

Macroeconomic Factors, Youth Employment, Governance, and Marketing in the Study of the Faculty of Economics

The Faculty of Economics

Abstract

This brief literature review provides an analysis of studies in the field of economics conducted by the faculty members of AAB College. The primary objective of this compilation is to assist students in identifying relevant academic resources for their master's thesis topics while enhancing their overall knowledge throughout their academic journey. The review addresses several key academic issues, including macroeconomic factors, youth employment in the Western Balkans, marketing, consumer behavior, enterprise management, and more.

Keywords: economic growth, marketing, governance, management, G20, and related topics.

Introduction

The economic development of transition economies, particularly in the Western Balkans, is influenced by a multitude of macroeconomic factors that impact both growth and stability. Recent studies have focused on key variables such as money supply, government size, labor market policies, and financial sector development. For instance, Bajrami et al. (2025) provide a comprehensive analysis of how monetary policy, specifically the money supply, affects economic growth in the region. Similarly, the relationship between government size and economic performance is explored, highlighting the intricate balance between public sector intervention and market-driven growth.

A pressing issue for many developing economies, particularly in the Western Balkans, is youth unemployment. Ismajli et al. (2023) discuss the regulatory challenges surrounding youth employment, emphasizing skill mismatches and the lack of formal job opportunities. Moreover,

labor market policies that actively target youth inclusion can spur broader economic growth, as suggested by Rexha et al. (2022).

Consumer behavior, especially during crises such as the COVID-19 pandemic, also plays a significant role in shaping economic outcomes. Studies by Tafa et al. (2022) examine how shifts in household income, consumption, and savings patterns during the pandemic have long-lasting effects on economic recovery. Microcredit research by Bytyçi et al. (2022) further illustrates how access to small loans can alter consumer behavior, promoting economic development.

The development of the financial sector is another critical factor in fostering economic stability and growth. Hajdari et al. (2023) explore how continuous education impacts employee productivity in banks, highlighting the link between human capital and financial performance. Arifaj and Baruti (2023) discuss the role of credit risk in banking performance, stressing the need for stability in financial systems to sustain growth.

In the realm of governance and corporate responsibility, studies by Arifaj, Rexhepi, and Baruti (2024) emphasize the importance of effective corporate governance structures in promoting sustainable practices. Additionally, Ibraimi et al. (2023) investigate the regulation of public enterprises to improve efficiency and accountability. The geopolitical landscape, particularly Russia's invasion of Ukraine, has also created ripple effects across global economies, with Shabani et al. (2024) examining its impact on the economic performance of G20 nations.

Overall, these studies collectively underscore the complex interplay of factors influencing economic performance in the Western Balkans and beyond, offering valuable insights for policymakers and researchers.

The research in the Faculty of Economics at AAB College covers a broad spectrum of topics related to economics, business strategy, governance, and macroeconomic factors affecting countries, especially in the context of the Western Balkans. This body of work reflects priority research themes that contribute to the understanding of both regional and global economic challenges and opportunities. Below is a synthesis of key themes from the selected bibliography:

Impact of Macroeconomic Factors on Growth and Stability

Several studies focus on macroeconomic variables such as money supply, government size, and labor market policies, particularly in the Western Balkans. For instance, Bajrami et al., (2025) analyze the impact of money supply on economic growth in the Western Balkans from 2000 to 2023. This panel regression study identifies crucial links between monetary policy and growth, providing valuable insights for policymakers in transition economies. Similarly, the Bajrami et al. (2022) paper on government size explores its influence on economic growth in the same region, suggesting a complex relationship between public sector size and economic performance.

These studies offer vital insights for policymakers in developing economies, particularly in the Western Balkans, where government interventions and monetary controls are essential for economic stability and growth. By examining these relationships, the research provides empirical evidence that can guide future economic reforms.

Youth Employment and Labor Market Challenges

The issue of youth unemployment, especially in developing countries, is addressed in Ismajli et al. (2023). Their study focuses on the regulation and challenges of youth employment in developing economies. As youth unemployment remains a significant issue in many countries, especially in the Western Balkans, the authors explore the various challenges facing the youth labor market, such as skill mismatches, lack of formal employment opportunities, and inadequate regulatory frameworks. The findings highlight the importance of reforming labor market policies to foster greater youth inclusion and address these persistent issues.

In this context, Rexha et al., (2022) provide additional insights by examining the impact of active labor policies on economic growth. Their work suggests that well-targeted labor market interventions can promote greater economic participation, thereby stimulating broader economic growth.

The Role of Consumer Behavior in Economic Development

The impact of consumer behavior, particularly during crises such as the COVID-19 pandemic, is another important theme. Research by Tafa et al.,(2022) investigates how the pandemic affected household income, consumption, and saving. The findings illustrate shifts in consumption patterns and highlight the challenges households faced during the pandemic, including reduced income and increased uncertainty. These changes in consumer behavior have long-term implications for economic recovery and stability, especially in developing economies where household consumption plays a critical role in driving growth.

Another study by Bytyçi et al. (2022) examines the role of microcredits on consumer behavior, revealing that access to small loans can significantly alter spending and saving habits, contributing to economic development. These insights are essential for understanding how economic policies can influence consumer spending in transitional economies.

Financial Sector Development and Economic Performance

The relationship between financial institutions and broader economic performance is explored in several studies. For example, Hajdari et al., (2023) focus on the impact of continuing education on employee productivity and financial performance in banks. This research emphasizes the importance of human capital in enhancing the performance of financial institutions, which in turn impacts overall economic development. Additionally, Arifaj and Baruti (2023) examine the effect of credit risk on the financial performance of commercial banks in the Balkans, offering insights into the stability and resilience of financial systems in transition economies.

Financial sector stability and development are critical for sustaining long-term economic growth, particularly in countries with emerging financial markets. The studies suggest that improving financial sector policies, such as reducing credit risk and enhancing employee skills, can significantly boost economic performance.

Governance, Regulation, and Corporate Social Responsibility

Research on governance and regulation forms another significant area of focus in the literature. Arifaj, Rexhepi, and Baruti (2024) explore how corporate governance and share capital structure influence corporate social responsibility (CSR). Their findings emphasize the role of effective governance structures in promoting responsible business practices, which are vital for sustainable development in both developed and developing economies.

Additionally, Ibraimi et al. (2023) highlight the importance of regulating public enterprises, focusing on how regulation can improve the efficiency and accountability of state-owned entities. These studies underscore the crucial role of regulatory frameworks in ensuring transparency and fostering sustainable business practices.

The Impact of Geopolitical Events on Economic Performance

In the context of recent global challenges, Shabani et al. (2024) examine the impact of Russia's invasion of Ukraine on the economic performance of G20 countries. This timely research sheds light on the global economic consequences of geopolitical tensions and their ripple effects on national economies, particularly in terms of inflation, trade disruptions, and energy prices. Such geopolitical events underscore the interconnectedness of global economies and the need for robust economic strategies to mitigate external shocks.

Marketing and Consumer Behavior

Several studies in the bibliography focus on the intersection of marketing strategies and consumer behavior, particularly in the context of digital transformation. For instance, Ismajli et al. (2022) examine the impact of neuromarketing on consumer behavior, providing insights into how neuroscience can be applied to better understand consumer decisions. Similarly, Mustafa et al

(2022) explore the role of marketing activities in employee performance, illustrating how marketing strategies can have a positive influence on organizational outcomes.

The pandemic's impact on consumer behavior, particularly in online shopping, is also discussed in Ismajli et al. (2022), highlighting a significant shift toward e-commerce in developing countries. These studies are important for businesses and policymakers who are navigating the digitalization of markets and consumer preferences.

Conclusion

The research conducted at the Faculty of Economics at AAB College covers a comprehensive range of topics that are essential for understanding the dynamics of economic growth, development, and stability in the Western Balkans and beyond. The studies offer valuable insights into the effects of macroeconomic factors, labor market policies, consumer behavior, financial sector development, and governance on economic performance. By focusing on both local and global challenges, the research contributes to shaping more effective economic policies and strategies that support sustainable growth and development. These studies serve as a critical resource for policymakers, researchers, and business leaders working to address the pressing economic issues faced by countries in transition and developing economies.

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