

EDITORIAL: The main directions of the impact of governance and regulatory issues on the development of national economic sectors in a globalized world

Dear readers!

In today's globalized world, governance and regulation issues in national economic sectors are of paramount importance. To ensure economic development, each country must continually implement appropriate measures in this area. We are proud to present this special issue of our journal. This special issue features 19 articles covering various scientific fields, written by authors living and working in various countries around the world.

Suha Numan Bahjat Assad explores the practice of creative accounting in earnings management among Palestinian companies listed on the Palestine Stock Exchange (PEX) from 2018 to 2023 (Abdeljawad & Abu Alia, 2022). *Ardhiani Fadila, Tatang Ary Gumanti, Julia Safitri, and Eka Handriani* examine the influence of labor force participation and demographic dynamics on government bond yields in Indonesia, focusing on the mediating role of economic growth. Understanding these relationships is essential for maintaining market stability and informing fiscal policy in emerging markets (Pinho & Barradas, 2021). The cointegration results confirm the existence of long-term equilibrium relationships across all tenors. Additionally, short-term yields demonstrate higher sensitivity to macroeconomic shocks compared to medium- and long-term yields (Michelson & Stein, 2023).

Ngoc Mai La and Quynh An Ngo examine governance dimensions in the relationship between demographic change, technological advancement, and economic growth in Vietnam. Analyzing provincial data (2010–2019) by using generalized method of moments estimation, the study finds that population aging positively impacts growth, challenging conventional demographic burden narratives (Bloom et al., 2003).

Information and communication technology (ICT) adoption also contributes significantly to growth, extending previous findings on ICT's economic role (Chen & Pavone, 2021; Dwivedi et al., 2024). The positive contribution of aging populations can be leveraged through governance mechanisms that capitalize on older workers' productivity, aligning with the "silver dividend" concept (Park & Shin, 2023). *Arwa Hussein Amoush* investigates the impact of artificial intelligence (AI) applications, specifically deep learning, neural networks, and machine learning, on reducing fraud in Jordanian commercial banks, using the fraud diamond framework. The review confirms that traditional drivers such as bank failures and interbank contagion remain relevant, as put forth by Andrieş et al. (2022), Mulyadi and Anwar (2023), and Okigbo and Bagheri (2020). Additionally, it establishes that modern threats include disruptions caused by to big financial system, climate-transition-shocks, and crypto-financial instability (Crandall, 2025).

Muhammad Zaini, Immanuel Osijo Ustradi, Adhistry Sitaresmi, Winastanto Wibowo, Raden Dedy Chairil Zain, and Muhammad Ali Adriansyah aim to examine the role of trust in technology by investigating the influence of ease of use, usefulness, security, and institutional trust on trust and its subsequent effect on success. The research explores the increasing relevance of trust in technological contexts due to the rapid advancements and growing human dependence on technology (Lewicka et al., 2016). The study uses structural equation modeling to analyze the relationships between ease of use, usefulness, security, institutional trust, and trust, as well as the impact of trust on success. Empirical data were collected and analyzed to evaluate the model's fit and the significance of the relationships (Azkarin et al., 2023).

Institutional ownership grows significantly (Zairin et al., 2025). Institutional investors are considered sophisticated market participants who monitor firm management. Institutional investors are anticipated to interfere in corporate governance by adopting a monitoring role, which can influence the quality of audit. While research by *Georgios C. Simitsis and Maria I. Kyriakou* on the monitoring role of institutional investors has fostered, empirical studies document either a positive (Ali et al., 2024) or a negative (Lemma et al., 2018) impact of institutional ownership on audit quality. *Yan Lu and Fatt Hee Tie* conduct a comparative analysis of AI regulation in the European Union and the Association of Southeast Asian Nations (ASEAN), examining their governance frameworks, enforcement mechanisms, and regulatory impact.

Shehabaddin Abdullah Abdulwadod Al-Dubai and Yahya Ali Al-Matari explore the relationship between board characteristics, specifically independence, size, and meeting frequency, and

financial risk disclosure (FRD) in Saudi financial firms, focusing on the moderating role of board financial expertise. By addressing a gap in the existing literature, this study examines how financial expertise among board members influences the relationship between these governance attributes and FRD (Seow, 2024). Mohamed Hansali, Abdelwahad Gourch, and Hala Bennani provide valuable insights for automotive sector stakeholders aiming to produce and deliver hard customized products while controlling costs.

In general, the articles published in this issue are of a high scientific level. We extend our sincere thanks to all authors, reviewers, and the editorial team of Virtus Interpress for their valuable contributions and collaboration in producing this issue.

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