their scientific paper called *Effects of Fringe Benefits on Employees Productivity in Selected Organisations in Ogun State, Nigeria*, revealed that the provision of fringe benefits by the management of an organisation has positive roles to play in motivation of employees to higher productivity. It also defined the degree to which an employee identifies with the organization and wants to continue participating actively in it. Questionnaire was the major instrument adopted for this study, a total of 210 respondents were sampled from three food and beverages production organisations. Data generated through the questionnaires for the study were analysed making use of Statistical Package for Social Sciences (SPSS). The results showed that highly competitive fringe benefits have impetus for ensuring drastic reduction in labour turnover. Strong fringe benefits were therefore established to be correlated with employees' motivation on the job, job satisfaction; job performance, employee retention and that proper workplace environment helps in reducing the rate of absentees. The study therefore submitted that application of fringe benefits facilitates effective productivity, while it was also discovered that employees' involvement in organization activities contribute to organizational stability. The two hypotheses tested thus showed a significant relationship between employees' involvement in policy formulation and implementation on individual productivity as well as organizational performance (F Statistic (17.65) $P < 0.05$ and sig. $P < 0.05$) and that significant relationship exists between application of fringe benefits and individual productivity as well as organizational performance (F Statistic (8.982) and sig. $P < 0.05$).

Ibrahim NASIBLI, in his scientific paper named *The Effect of Motivation on Employee Performance*, is telling us the with the abandonment of the classical management approach and the adoption of the modern management approach in the enterprises, it has been emphasized by the managers that the workforce is as important as the technology for the success of the business. The prominence of people in businesses has led to the creation of the human resources department and, accordingly, the emergence of many systems that direct people and increase their productivity. At the beginning of these systems is the motivation and performance evaluation system. It is very difficult to keep employees in the company for a long time and encourage them to act in favour of the company. The main purpose of motivation methods is to ensure that employees act in accordance with the company's goals and achieve successful results. The purpose of the study was to determine whether the factors influencing the performance of employees and employers were

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rewarding factors, additional payment factors or psycho-social factors, and whether these factors were age, gender, marital status, education level, work experience, occupation, etc. This study also investigates how it differs according to demographic factors.

Another interesting research paper is the one written by Musediq Olufemi LAWAL, entitled *How Cooperative Societies Enhance General Wellbeing through Housing Provision and Services in Nigeria*. This study discusses the activities of cooperative societies in meeting the challenges of housing provision in the face of seeking and repayment processes. The cooperative societies in formal and informal settings were studied. Cooperative societies in two tertiary institutions in Nigeria were used as cases for formal setting. Informal setting was represented by the oldest Coordinating Cooperative Union in Ibadan, Nigeria. A total of 330 respondents took part in the study. Questionnaire and interviews were utilized to collect data for the study. The findings revealed that all the cooperative societies ran multipurpose services with housing loan services being equally included. These services included mass purchasing of land (b) acquisition of rapid urbanization. The study made an exposition of housing and related services, loan fixed assets (c) housing loans to members who are about to complete their personal houses or in the process of having one. Cooperative societies were seen as the easiest channels of securing access to affordable housing due to absence of bureaucratic bottleneck and insurmountable conditions. The general feeling was that decision making on how, when and to whom the loan should be given was faster, reliable and enhancing social, mental and physical stability for better productivity.

Author Joel ISABIRYE in his paper entitled *Perspective on Firm's Responses to Economic Crises* examines literature that analyses how economic crises affect firms. Eighty-five studies were examined with the overall aim of finding out the impact of crises on firms. Studies published between 1805 and 2018 were sampled purposively through digital database searches, to establish the most recent literature on the impact of crises on firms. Consequently, the majority of the work assessed focuses on the global economic crisis of 2007 and its effect on firms in a different country and regional contexts. The literature demonstrates that economic crises affect firms negatively and positively with a tendency for crises to affect firms more negatively. Negative impacts include a decline in demand, fall in profitability, debt problems, operational challenges, bankruptcy, loss of goodwill or public image, uncertainty, and scale down of operations. Positive impacts comprise stimulation of efficiency, and improved performance for strategic firms. The

review further establishes that the impact of crises on firms varies from firm to firm, which requires that to examine the impacts of economic crises on firms requires that the firms are studied on a case-to-case basis.

The scientific study *Impact of Audit Quality on Tax compliance in Nigeria* written by Oladele ROTIMI examined the impact of audit quality on tax compliance proxy as tax revenue in Nigeria. Specifically, the study investigated the relationship that exists between auditor independence, engagement performance and tax revenue knowing that many times, tax assessment is based on audited financial statement presented by the firms. Survey research design was adopted using primary data sourced from administration structured questionnaire on the respondents selected from among; the staff of Federal Inland Revenue Service (FIRS), academia (Accountants) and practicing accountants/auditors within Ondo State. The ordinary least square (OLS) model was used to analyse data so collected. The R^2 adjusted predictive power of the study was 0.623 (62.3%) and the F-statistic at the 0.01 and 0.05 level of significance which are 4.79 and 3.07 and is less than 6.047 which was a clear indication that, auditor independence and engagement performance have a significant effect on audit quality with resultant effect on tax compliance (tax revenue) in Nigeria. The study therefore recommends that auditors should embrace independence and strictly adhere to established standards and procedures laid down by the government, professional bodies when reporting to enhance audit quality at all times; it is believed this will foster tax revenue generation to argument dwindling revenues.

M. BEDA and Darlington Peter ONOJAEFE, in there scientific paper entitled *Factors Affecting Financial Sustainability of Water and Sewerage Provision in Cape Town, South Africa*, argued that financial sustainability of water and sewerage provision is undermined by consumers' inability and reluctance to pay service fees. South African municipalities are providing water and sewerage services at high maintenance and operational costs, households and businesses that are unable and/or committing to pay their full accounts timeously. This study examines the provision of water and sewage service and presents strategic framework to manage revenue collection to achieve financial sustainability of water and sewerage provision. The study applied the interpretive research method to collect and analyzed data for improved understanding of service provision and revenue collection mantra. The main objective of this study was to investigate factors affecting financial sustainability of water and sewerage provision in Cape Town. In this study, an interpretive research method was embraced and qualitative research design was used

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to collect qualitative data by means of interviewing the senior officials using semi structured interviews. Narrative methods of analysis were applied in analysing data collected from randomly selected Cape Town officials including observations and secondary data. The results showed that although Cape Town is making efforts of generating revenue by means of enforcing water and sanitation services payments, there is still a percentage of residents that refuses to pay for services resulting in revenue loss. The other reason for loss of revenue was unaccounted water which was the focus of Water and Sanitation. The reasons advanced for unwillingness to pay for water and sanitation services by consumers were unemployment, poverty, unequal distribution of services and general ignorance.

Godly OTTO, Eugene Abuo OKPE and Wilfred I. UKPERE, in their research paper entitled *Rice Production, Consumption and Economic Development in Nigeria*, are telling us that in recent times, rice production has become a topical issue in national discourse in Nigeria. Rice is a major staple food in all the regions of Nigeria. Over the years, Nigeria has imported rice from different countries to supplement local production, thereby putting pressure on the Nigeria foreign exchange. Since 2018, the Central Bank of Nigeria made policies aimed at curtailing the importation of some agricultural products including rice, by ordering the closure of land borders till further notice. The aim of the policy was to restrict the dumping of products such as rice into the country, which could generate an unfair competition with local rice producers. It is against this backdrop that this work investigated the effect of rice production and consumption on economic development in Nigeria, from 1986 to 2018. The data were sourced from the Central Bank of Nigeria Statistical Bulletin. To establish the empirical nexus between rice production, consumption and economic development in Nigeria, the work used the following econometrics tools of data analysis OLS, Unit root test, Johansen Cointegration and Vector Error Correction Model (VECM). The findings of the study prove that there is a significant relationship between rice production, consumption and economic development in Nigeria. In addition, the OLS result established that the relationship between rice import and the gross domestic product in Nigeria is statistically significant. The unit root test results justify that all the model variables were non-stable at levels but gained stationarity after first difference. The Johansen Cointegration test empirically established that there is a long run convergence between the variables in the model, while the VECM result attested that the model variables are jointly instrumental in eliciting long-run equilibrium. From the foregoing, government is encouraged to support the mechanization and modernisation of rice production in Nigeria, including

the introduction of modern equipment, pesticides and improved seedlings needed by rice farmers to increase rice production. This may be achieved through the provision of cheap credits to rice farmers.

Another interesting paper is the one written by George Marius MUNTEANU and Raluca Ionela CREȚOIU, entitled *Peculiarities of the Consumption Behaviour on the Real Estate Market in Romania in the Context of the COVID-19 Pandemic*. For many of the developed or developing national economies, real estate markets are areas of activity capable of substantially contributing to the structural good functionality of that economy. Transactions carried out within real estate markets provide logistical support for the proper conduct of a multitude of production activities or services of economic operators, on various levels of the economy. From this point of view, any large-scale crisis that also affects real estate field is a major challenge for the proper revitalization of many sectors and for the re-entry into a normal phase of most trade within economy. The crisis caused by the COVID-19 pandemic is a very special crisis not only because of the world scale and large span, but also because of the many plans on which it acted, economically, socially, politically, biologically, etc. This article aims to delve into the picture of the evolution of the Romanian real estate market during the pandemic, providing the main coordinates of this development and assessments on the implications that these market trends have at both Romanian and European market levels.

The authors, Ajibola S. GBOTOSHO and Kolawole S. AJIBOLA, in their scientific paper called *Appraisal of Gateway and Usage of Library Information Resources among Pupils in Osogbo LGEA, Nigeria*, are talking about the vital role of school libraries in the educational system. Here there are issues around the qualified human resources, adequate facilities and electricity supply among others. Another challenge is the proper attitudes towards the use of the available library information resources among library users. The trend is not helpful to national development in any way if not curbed. To find out ways around the emerging attitudes, this study was motivated to investigate the appraisal of gateway and usage of library information resources among pupils in Osogbo Local Government Education Authority (LGEA), Osun State, Nigeria. The intentions of the study were to determine the level of satisfaction of pupils towards school library information resources including human resources, and other facilities; to investigate access and use of school library information resources, to find out the factors that pose problem to pupils in the use of school library and strategies to overcome such challenges. In a descriptive survey, simple random was habituated to select 40

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respondents from each of the selected primary schools to make a sample size of 240 respondents in six primary schools purposively selected in the Osogbo Local Government Area of Osun State in Nigeria. The methods of data collection for the study were questionnaires, documentary review, personal observations and interview. Content analysis was espoused for qualitative data. Quantitative data were anatomised by using SPSS. The finding divulged that primary school pupils face many repressions in using the school library since there are no current library information resources but obsolete ones; inadequate of qualified and professional personnel. It was also found that books were the most frequently used library information resources. Furthermore, to effectively use the school's libraries by the primary school pupils, there is need to address the above-mentioned constraints faced by the pupils in using the school library. The study recommended that provision of fund is necessary to execute all the school library needs. The study further recommended continuous training and retraining for the library human resources.

Vladimir RADIVOJEVIĆ, Bojan KRSTIĆ and Jelena STANOJEVIĆ, in their research paper called *Performance Assessment of the Balkan Countries in the Information and Communication Technologies Sector*, are talking about the rapid technological development of the last decades that has affected practically all areas of the economy, society, and culture. Almost every aspect of life and work in the modern world to a greater or lesser extent depend on the use of information and communication technologies (ICT). The aim of this paper is to analyse the ICT performance of ten Balkan countries and to highlight areas that need further improvement. The analysis is based on the data published by the International Telecommunication Union in annual Measuring the Information Society Report. The research is conducted through comparative analysis and benchmarking method. The ten best-positioned European countries in terms of ICT development represent the benchmark group. The analysis finds low level of national ICT performance of the Balkan countries compared to the selected European countries. The conclusions of this research may serve as guidelines for ICT policy makers in the observed economies.

In his paper, entitled *Estimation of Cost Minimization of Garments Sector by Cobb-Douglas Production Function: Bangladesh Perspective*, the author, Haradhan Kumar MOHAJAN, is telling us that the Cobb-Douglas production function in the field of economics has a long history. In mathematical economics, it is used to find the functional relationship between the economic inputs and potential outputs. This study applies the Cobb-Douglas production function to predict the cost minimization

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policies of a running garments industry of Bangladesh. In the study, the effects of the variation rate of capital, labor and other inputs with returns to scale in the garments industry of Bangladesh are examined. In multivariable calculus, the method of Lagrange multiplier is a very useful and powerful technique. In this study, interpretation of Lagrange multiplier is given to predict the cost minimization policy using Cobb-Douglas production function. An attempt has been taken here to show the production of garments in minimum by cost using statistical analysis.

We hope that our journal issue caught your attention and made you read it. Also, we strongly believe that all the articles are interesting and deserve to be appropriated by those who are interested in understanding the specific issues of the global economy.

If you've liked our articles, please visit our website at <http://anale-economie.spiruharet.ro/>. If you want to write an article in our journal, we are waiting you to expose your ideas in new studies published by us.

Finally, hoping that you found interesting Issue no. 2/2021, I strongly invite you to address your comments and suggestions at ashues@spiruharet.ro and, of course, to submit your own paper via online submission system, using the following link: <http://anale.spiruharet.ro/index.php/economics/login>.

Research is the breath of the future. Let's shape the world together!

*Associate Professor Elena GURGU, Ph.D. in Economics
ASHUES Deputy Chief Editor*

ACADEMIA PAPERS

