Editorial: 58th issue of the Journal of Economics, Finance and Administrative Science

We introduce the December edition, our 58th issue, of the *Journal of Economics, Finance and Administrative Science (JEFAS)*. Our journal consistently delivers outstanding publications in English twice a year, all subjected to double-blind peer-review processes.

The first paper authored by García Mata (2023) examines the relationship between age and financial stress among Mexican adults, focusing on identifying the age of peak financial stress. Using data from the National Survey on Financial Inclusion 2021, a financial stress indicator is constructed through confirmatory factor analysis and linear regression with a quadratic term. The findings reveal a quadratic relationship, with financial stress peaking at age 56, influenced by factors such as sex, marital status, number of dependents, education and region. These insights are valuable for financial product designers and policymakers aiming to enhance consumer well-being.

Next, the paper of Vázquez-López (2024) analyzes the evolution of Latin American productive integration by examining the regional value added in intra-regional exports for Argentina, Brazil, Chile, Colombia, Mexico and Peru from 1995 to 2015. Using OECD's global ICIO input-output tables and the methodological framework by Wang *et al.* (2018), the study breaks down the value of gross exports by sector and country based on the origin of value added. The findings reveal that regional partners contribute very little to the value added in intra-regional exports, while non-regional countries, especially China, have increased their share. This trend, along with declining domestic value added, suggests a shallow regional integration process.

The results of Pérez-Orozco *et al.* (2024) offer two key contributions to the field of innovation. First, it provides evidence of the mediating role of marketing management in the relationship between online presence and product innovation among SMEs in developing economies. Second, it encourages practitioners to recognize the advantages of incorporating marketing management strategies into online presence tools to develop products more effectively tailored to customer needs.

Research conducted by Ngong *et al.* (2024) reveals a significant connection between financial technology and economic growth. The findings indicate a bidirectional causality between automated teller machines and economic growth, while showing unidirectional causality from economic growth to point-of-sale systems, as well as from internet banking, mobile banking and government effectiveness to economic growth. The negatively significant error-correction term suggests long-term convergence between fintech indicators and economic growth.

Following that, Almeida *et al.* (2024) assess the occurrence of abnormal returns resulting from stock splits or reverse stock splits within the Brazilian capital market. Utilizing the

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event study technique, the analysis was conducted on 518 events over a 30-year period (1987–2016), including 167 stock splits and 351 reverse stock splits. The findings indicate statistically significant abnormal returns around the time these splits took effect, with a significance level of 5%. The main conclusion is that stock split and reverse stock split operations present opportunities for exceptional gains, potentially serving as a reference for investment strategies in the Brazilian stock market.

The study of Junaidi (2024) explores the intermediation role of Islamic banks, particularly through branches and deposits, in financing and examines how this financing contributes to regional economic growth and poverty reduction as both a predictor and mediator variable. Based on 297 observations from 33 Indonesian districts and 14 Islamic banks between 2012 and 2020, a fixed-effect regression analysis was applied to assess the interactions between variables. The empirical findings reveal that Islamic banks play a pivotal role in channeling capital from lenders to borrowers and are crucial in promoting economic development and alleviating poverty at the district level. Additionally, the study underscores the significant role of financing in mediating the relationship between branches and deposits (as predictor variables) and GDP and poverty (as outcome variables).

Urdaneta Montiel *et al.* (2024) aim to identify the causal relationships between productive credit, real deposits, money demand (all in real terms) and gross national product from 2006 to 2020. Using the vector autoregressive (VAR) technique, the study correlates data from real macroeconomic aggregates published by the Central Bank of Ecuador, including productive credit, per capita GDP, deposits and money demand. The findings reveal that there is no Granger-causal relationship between GDP and financial activity; however, a causal link exists between the growth rate of real money demand per capita and the growth rate of total real deposits per capita.

In the following article, Amin *et al.* (2024) examine how capital efficiency affects Bangladesh's economic growth, using the Harrod–Domar (H-D) model. The study analyzes annual data from 1980 to 2019, following three key steps. First, tests are conducted to ensure the data is suitable for analysis, including checks for relationships between variables. Then, long-term growth trends are estimated, with further checks to ensure accuracy. Lastly, a causality test is used to identify long-run connections between the factors. The findings show a significant long-term relationship, with results indicating that higher capital inefficiency, measured by the incremental capital output ratio (ICOR), negatively impacts economic growth. Specifically, a one-unit increase in ICOR reduces long-term growth by 0.75%. Additionally, no strong link is found between savings and growth. The causality test suggests that capital efficiency directly influences economic growth.

The objective of the paper of Trinh (2024) is to compare nine models for evaluating consumer credit risk in peer-to-peer (P2P) lending, including logistic regression (LR), Naive Bayes (NB), linear discriminant analysis (LDA), k-nearest neighbor (k-NN), support vector machine (SVM), classification and regression tree (CART), artificial neural network (ANN), random forest (RF) and gradient boosting decision tree (GBDT). Using data from the P2P lending club (LC), the study assesses model performance across different economic conditions with three families of evaluation metrics. The findings show that models from 2013 to 2019 perform better than those from 2007 to 2012, with GBDT emerging as the top model. LR, ANN and LDA demonstrate stable accuracy, while CART, k-NN and NB exhibit weaker performance in predicting borrower default risk, consistent with previous studies.

Grajales and Albanés Uribe (2024) introduce a methodology using uncertain mining technology to identify linguistic relationships between environmental, social and governance (ESG) factors and a financial performance metric to aid sustainability

diagnosis in Latin America. The approach involves extracting mathematically significant linguistic relationships from a dataset of regional companies and designing a knowledge management process based on the linguistic summaries. Finally, a system of signals is proposed for diagnosing regional sustainability. When applied to Multilatinas, the findings reveal that their contributions to sustainability are limited, with no favorable linguistic relationships between ESG and financial performance.

Finally, Ölmez *et al.* (2024) examine the impact of economic policy uncertainty (EPU) on the United Kingdom's outward foreign direct investment (OFDI) while also considering the institutional quality (IQ) and level of globalization in the host country as key contextual factors. The study analyzes the UK's OFDI to 20 partner countries over the period from 2005 to 2019, using a factor-augmented model. The findings reveal that higher EPU in the host country significantly reduces the UK's OFDI. Interestingly, the study also finds that greater globalization in the host country negatively affects the UK's OFDI. Regarding IQ, the research highlights that while government effectiveness and regulatory quality have a negative impact on the UK's OFDI, the rule of law in the host country positively influences it.

In conclusion, this edition comprises insights of considerable relevance to scholars, executives and policymakers within the realms of finance and business economics. and and

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