

**Varazdin Development and Entrepreneurship Agency**

in cooperation with:

**University College of Inspection and Personnel Management in Split**

**The University of Applied Sciences Baltazar**

**University North**

**Faculty of Management University of Warsaw**

**Faculty of Law, Economics and Social Sciences Sale - Mohammed V University in Rabat**



## **Economic and Social Development**

44th International Scientific Conference on Economic and Social Development

### **Book of Abstracts**

Editors:

**Mila Nadrljanski, Jasmina Grzinic, Katarzyna Kinga Kowalczyk**



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**Editors** ■ Mila Nadrljanski, Jasmina Grzinic, Katarzyna Kinga Kowalczyk

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## **BENEFITS OF EDUCATIONAL DATA MINING**

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### **ABSTRACT**

*We live in a world where we collect huge amounts of data, but if this data is not further analyzed, it remains only huge amounts of data. With new methods and techniques, we can use this data, analyze it and get a great advantage. The perfect method for this is data mining. Data mining is the process of extracting hidden and useful information and patterns from large data sets. Its application in various areas such as finance, telecommunications, healthcare, sales marketing, banking, etc. is already well known. In this paper, we want to introduce special use of data mining in education, called educational data mining. Educational Data Mining (EDM) is an interdisciplinary research area created as the application of data mining in the educational field. It uses different methods and techniques from machine learning, statistics, data mining and data analysis, to analyze data collected during teaching and learning. Educational Data Mining is the process of raw data transformation from large educational databases to useful and meaningful information which can be used for a better understanding of students and their learning conditions, improving teaching support as well as for decision making in educational systems. The goal of this paper is to introduce educational data mining and to present its application and benefits.*

**Keywords:** *Data, Education, Educational data mining, Teaching, Students*

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**STRATEGIES FOR IMPROVING SOCIO-  
ECONOMIC DEVELOPMENT BASED ON  
KNOWLEDGE IN POST-CONFLICT AREAS OF  
COLOMBIA: THE CASE OF BIOREFINERIES  
IN MONTES DE MARIA (MARIA MOUNTAINS)**

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***ABSTRACT***

*The socio-economic development of different areas in the Colombian territory has suffered a considerable detriment due to the armed conflict that was experienced in the country during the last 50 years. Indeed, the backwardness of productive systems in rural areas, the conflict itself, the difficult access to education, job training, absence of entrepreneurship initiatives, and lacks in research and innovation for strengthening of productive chains are the main aspects that must be covered to establish a framework for sustainable development in these areas. Currently,*

*the Peace agreement signed in 2016th between Colombian Government and the Armed ilegal groups allows the establishment of projects aimed at improving conditions through the promotion of enterprises that generate incomes from the management of agricultural resources. Then, Today there is an opportunity focused on the enrichment of the regions using their same natural and human resources based on the knowledge increase. In the present paper is described the strategy applied for the Montes de Maria (Maria Mountains, one of the post-conflict rural areas in the country, to increase the socio-economic development based on:*

- 1. Analysis of the region state, including the natural and human resources available.*
- 2. The interaction with the communities through the local actors*
- 3. The market analysis*
- 4. The assessment and prioritization of the potential for entrepreneurship based on agribusiness activity and local knowledge*
- 5. The assessment of energy access and potential for renewable energy in the region*
- 6. The final characterization of prioritized productive chains and establishment of actions for improvement*
- 7. The inclusion of the biorefinery concept in the strategy*
- 8. The sustainability assessment of the entrepreneurship proposed and the preliminar business case development*
- 9. The local training and the implementation of the project*

*In the post-conflict area of Montes de Maria it was established a deep backwardness in agronomy and technology development of the productive chains with important potential for producing plantain and avocado added value products. The main local actors were prioritized and strategically harmonized based on the local University of Sucre and the producers in the rural areas (some of them returning back to the region after the Peace Agreement signed). The Energy needings based on not interconnected to the electric grid areas were identified. The agronomy strategies were recognized, and the implementation*

*began to improve the crops productivity together with the producers. Finally, the conceptual design of the processes based on the biorefinery concept to valorize the plantain and the avocado together with their residues was developed and calculated to measure the technical, economic and environmental impact as well as a preliminary social analysis. All the results will be shared in the conference as well as the recommendations to extend this approach to other conflict regions in the world.*

**Keywords:** *post-conflict area, biorefinery, energy, social and economic development*

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## **CONDUCTING PSC INSPECTION ON CROATIAN VESSELS**

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### **ABSTRACT**

*Overall condition of the vessel is determined during various inspections. PSC (Port State Control) inspection is one of the most important inspection regime conducted by state authorities on all vessels. This paper describes in detail this inspection regime and the results of conducted inspections on Croatian flag*

*vessels. This research covered inspection of Croatian flag vessels in time period from 1<sup>st</sup> January 2019 to 31<sup>st</sup> December 2018. The results of this research are recommendations for ship owners for preventing deficiencies and guidelines for inspectors in order to improve inspection regime.*

**Keywords:** *Croatia, PSC inspection, Vessels*

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## **CONFLICT OF JURISDICTION AND CONFLICT OF LAWS IN THE ELECTRONIC COMMERCE CONTRACTS**

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### **ABSTRACT**

*Nowadays, Information Communication Technology (ICT) has an essential part in economic productivity and establishing of modern life for a society. Each person has a chance to use this technology for trading, chatting, obtaining news and other numerous advantages. However, e-trading is the most modern form of commerce used today. Due to its numerous advantages; governments around the world believe that EC will be the engine of economic stability in the future. However, this kind of commerce has numerous legal issues; and one of the main legal issues with regards to the electronic contracts is the legal requirements of its conclusion, taking in consideration that there is no differences between the traditional contracts that concluded face to face or the modern contracts that concluded electronically. So, both contracts require offer and acceptance, But, some of logical questions are standing in front of the legal experts in the EC field. For example, what do we mean by electronic offer and electronic acceptance?*

*When the offer obliges the offeror? When the acceptance obliges the offeree? What is the time that the contract is considered concluded? What is the place of conclusion; the place of offeror? And finally, what is applicable law that govern such contracts and which court is competent to settle the dispute.*

**Keywords:** *Electronic contract, Electronic Offer, Electronic Acceptance, Place of Contract, Applicable Law, Jurisdiction*

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## **EDUCATION AND ENTREPRENEURSHIP CAREER CHOICE IN KOSOVO**

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### **ABSTRACT**

*This chapter discusses the entrepreneurial education and entrepreneurial intentions in Kosovo. The study employs the data from the Global Entrepreneurship Monitor (GEM) survey (2014) and OECD's SME policy index (2016) to evaluate and compare entrepreneurship education in Kosovo in the regional and global context. The findings suggest that Kosovo is ranked lowest in terms of entrepreneurial education in Western Balkans. Study also shows that even though the perceived capability among students is high, there are low entrepreneurial intentions. The study urges the need for more proactive and tailored made policy measures to support entrepreneurial education, at all level of*

*education. Taking into account limitations, the study ends with some policy proposals focusing on encouraging creativity, experiential-based learning, or personal initiative and to pay more attention on the setting up of new businesses. Provision of business support services by educational institutions such as incubation infrastructure, funding for start-ups, and business mentoring is needed to promote entrepreneurship as a career choice.*

**Keywords:** *Career, Education, Entrepreneurship, Kosovo*

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## **CUSTOMER PREFERENCES IN PASSENGER RAILWAY TRANSPORT**

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### **ABSTRACT**

*The article presents the preferences of travelers in railway transport based on the results of secondary and primary research in comparison with changes in the environment of transport companies, which also give the opportunity to develop passenger rail transport. The research area was passenger rail transport in*

*regions and agglomerations in Poland. This article focuses on the segment of young people in literature included in the group of young adults who, because of continuing education outside their place of residence, taking up a job or for sightseeing reasons, often travel and are considered to be an important target group for railway carriers. The purpose of the article is to indicate the features of passenger rail transport services most preferred by passengers, and at the same time to identify the existing gap in the assessment of these perspectives by travelers. In order to achieve the objective, the method of critical analysis of available results of secondary research and the method of the questionnaire were used, using the questionnaire in primary research. To achieve the goal, the desk research method includes available literature and research results published by the Office of Rail Transport and Statistics Poland (GUS), which open new possibilities for carriers to analyze and adapt to the expectations recipients of services, as well as the survey method using the questionnaire in primary research, were applied. The obtained research results indicate the potential of railway passenger transport in Poland, focusing on passenger preferences and their assessment of the performance of services in railway transport.*

**Keywords:** *railway transport, passenger transport, communication behavior*

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## **CHALLENGES AND PERSPECTIVES OF SOCIAL ECONOMY IN SLOVAKIA**

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### **ABSTRACT**

*The civil society in Slovakia, characterised by enforcement of its own interests even toward the state interests, commenced its formation since 1990. In the space of civil society in the spirit of*



*ethics, humanism and social solidarity, various initiatives are formed to satisfy old and new social needs. New innovative tools to address societal challenges arising from the welfare state crisis, globalization, unemployment, poverty, population aging are currently being sought. In Slovakia a new scientific discipline is being born – social economics and new instrument of social politics in the form of social entrepreneurship. In the field of social economy it seems that activities and organizations have emerged that are similar to examples from Western Europe, but they are characterized by different dynamics and functionality. In this paper we point out the specifics of the development of the social economy in Slovakia. We analyze the social economy entities in the context of the historical development of the third sector, pointing out the differences and common features of the social economy and the non-profit sector. We are currently in a situation where practice precedes theory and there is lack research in this field. In order to develop the concept of social economy, it is necessary to strengthen the dissemination of good practice, public information and the introduction of comprehensive support for social enterprises. It is necessary to support and develop not only working integration social enterprises but also other types of entrepreneurship, that are active in providing goods and services to disadvantaged and vulnerable groups and in the field of environmental protection. We identified weaknesses in the social economy sector and offered recommendations for practice in this field for further progress.*

**Keywords:** *social economy, social entrepreneurship, societal challenges, unemployment, work integration social enterprises*

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## **DEVELOPMENT OF WAGES IN THE SLOVAK REPUBLIC – NATIONAL AND REGIONAL VIEW**

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### **ABSTRACT**

*The paper is focused on the evaluation of wage development in the Slovak Republic. The object of the investigation is the average gross monthly wage in the national economy, the minimum wage and wage differences according to regions in the monitored period in 2008-2018. This period also includes the post-global crisis, which has brought many negative labour market fluctuations. Wages are the result of the functioning of the labour market, and at the same time we can also consider it to be a form of agreement between employer and employee. At the same time, through its policy, the state seeks to provide workers with a basic standard of living and the right to a dignified life through setting a minimum wage. Wage developments are an important economic indicator that has a significant impact on the competitiveness of micro-economic enterprises and on the macroeconomic stability of the entire economy. One of the problems of low wage levels in Slovakia as compared to many EU countries is the disproportionate distribution of generated wealth among employees and employers, with only about 44% of the produced value being employees and 56% employers. Wages are in many enterprises the most important component of costs, the most*

*accurate planning of which is important in any strategic decision. Therefore, monitoring and forecasting of wage developments in the economy and / or region is essential information. Despite labour productivity growth, the average wage does not grow at a pace and is regionally differentiated significantly. Slovakia is one of the countries with the highest regional disparities in basic macroeconomic indicators, when substantial differences in the west-east direction of the country are manifested. In the Slovak Republic, the growth and the level of the minimum wage is a topic of political negotiations, and there are long-standing problems among employees' representatives - trade unions and employers in reaching a consensus on increasing the minimum wage.*

**Keywords:** *Average wage, Labour market, Minimum wage, Regional differences, Wage development*

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## **COURT SYSTEM AS ONE OF THE MAIN ECONOMIC ISSUES**

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### **ABSTRACT**

*Companies and individuals relied heavily upon traditional method (court system) to resolve disputes, which were expensive whether the disputes were won or lost. In relation to investment disputes, court system also damages underlying relationships between the parties, which require looking for alternative to court system to protect the investments and encourage companies and individuals to invest such matter plays a big role in economy growth. This paper therefore aims to define the concept and disadvantages of court system which will, in turn, allow us to examine its role in resolving disputes of economy. This paper will*

*also try to examine the importance of ADR compared with court system, the different types of ADR, and its advantages.*

**Keywords:** *Court System, Alternative Dispute Resolution (ADR), Economy Issues*

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## **SPECIAL EVIDENTIARY ACTIONS IN THE CONTEXT OF JUDICIAL CONTROL OF THEIR APPLICATION IN PRACTICE IN THE REPUBLIC OF CROATIA**

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### **ABSTRACT**

*The focus of this paper is the institute of special evidentiary actions, its application in practice, and the question to what extent the content component of the investigating judge's order must be justify in order to respond to the challenge of the standard of legal predictability. Proving the existence of certain forms of crime, with elements of conspiracy and latency, would be significantly hampered without the use of special evidentiary actions. The complexity of this challenge is raised to a higher level as it involves certain encroachment into individual human rights that are proclaimed as the highest constitutional values and are the subject of numerous international conventions and documents. Special evidentiary actions are taken latently, or secretly, because otherwise the realization of their very nature and purpose would be thwarted. In the light of this, the main guarantee of the protection of the defendants rights, as well as other persons, from excessive interventions into their fundamental rights lies precisely in the role of the court. The turning point in Croatian court practice was the decision of the*

*European court for human rights in the case Dragojević v. Croatia, successively followed by the decisions in the cases of Bašić v. Croatia and Matanović v. Croatia, in the field of retrospective statement of reasons for investigating judge's orders, through the application of special evidentiary actions in practice. Such practice of domestic courts, by the decision of European court for human rights, was established as a behavior contrary to Art. 8. of the Convention, which led to a reassessment of the assurance level of appropriate guarantees against various possible abuses by public authorities.*

**Keywords:** *special evidentiary actions, investigative judge's order, statement of reasons for order, court practice, Supreme Court decision, Constitutional Court decision, human rights violations, protection of personal and family life, European Court of Human Rights*

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## **ECONOMIC DIMENSION OF CHILDCARE IN POLAND IN 2017-2018**

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### **ABSTRACT**

*When analysing the situation of women on the Polish labour market, it can be noticed that their lower professional activity may be the result of performing unpaid work for the benefit of the household (among others, childcare). Those who have decided to take a paid job must share their previous responsibilities with obligations arising from the employment relationship. Thanks to the extensive social benefits in Poland (care and maternity benefits, etc.), a working parent may be absent from work to look*

*after the closest family member, but at the expense of basic pay for this period. The employee is entitled to an allowance for such care, but it is paid only to one parent. The aim of the presented study is to answer the question which parent will take care of the child and give up remuneration for this period? The structure of the article is as follows. The first part presents the general characteristics of benefits that are paid to working parents in Poland in case of birth/illness of a child. Then, descriptive analyses of inequalities in the amount of benefits paid to men and women were conducted in particular voivodeships in Poland in 2017-2018. The work ends with a summary. The applied research methods include literature review and data analysis made available by the Social Insurance Institution for the needs of this study.*

**Keywords:** *allowance, parenthood, Social Insurance Institution (ZUS)*

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## **GLOBALIZATION AND CLIMATE CHANGE - ARE STATE INTERVENTIONS A SOLUTION?**

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### **ABSTRACT**

*Globalization in the economy, on the one hand, has enabled the growth of society's wealth and poverty alleviation, while on the other hand, great economic development has had a negative impact on the environment. Economic growth and international trade have allowed the wealth of society to grow, but human society has parasitized nature and has long depleted natural resources - water, land, forests. In the countries of the former socialist bloc after 1945, such behavior was intensified by*

*ignoring the historical experience of our ancestors and distorted property relations. After the transformation of the economy at the end of the 20th century, these countries also succumbed to global economic pressures and the pursuit of profit at all costs, which accelerated unscrupulous behavior towards the environment. Environmental offenses and environmental crimes are increasing worldwide. We see the consequences in the alarming signals of the changing climate, which can be observed, for example, in increase of the price of agricultural commodities, food and various social threats. The need for environmental protection has therefore already been reflected in the pursuit of international conventions and various environmental projects. The aim of this paper is to describe the possibilities offered by the use of knowledge from economic reality, economic theory and economic history to protect against climate change. Information on this article was drawn from economic, historical, environmental and meteorological sources. In the paper the historical-logical approach and genetic-historical analysis were used.*

**Keywords:** *climate change, market economy, soil drought, state intervention*

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# **INCREASE OF RESIDENTIAL REAL ESTATE PRICES AS A THREAT OF SYSTEMIC RISK ACCUMULATION IN CROATIA – NEW CHALLENGES FOR MONETARY POLICY MAKERS**

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## **ABSTRACT**

*The recent developments showed that financial stability and real estate prices are strongly related. Also, boom-bust price cycles in real estate sector have huge impact on systemic risk accumulation and can cause large macroeconomic imbalances. In the period of the recovery of the economy, the central banks have continued with policy of quantitative easing and stimulation of credit cycle upturns. Low interest rate environment and low-cost credit supply could contribute to increase of demand for housing loans. Consequently, the prices in residential real estate sector could increase. This paper analyses the developments in residential real estate sector and explores the possible causes of real estate price changes in Croatia. The correlation analysis confirmed that better financial conditions have strong positive correlation to residential real estate price growth. Also, the average nominal net payment and residential real estate prices have strong positive correlation. The Granger Causality test confirmed that banks' credit activity for house loans, the increase of nominal net payment and better financial conditions can cause residential real estate prices increase. The problem of residential real estate prices could encourage the procyclical behaviour of debtors and creditors, which in the long-run could lead to new systemic risk*



*accumulation and instability of the macroeconomic balance. Due to events in the recent past, the regulators, especially central banks, observe the real estate prices trends. The prices of real estate used as collateral for housing loans have huge importance for monetary policy makers because they can affect the banks' balance sheet and stimulate the multiplication of loans and deposits. From that point of view, the role of residential real estate prices is crucial in the monetary transmission mechanism because of targeting effective monetary strategy.*

**Keywords:** *Financial stability, Monetary policy, Residential Real Estate Market*

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## **TOURISM PRODUCT OF KRIŽNICA: ANALYSIS AND FUTURE DEVELOPMENT GUIDELINES**

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### **ABSTRACT**

*Modern tourism trends form the way people vacation and travel and impose the necessity of researching, planning, forming, and managing the tourism product of a certain area. Križnica as a protected area of nature can offer a high-quality tourist product adapted to the niche segments of tourism consumers, especially to the segment of eco-tourists and adventure tourists. Therefore, the goal of this paper is to determine the characteristics of the tourist product of the Križnica area as one the crucial elements of the marketing mix which has to, without doubt, be properly*

*managed in order to preserve the natural resource base of an area on one hand, and on the other hand in order to achieve an appropriate position in the competitive tourism market. The methods of documentation analysis and interviews were used for collecting the primary data. The contribution of the paper will be shown in defining the characteristic elements of Križnica's tourism product, as well as in suggesting how to improve not only that tourist product but also the overall tourist offer of the area of Križnica.*

**Keywords:** *tourist product, protected nature, Križnica, ecotourism, adventure tourism*

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## **THE IMPORTANCE OF MARKET POWER IN BANKING: THE CASE STUDY OF THE CZECH REPUBLIC**

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### **ABSTRACT**

*Nowadays, the banking system, as a part of the financial market, is an essential element through which financial resources are redistributed in the economy. This redistribution is affected by the degree of concentration of the banking sector, or the market power of individual banks within the banking sector. Therefore*

*the aim of this article is to analyse the importance of the market power in the banking sector, in the case of the Czech Republic. This paper is based on the research of scientific articles on the given topic and on the measurement of the market power by means of the concentration of three or five of the largest banks. These studies do not have a definite conclusion on the relationship analysed. In addition, this paper uses a correlation analysis to compare the development of the market share and earnings before taxes of six selected banks, which represent three different sizes of banks based on the Czech National Bank's classification - large banks, medium-sized banks and small banks. First, the data are tested for their normal probability distribution. If so, Pearson's correlation coefficient is used, if not Spearman's correlation coefficient is used. (Pokud ano (if so) je tady nejasné. Můj návrh: If the test is positive, Pearson's correlation coefficient is used, if not Spearman's correlation coefficient is used. The volume of the assets is used to measure the market share. It concludes that a relationship between market share and profit development does not exist. However, this conclusion is not unambiguous because in some cases the correlation has been confirmed, both in a positive and a negative sense. The discussion then outlines factors that are likely to result in the more ambiguous conclusions.*

**Keywords:** *banking, concentration, earnings before taxes, market power*

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## ZERO MARGINAL COST IN MAGAZINE INDUSTRY: CHANGING OF COST PARADIGM IN „NEW“ MAGAZINE INDUSTRY

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### **ABSTRACT**

*The aim of this paper is to point to a change in the cost paradigm that has emerged as a direct consequence of digitizing the production and distribution of media content in the production of the magazines. The turn of the century marked dramatic changes within the business system in the media industry. Digitalisation and convergence of the production system as well as the development of the Internet have directly influenced the development and implementation of a new mode of production and distribution of goods in the media industry. The new business model has fundamentally changed the landscape within all categories of the media industry. Changes affecting publishing have quickly resulted in the development of digital editions of books, newspapers and magazines. Digitalisation of production directly influenced the change of the cost paradigm at the level of total cost distribution. The cost of the first copy in the magazine industry did not change much. The changes directly affected the variable costs of each of the following units produced. The transition to digitized production of media content in the magazine industry directly influenced the development of a marginal production cost near to zero.*

**Keywords:** *digital production, magazine industry, marginal cost, media industry, post-industrial production*

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## **DETERMINANTS OF BANK PROFITABILITY: EVIDENCE FROM THE CZECH BANKS**

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### **ABSTRACT**

*This paper is focused to construct model to examine the influence of selected determinants of profitability in the Czech banking sector. The goal of composing the simultaneous equation model is to verify and roughly quantify the assumed relationship between profitability in the Czech banking sector and selected determinants (variables) in period 2004–2017, i.e., 481 observations. As a part of the model that was designed, we verified the hypothesis that profitability in the Czech banking sector depends on selected determinants at a 0.05 level of significance. We tested the given data with the goal of verifying the proposed hypotheses on whether profitability (ROA, ROE) in the Czech banking sector is influenced by capital adequacy, balance sheet, taxation rate, the central bank's interest rates and GDP per capita. For verifying the hypotheses, we created a 2–equation model with nine variables. The model is estimation for two stochastically variable. The composed simultaneous equation confirmed influence was also confirmed only for certain determinant. The research question verifies the assumption that*

*the ROE ratio is positively influenced by the inflation rate and the central bank's interest rates. The second equation assesses the mutual ties between ROA ratio and capital adequacy, taxation rate and gross domestic product per capita. The research question verifies the assumption that the ROA ratio is negatively influenced by the taxation rate and GDP per capital. The ROA has the heterogeneous relationship with capital adequacy. All the Czech banks analysed were achieved statistically significant influence of taxation rate on ROA. Using the proposed simultaneous equation model, it is possible to verify and roughly quantify the assumed relationship between the Czech banking sector's profitability and selected determinants.*

**Keywords:** *Czech bank, identifiability, profitability, simultaneous equations*

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## **THE DYNAMICS OF MUNICIPALITY CONSOLIDATION - COMPARATIVE ANALYSIS OF SUCCESS AND FAILURE CASES**

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### **ABSTRACT**

*Despite rationale arguments, consolidation reforms are very difficult to implement due to the deep-rooted attachment to the existing borders. Meanwhile, urban functional areas usually extend beyond the city's administrative boundaries, which raises a need of coordinating effective public service provision between the city and its suburbs. A review of world experience shows that two institutional solutions are usually applied here – intercommunal cooperation or adaptation of administrative borders to the scope of the functional zone. The objective of the*

*paper is to compare the processes of municipal consolidation in two cities: in Princeton (USA) and Lubin (Poland). Princeton is an example of successful administrative consolidation of the city with the surrounding rural commune, while in Lubin, unfortunately, such a project was not implemented. In the conclusion was found that intercommunal cooperation does not provide sustainable solutions and is exposed to cadenza changes of decision-makers. The most effective seems to be the consolidation of individuals, but its success depends on a very well prepared and transparent procedure.*

**Keywords:** *urban functional area, administrative consolidation, public services, intercommunal cooperation*

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## **THE RATE OF RETURN ON PUBLIC INVESTMENTS INTO ENTREPRENEURSHIP DEVELOPMENT SUPPORT PROGRAMS**

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### **ABSTRACT**

*Entrepreneurship is one of the main growth and new employments generators in most of the economies, which is the reason why entrepreneurship is in focus of policy makers in countries of all development stages. For the purpose of fostering entrepreneurship development public institutions as well as other development subjects, which recognized importance of*

*entrepreneurship development for economic growth, create and implement different entrepreneurship development support programs which can have different forms (incentives for business start-up process, development of entrepreneurial infrastructure, entrepreneurship education programs etc). Many efforts are made in order to create entrepreneurship development support program that will have the greatest effect on development of business ventures and thus economic development. However, there is no much research and evidence about effectiveness of these programs, especially in terms of return on investment in entrepreneurship development support programs. In this paper we present one of the ways to measure these effects for certain level of government, through analysis of public revenues in budgets of that level of government. Authors will provide analysis of measuring these effects on example of Business Ideas Incubator, as one of the forms of entrepreneurship development support programs implemented in Bosnia and Herzegovina in 2018. Finally, authors will provide recommendations for future research as well as recommendations for the improvement of future entrepreneurship development support programs for the purpose of their greater efficiency and effectiveness.*

**Keywords:** *entrepreneurship, entrepreneurship development support programs, return on investment, public revenues*

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## **THE ECONOMIC IMPACT OF THE GROWTH OF HEALTH EXPENDITURE ON HOUSEHOLDS IN SLOVAKIA**

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### **ABSTRACT**

*The illness and the unhealthy way of life are not only unpleasant and can cause serious consequences or death, but also generate unwarranted expenses for patients and their families. Due to the fact that in Slovakia all of us are entitled to free care and the financial resources are limited, there is a possibility of separability and exclusion from consumption. Increased household spending is essential to achieve general health coverage, with a view to sustainable health development. However, healthcare spending is not a cost, but an investment in reducing poverty, jobs, productivity and healthier, safer and fairer societies. The main reasons for the increase in health expenditure are rising prices of medicines, medical equipment, but also administrative costs. Another reason is investment in science and research or the development of the pharmaceutical industry. This is also due to the demographic composition of the population, civilization diseases and the growing demand for better patient information. The aim of our work is to analyze household expenditures in terms of structure, economic status of households and the number of dependent children. We have analyzed whether income levels affect household spending. We focused on the aging of Slovak citizens, its expected future development, the impact on health expenditure and also the view of the financial burden on the elderly. Last but not least, we focused on disposable income and expenditures of Slovak households and in this context we investigated whether we can label health as luxury goods. The article is the output of the VEGA project 1/0251/19 Investments of households in housing and the*

*possibility of their alternative use as additional income at the time of receiving the pension benefit.*

**Keywords:** *disposable income, economic impact, healthcare spending, household expenditures*

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## **EXPLAINING CHINESE FDI IN CEE COUNTRIES - A FIXED EFFECTS PANEL DATA ANALYSIS**

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### **ABSTRACT**

*China captures a special interest in FDI literature as an emerging country whose outbound foreign direct investment (FDI) surpassed inbound flows in 2015, following the 'opening up' policy applied since 1999. It thus challenges the traditional FDI theory, initially based on developed countries as main providers of capital flows. In this context, the motivation of Chinese investors in different types of countries is still a matter of speculation in the literature. This study investigates the special theoretical framework for explaining Chinese FDI outflows and for establishing the corresponding main FDI determinants in Central and Eastern European (CEE) countries, where Chinese interest became clear once with the entering into force of the 16+1 framework of cooperation and the One Belt One Road Initiative in 2011-2012. The empirical part of the study is focused on building six panel models with fixed effects, encompassing five of the CEE countries which are the recipients of the largest part of Chinese investments in this region (Bulgaria, the Czech Republic, Hungary, Poland and Romania).*

*The panel analysis allows testing for FDI determinants and the major motivations of investors from China during the period 2005-2015. The main results confirm that the dimension of the market has the strongest impact on attracting FDI from China. In addition, Chinese investors are also targeting a certain type of strategic resource – the qualified labour force, which enables them to gain practical information and skills – and are looking for efficiency-seeking locations.*

**Keywords:** *foreign direct investment, China, Central and Eastern European countries, investors' motivation*

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## **INFORMATION RELATED TO HUMAN RIGHTS IN FINANCIAL REPORTING – THE CASE OF POLAND**

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### **ABSTRACT**

*The environment of the 21st century has influenced many changes in reporting. Traditional financial disclosures are not sufficient enough to fulfil the needs of financial statements recipients. Directive 2014/95/EU which have been implemented to the Polish Act of Accounting has to enforce the obligation to disclose non-financial information in the management commentary which is part of the financial statements. The scope of non-financial information disclosures includes, inter alia description of the policies used by the entity in relation to social, employment, environmental issues, respect for human rights and counteracting corruption and bribery, as well as a description of the results of these policies. The aim of the paper is to analyse and evaluate how the regulations of Directive 2014/95/EU in terms of human*

*rights have been implemented by Polish companies. The empirical part will be based on the material from the conference held by the Polish Ministry of Finance in March 2019 and La Strada Organization.*

**Keywords:** *corporate social responsibility (CSR), modern financial reporting, non-financial data*

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## **THE APPLICATION OF THE THREE LINES OF DEFENSE CONCEPT IN RISK MANAGEMENT AND FRAUD RISK ON THE EXAMPLE SELECTED LISTED COMPANIES**

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### **ABSTRACT**

*Listed companies are entities of particular interest from the point of view of building a positive image free from fraud and economic abuse. Hence, the effectiveness of their solutions in this area is a subject of research interest. The aim of this study is to present the application of the Three Lines of Defense Concept in the area of strengthening the risk management system in the organization, including fraud risk management. The analysis of its application was presented on the example of listed companies included in the Warsaw Stock Exchange Index (WIG20) and Deutscher Aktienindex Index (DAX), Dow Jones Industrial Average Index (DJIA). The basic research method was a quantitative-qualitative analysis. It refers to the verification of information contained in Management Reports and their analysis in terms of the implementation of the Three Lines of Defense Concept in risk management. The popularity of using the model within listed companies and the industries they represent has been verified and*

*the phenomenon of homogeneity in this respect has been discussed. In case of non-application of the model, the implementation of other risk management concepts or guidelines has been analyzed. The publication is a part of a publication cycle in which the author will strive to develop a risk management model focused on fraud risk management as well as indicators that will determine the number and complexity of actions taken by the organization to reduce fraud.*

**Keywords:** *risk, risk management, fraud, corruption*

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## **DETERMINING THE EFFECTS OF SECTORAL LABOUR PRODUCTIVITY USING DIVISIA DECOMPOSITION METHOD ON ECONOMIC GROWTH OF SELECTED ASEAN ECONOMIES**

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### **ABSTRACT**

*The interrelationship that exist between the economic structure and the level of growth of economy measured through Gross Domestic Product (gdp) growth has been one of the most enduring topic in both historical and cross-section studies. The interrelationship that exist between the structural change and the level of growth of economy measured through Gross Domestic Product (gdp) growth has been one of the most enduring topic in both historical and cross-section studies. The structural transformation refer to the movement of labour and other productive resource from low-productivity to high- productivity economic activities (UNCTAD, 2019). This study aims to investigate the effect of labour productivity due to structural change using Divisia Decompositon Method on the Gross Domestic Product (gdp) growth of Selected ASEAN Economies*

*such as Cambodia, Indonesia, Malaysia, Philippines, Singapore, Thailand, and Vietnam. The quantitative research design was employed in the studying using the Panel Regression model to determine the effects of labour productivity due to structural change on gdp growth. Results of the study revealed that both labour productivity in industry and services sector has significant positive effects on the growth rate of the gdp.*

**Keywords:** *Shift-Share, Diversification, Industry, Competitiveness, Panel Regression, Divisia Decomposition Method*

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## **FINANCIAL ASPECTS OF DIVORCE PROCEEDING – CASE LAW FINDINGS**

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### **ABSTRACT**

*In 2015 Croatia reformed family law legislation. Among other family law issues, divorce proceedings were changed significantly. This reform was mostly marked with strengthening of procedural rights of a child and simplification of divorce proceedings in situation of mutual agreement of spouses about parental responsibility issues. Croatian legislator introduced different mechanisms to help parents to achieve that kind of agreement, taking into great consideration importance of respect of all procedural rights of a child. These changes reflect notably*

*to the financial costs and the lent of divorce proceeding, thus creating a range of economic issues related to the new legal solutions. Paper will start with the analyses of divorce legal orders in Croatia with special regard to the new mandatory counselling proceeding. Economic issues of divorce proceedings with and without parental responsibility agreement will be discussed indicating financial dilemmas arising from it. Comparison of divorce proceeding case in accordance to Family act 2003 to divorce proceeding case in accordance to Family act 2015 will be conducted in order to bring conclusions about their financial differences. The authors will present the results of empirical research conducted before the municipal court in Osijek, regarding the economic changes that the new regulations undergo. Finally, authors will give their viewpoints about (dis)advantages of new Croatian approach of divorce and directions for further scientific researches in this thematic area.*

**Keywords:** *divorce law, spouses, child, financial analysis, economic impacts*

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## **MARKETING OF STEM IN CROATIA BY USING NEW TECHNOLOGIES**

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### **ABSTRACT**

*Abbreviation STEM comes from English and it is an acronym based on first letter four fields: science, technology, engineering and mathematics. There is no ambiguous word in Croatia for STEM but includes more sciences, such as informatics, physics, mathematics, chemistry, biology, engineering in general. STEM as a field is recognized as a potential economic growth initiator in many countries in last few years, so in Croatia as well. Although importance of STEM and willingness for increasing number of high educated and qualitative experts in STEM fields, but demand scholars and future students for education in STEM fields is not significantly enlarged. Despite running school reform in Croatia and high intentions of involving more knowledge and skills for high technologies already in primary school, still there is a lack of feedback for higher demand for entering in high schools and faculties in STEM fields. Based on this information there is a need for more promotion of STEM and education in STEM fields as a desirable to future scholars and students, all for creating high educated experts who will be in future innovation holders, new technology solution experts and initiators of economic growth. This article has an aim to find reasons for lack of demand for entering education programmes in STEM and*



*disproportion between market need and also is trying to answer a question if there is a possibility for better promotion of STEM based on new technology for increasing future students' interest for STEM. At the end there are concrete suggestions for communication channels and marketing options that can be used for approaching STEM to young generations and potential students, for increasing attractiveness of STEM education programmes and faculties to future students. This research includes different sources of information, from strategic document of Republic of Croatia and European Union, published analysis on internet, monitoring some profiles on social networks and finally summed data from origin questionnaire done in one Croatian high school. In this work is also used "Annual research about entering on faculties and first class student's satisfaction in universities" that is done by [www.srednja.hr](http://www.srednja.hr) in 2014 in cooperation with Algebra, High school for computer engineering and is also assigned authors for this work.*

**Keywords:** education, new technologies, STEM, students

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## **THE NEEDS AND CAPABILITIES OF A QUALITY PRIVATE INITIATIVE IN HIGHER EDUCATION**

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### **ABSTRACT**

*The main goal of every educational reform is enhancing its efficiency, i.e. enhancing quality of education regarding the given level of its costs. In comparison with the EU, including its new members, it can be concluded that the overall public expenditures for education are not high, but the educational outcomes are not satisfactory. Educational reforms can be considered successful only if they lead to improvement of quality in education. The attitude that efficient system of higher education is indispensable for economic and social development is increasingly present. This sector is considered the key element in strengthening of economy and administration, as well as development of research generations and knowledge. The Bologna declaration says that the importance of education and educational cooperation is of vital importance for the development and strengthening of stable, peaceful and democratic societies, especially in the South East of Europe. Continuous and lifelong acquisition of new knowledge has become a daily necessity. With the development of technology, the flow of information has accelerated, numerous*

*scientific studies are available through various media, and the accelerated pace of life simply compels on education and advancement regardless of someone's age. Education is no longer exclusively related to professional training, but it also applies to those areas that can help in in better presentation skills and job performance. In the last fifteen years, the media environment in which children and adults live has significantly changed. The ability to send information and stimulate learning has increased quite a bit. The educational environment at home has significantly enhanced: cable and satellite TV, internet, PC, mobile phones, home theatre, etc. You can talk about the possibility of establishing an alternative (multimedia) school in each home. You can also talk about how people are aware of the educational potential of the media surrounding them. The task of compulsory education is expanded with one more important goal: training for lifelong learning through new media.*

**Keywords:** *private schools, lifelong learning and education, e-learning, educational software*

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## **ANALYSIS OF CREDIT RATING IMPACT - CASE STUDY OF THE CZECH REPUBLIC**

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### **ABSTRACT**

*In today's world, information and finance are the main drivers. The financial sphere is built on an important pillar and that is trust. Confidence in currency and issuer is important for*

*consumers and businesses, for the entire economic system. For investors, the biggest obstacle is the lack of knowledge of what is happening inside the companies from which they intend to buy securities. Here are rating agencies that fill an important information gap by providing high quality and sophisticated rating. Credit rating agencies are therefore supposed to resolve the lack of information between issuers and investors, or between supply and demand for capital. This rating also applies to the banking institutions to which this contribution will be addressed. The article will present both internal and external ratings based on specific examples of banking houses in the Czech Republic. The aim of the paper is to describe the impact of credit rating agencies on market participants and also to assess the impact of credit rating agencies' evaluations on banking houses and their relationships with corporate clients. For this purpose, a questionnaire survey was conducted in the Czech Republic, from which conclusions are drawn. The main objective of the analysis is to determine the dependence on various factors, in particular, the confidence of banks in rating and the impact of rating on the confidence of corporate clients in banking houses will be verified.*

**Keywords:** *Credit rating agency, External rating, Internal rating, Questionnaire survey*

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## ECONOMY AND GLOBALIZATION

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### **ABSTRACT**

*Nowadays, globalization implies services and goods, people and ideas flow among countries. Taking the economic point of view, the planet Earth is unique. Globalization has more and more been directing us to a state corellativeness starting from individual influence conveyance from one part of the world to the other one until it comes to global scientific policies. Globalization caused huge changes in economy, in the environment, in geopolitics. Globalization influences new economy growth conditions along with the occurrence of new products and services. Concerning the planet of Earth environment, ecological sustainability has to be regarded. Balkan with its specificities makes a constituent part of the Planet. Globalization does not involve only a market globalization but it goes further into the project of modernization and creating rational society. Regarding economic forms as the only ones, would prove wrong, they often don't even appear to be most decisive, although economic issues make the core of international relations. Negative phenomena occur along with positive ones, mostly referring to economic inequality resulting in globalization not having solved an important issue of the relation between the rich and the poor.*

**Keywords:** *globalization, economical inequality, international collaboration, income*

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## **MODEL OF ANALYSIS OF DEMAND FOR AIR TRANSPORT IN THE ADRIATIC AIRPORTS**

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### **ABSTRACT**

*This paper seeks to show which variables can affect on the demand for air traffic services in the Adriatic airports and create a framework of the demand model. Namely, air transport is a fairly dynamic service from a standpoint of demand that is subject to different influences. The demand for air transport is conditioned by a large number of factors which is almost impossible to identify everything. This paper will determine which factors have the strongest impact on the demand for air transport on the Adriatic airports. After identification of factors or variables such as number of nights in counties, gross domestic product in the Republic of Croatia, investments in airports, prices of airport taxes and a variable that defines the existence or non-existence of a phenomenon such as participation of low cost companies, using correlation and regression define a framework for the impact of these dependent variables on the independent or demand for air transport services on the Adriatic airports. The paper aims to demonstrate a model that is a prerequisite for future statistical analysis that will allow to quantify all the mutual influences.*

**Keywords:** *Air Traffic, Analysis, Demand, Regression*

## **THE INTERNATIONAL COMPETITIVENESS OF FORMER EAEC COUNTRIES: WHAT WOULD BE THEIR INTERNATIONAL TRADE?**

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*The research paper investigates international competitiveness and trade of the former regional integration The East Asia Economic Caucus (EAEC) or East Asia Economic Group (EAEG) countries. This paper has special insight on what would be with former EAEC countries and their international competitiveness. The research includes the implementation of four international trade and competitiveness indicators like export-import ratio, trade balance, intra-industry trade and trade openness. The research is conducted by using data for 12 former EAEC member states within the period from year 2014 to 2018. The key aim of the research is to identify international competitiveness and trade for former EAEC Member States.*

**Keywords:** *former EAEC countries, international competitiveness, international trade indicators*

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## THE MUSIC INDUSTRY IN THE CONTEXT OF DIGITIZATION

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### **ABSTRACT**

*The focus of this paper is the state of the music industry within the context of digitization. This paper defines a musical composition as a subject of copyright, then clarifies the difference between the old and new musical economy. The digitization process has caused a radical change in the way music is consumed. For this reason some of the business models of the music industry are presented within this paper, with special emphasis on the digital age.*

**Keywords:** *copyright, digitization, music industry, music industry models, music economics*

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# **THE ROLE AND REPRESENTATION OF EXPERT SYSTEMS IN MAKING DECISIONS ON GRANTING CREDIT IN BANKS IN THE REPUBLIC OF CROATIA**

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## **ABSTRACT**

*The research topic is the role and representation of expert systems in making decisions on granting credit in banks in the Republic of Croatia. The relevance of the topic lies in the significance of the development of reliable tools for credit risk estimation in the long-term preservation of a bank's competitive advantage. An empirical research was conducted on the frequency of use of expert systems when making decisions on granting credits in banks that operate in the territory of the Republic of Croatia. The research results indicate that the use of such systems in such instances correlates with the bank's asset value and size.*

**Keywords:** *expert systems, banks, creditworthiness*

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**TAX INCIDENCE OF THE IMPLEMENTATION  
OF THE PHILIPPINE TAX REFORM FOR  
ACCELERATION AND INCLUSION (TRAIN)  
ACT: A COMPUTABLE GENERAL  
EQUILIBRIUM-MICROSIMULATION  
APPROACH**

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**ABSTRACT**

*The effects on occupational choice, labor income, and distributional impact in the advent of the implementation of first package of Republic Act No. 10963, the Comprehensive Tax Reform Program of the Philippines also known as Tax Reform Acceleration and Inclusion (TRAIN) is a topic of enduring interest for researchers, economists and policy makers. Economists use the concept of tax incidence in evaluating the effects of the changes in tax policies of the government on economic welfare. The primary objective of the tax reform is to design an effective system of tax collection that is capable of financing government expenditures that will translate to a better position of an economy. The continued spike in the headline inflation rate, beginning the first quarter of 2018, brought controversial reactions in the implementation of the first package of TRAIN Law. The Bangko Sentral ng Pilipinas (BSP) (2018) cited that the Philippines recorded the highest inflation rate in almost ten years in June 2018. The aggregated effects of lower consumption on food and non-alcoholic beverages, rising global price of oil, and the implementation of the Philippine Government's TRAIN Law, brought about this increase in the general prices of goods and services (BSP, 2018). The purpose of this paper is to determine the anticipated effects of the changes in the tax system through the implementation of the TRAIN Law focusing on distributional and labour effects on the household*

*sector. This dissertation applied the CGE- Microsimulation framework in order to obtain the macro and micro levels of the impact of TRAIN that is currently implementing by the Philippine Government. In particular, the Top-Down Behavioural Microsimulation approach was employed in this dissertation paper. The results of the simulation revealed that it was anticipated that the implementation of the TRAIN law results not only to an increase in the household income but in the disposable income as well. However, despite the increase in household income and disposable income, Region IV remained as the lowest estimated household income among regions in the Philippines. In terms of the poverty effects, the measurement of the poverty indices revealed that there are significant reductions in the number of poor as well as in the magnitude of poor due to the implementation of the TRAIN Law. However, based on the simulated FGT poverty gap, there is no significant difference in the poverty gap among the poor before and after the implementation of TRAIN Law.*

**Keywords:** Behavioral Microsimulation, CGE, Distributional Effects, FGT Gap, Inequality, Labor Occupational Choice, Poverty, Poverty Gap, Poverty Severity, SST Index, Tax, Top-Down Microsimulation, TRAIN Law

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## **THE RECONSTRUCTION OF AGE LIMITATION TO MARRY AFTER THE CONSTITUTIONAL COURT’S VERDICT AS A LANDMARK DECISION**

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### **ABSTRACT**

*Child is the key of human survival in the world. Each state has the obligation to ensure for the full and harmonious development about their individual life in society. According to UNICEF, a*

*child means every human being under the age of eighteen years. World attention to the child rights are the real action which is formulated in the Sustainable Development Goals (SDGs) as the blueprints for achieving a better life in the future. SDGs are the global action to fight inequalities relating to the welfare of child and provide access to justice. Recognizing that, in accordance with the fourth goal of SDGs, every child should has the right of obtaining a quality education as the foundation to create sustainable development. To obtain a quality education, the state has to recognize an equal access to primary education. But, the SDGs campaign in Indonesia is not running optimally because of child marriage. It is fuelled by poverty, tradition, the fundamental thought relating to religion, and gender inequality. Therefore, the aim of this paper is to understand the urgency of reconstruction the age limitation of marriage in Indonesia. This paper also discusses about the verdict of the constitutional court which reconstructing age limitation of marriage to reduce child marriage in Indonesia.*

**Keywords:** *Child Marriage, Gender Equality, Convention on the Right of the Child, SDGs, Constitutional Court*

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## **ADULTERY ARTICLES IN THE CRIMINAL CODE BILL: FORMS OF ACCOMMODATION FOR THE DEVELOPMENT OF NATIONAL LAW AGAINST ISLAMIC VALUES**

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### **ABSTRACT**

*This paper aims to find out what values are protected in adultery articles in the Criminal Code Bill, to find out how forms of legal protection from adultery articles about protected values, and to know what Islamic values are accommodated in adultery articles in the Criminal Code Bill. Philosophical, comparative and hermeneutic approaches are used to achieve the objectives in this study. Enforcement of the adultery article in the Criminal Code that has been ratified, still raises new crimes, because the values in the article of adultery in the Criminal Code do not match the values that live and apply in the community. This triggered the public to be vigilant. Enforcement of Article 284 in the Criminal Code is considered unable to resolve the problem of adultery in Indonesia. Based on this, the adultery article needs to be reconstructed. The current Criminal Code Bill in the House of Representatives is a form of development of national law, which has been sought by the Indonesian people so that the law is in accordance with the values of the Indonesian nation, because effective law is a reflection of the values of the nation. Likewise, the adultery article in the Criminal Code Bill should be in accordance with the values that live in Indonesian society. Adultery articles in the Criminal Code Bill are implicitly a form of protection for marital institutions, social honor and sexual morality values. Protection of these values includes the determination of adultery as an ordinary violation, not complaint offense and a disadvantaged third party can report, besides that*

*the adulterer is anyone who has sexual relations without a legal marriage. Values in adultery articles in accordance with Islamic values, Islam glorifies the institution of marriage, upholds one's honor based on behavior and maintains social morality in society.*

**Keywords:** *Adultery, Islamic Values, The Criminal Code Bill, Development Of National Law*

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## **PUBLISHING ACTIVITIES OF SHIITES AND DEMOCRATIZATION OF ISLAMIC THOUGHT IN INDONESIA**

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### **ABSTRACT**

*This paper examines the pattern of publication in a mass Islamic organization that is a minority in Indonesia, namely those originating from the Shia Islamic School. The publication process itself is inseparable from the position of an organization which is one of the centers of Shia community activities in Indonesia in giving and receiving knowledge and information. The study on the Indonesian Ahlulbait Jamaat Association (IJABI) which was founded in Bandung uses qualitative methods with data collection techniques through observation, interviews, documentation studies, and literature studies. The results of the study show that*

*there is a model of publication activity which is characterized by the presence of managers, participants, and supporters of publication activities based on the role of communication among the very dominant Shia citizens. This needs to be exemplified by other organizations, in order to strengthen the character, intelligence and skills of the community in facing the fast, effective and efficient development of the age.*

**Keywords:** *religious publications, mass organizations, Shiite organizations, information storage, Islamic thought*

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## **SHARIA AND DEMOCRACY: EFFORTS TO SYNERGIZE THE DEMANDS OF FAITH WITH THE LEGAL SYSTEM IN INDONESIA**

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### **ABSTRACT**

*Since the fall of the New Order's authoritarian regime, Indonesia as a country with the largest Muslim population in the world is often praised as a country that has proven that Islam, democracy and modernity can grow and develop together. However, democracy in Indonesia does not escape the challenges associated with the return of the spirit of religion in political life. The problem is the return of religion to politics – and to public life in general – is a serious challenge to the rule of democratically enacted law and the civil liberties that go with it. Islamic activism or Islamism although they use freedom provided by democracy, actually rejects the principles of democracy and human rights which they see as contrary to the sharia and the absolute sovereignty of God. In the past thirteen years there has been a tendency for rising aspirations for Indonesia to be regulated by sharia law.*

*The purpose of this research is to look for the meaning of sharia and democracy for Muslims, the theological foundations for Muslim to support democracy, and the challenges and alternative solutions that can be offered so that sharia can be transformed to Indonesia legal system. By assuming that sharia has a purpose and that Islamic law can change, evolve in line with developments and challenges of the times, the author argues that the synergy between sharia and democracy can occur in Indonesia as long as Muslims in Indonesia can accept plurality in understanding the sharia and are not bound to one model in understanding sharia. The author believes that sharia can be applied in democratic countries such as Indonesia, because the purpose of the sharia and the purpose of the state are the same, namely the achievement of social justice for all without discrimination.*

**Keywords:** *Democracy, justice, plurality, sharia*

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**REACTUALIZATION OF (MASLAHAH) THE  
COMMON GOOD AS A BASIS OF CONTEMPORARY  
ISLAMIC LAW ISTINBATH - A COUNTER  
SCRIPTURALISM PARADIGM ON INTERPRETATION  
OF RELIGIOUS TEXTS IN THE ERA OF SUSTAINABLE  
DEVELOPMENT GOALS**

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**ABSTRACT**

*In a theoretical perspective, the arrival of Shari'a (Islamic Law) is for the common good of people. However, this common good just only become an empty jargon because of the excessive*



*understanding of attachment to religious texts as promoted by orthodox ideology. In this case, the original Shari'a was that the road turned into an objective for itself. The re-actualization of Islamic law which emphasizes more on substance, it is maslahah of justice is needed to answer the current problems of humanity. Formal and textual provisions, however, must be a reference for human behavior in shared life, but it must be fully realized that formal-textual legal standards are only the way in which the ideals of common good are actualized in real life. This research is a library research with analysis-critical discourse on the interpretation of the sources of Islamic religious law texts using the approach of Philosophy of Islamic Law. This research resulted in the formulation of the Islamic law Istinbath (the decision-making processes based on existing Koran or Sunnah evidence) method by prioritizing the meaning of a law to find harmony between legal formal-textual and life welfare which well known as (hikmatut tasyri`) the philosophy behind Islamic law legislation. Islamic law is not solely as a science (law as science), but more than that, law as a policy guides humans behavior and dialectic to the reality surrounded it (law as wisdom).*

**Keywords:** *Re-actualization, Maslahah (common good), Istinbath, and Islamic Law*

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## **LITERATURE REVIEW ON MEDIATION/SULH IN RESOLVING CHILD CUSTODY DISPUTES IN THE SYARIAH COURT IN MALAYSIA**

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### **ABSTRACT**

*In previous studies conducted, mediation (sulh) has been reported to be a successful mechanism in reducing the backlog of cases and able to lessen cases or disputes being brought to court trial. However, based on a recent statistic especially, in cases of child disputes in the Syariah Courts throughout Malaysia, it shows that less than 50% of these cases have been settled at the sulh process. Furthermore, the statistic also reveals that 4,826 out of 15,243 cases of sulh in child custody disputes cannot proceed due to non-attendance of parties to the sulh proceeding. This has resulted in the cases being brought to the court for trial instead of being settled through sulh process. It is indicated that the mechanisms and the implementation of sulh in the Syariah Court are insufficient in dealing with the child custody issues. Moreover, it is also revealed that the current legal frameworks are insufficient*

*to make sulh session a success. Therefore, as a preliminary study to the above issue, a literature review study on the topic has been conducted and it shows that there is insufficient research/writing specifically on the practice of sulh in child custody disputes in Malaysia. The aim of this article is to discuss and analyse all the relevant literatures on the topic in order to have a better understanding of the role and function of sulh/mediation in helping the parties resolving their child custody disputes. The methodology adopted is a library study to collect information, data and theories involved. Then, the data were analyzed by using content analysis method.*

**Keywords:** *ADR, child custody dispute, mediation, sulh, syariah court*

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## **TOURISM DEMAND AND THE FORMATION OF NEW HOTEL BUSINESSES: THE CASE OF CASCAIS**

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### **ABSTRACT**

*Tourist demand in Portugal is boosting the strongest hotel performance in two decades. Although nowadays there are other types of accommodation for tourists, hotels are still the preferred*

*one. However, this preference might be changing as the new tourist is known to prefer unconventional tourist products and services. If this is the case, it would have a significant impact on the formation of new hotel businesses. The aim of this research is to study the relationship between the number of new hotels and tourist demand. Cascais, a Portuguese touristic destination nearby Lisbon will be used as a case study. Using data series (2009 to 2017) related to the number of hotels created and to tourist demand, we analysed the statistical relationship between demand and supply variables. For the supply side, the number of new hotels created in Cascais was used. For the demand side, this study uses the number of visitors and overnight stays in the destination. Results suggest that the number of new hotels is not associated with the continuous growth of tourists who visit Cascais in the period analysed, which might be explained by the emergence of new types of accommodation that are satisfying demand. These results have strong implications for destination managers, that might want to take into account how new forms of accommodation are sought by tourists, exploring if this is a consequence of inadequate hotel offering or a result of a new type of tourist seeking different experiences. There are also relevant implications for hotel managers, that must become more attentive for the competition coming from substitute products.*

**Keywords:** *tourist demand, business formation, hotels, Cascais*

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## **LIFELONG LEARNING AND CORPORATIONS – CHANGES IN THE TODAY'S BUSINESS WORLD**

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### **ABSTRACT**

*What do people think and/or expect from the lifelong learning? Can it be considered effective and most appropriate? What do corporations think about lifelong learning? What do they do? Are they ready for adaptation to the 21st century and all the rapid changes in the work? What kind of trainings are they use to educate their employees? Lifelong learning has been considered as a need for individuals, companies and society itself. The main idea is that, besides the knowledge, everyone has to gain, improve and develop key competences, according to the European Reference Framework, to be able to cope with the 21st century changes, job tasks, and everyday life responsibilities in all spheres. For this purpose, this paper shares the findings from formal type of education and „informal type“, called lifelong learning in the business world and organizations.*

**Keywords:** *changes in the business world, lifelong learning, trainings in the companies/organizations, willingness to change*

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## **RURAL AREAS AND THE CONCEPT OF SUSTAINABLE DEVELOPMENT**

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### **ABSTRACT**

*The development of rural areas is one of the basic problems in the country's development. The goals of the Common Agricultural Policy include supporting sustainable development of rural areas by improving the living conditions of residents of these areas. This is reflected in the financial policy for the years 2014-2020. Such a concept of national development is significant from the perspective of the entire economy's development. Agriculture is a fundamental sector of the national economy and provides food security, and the sustainable development of agriculture contributes to socioeconomic changes in rural areas. This direction of rural development is supported by public funds. Peripheral areas, where agriculture is the basic economic sector, face particular challenges. The implementation of sustainable development encompasses socioeconomic and environmental dimensions. From an economic perspective, a level of income allowing for an equitable living standard of a farming family and development of the farm's production potential is important. Meanwhile, the environmental aspect means choosing such a method of farming and applying such technologies that do not destroy the natural environment. Experience until now shows that public funds directed to the agricultural sector have not only improved the condition of the natural environment but have also contributed to growth of GDP. The goal of this work was to evaluate measures with respect to agriculture and rural areas at the national level and to evaluate sustainable development from*

*a socioeconomic perspective at the level of an individual farm, using agriculture in Poland as an example.*

**Keywords:** *development, sustainable, rural areas*

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