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WORLD ECONOMY

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THE OFFSHORE MECHANISM OF TAX OPTIMIZATION

Abstract. *The article is dedicated to the peculiarities of tax optimization for the vicarious companies of offshore companies. Specific characteristics of offshore business have been identified, and the possibility of storing offshore schemes and banking facilities in a taxable plan has also been assessed. The passages and shortcomings of the offshore industry are characterized.*

Keywords: *offshore zones, tax planning, offshore schemes, offshore bank accounts, offshore banking.*

Introduction

The modern system of tax optimization involves the use of various methods, schemes, tools and mechanisms suitable for solving both a specific (single) task and automatic (multiple) application in order to increase profits. One of the tools to reduce or avoid taxes is an offshore company. There are no standard offshore schemes, but offshore companies allow the use of unified and specific schemes and operations in different areas of business.

Offshore companies operate in accordance with the laws of the countries where they are registered. Typically, investors choose a foreign jurisdiction that has a more favorable (loyal) tax policy than their countries. They set up a company and run an offshore business to reap the benefits of such a policy.

For example, if you set up and run a company in Australia, gross income is subject to corporate tax rates of 25% to 30% (depending on the size of the business). However, if the company is registered in Hong Kong, the income will be taxed only from 8.25% to 16.5%. In addition, income earned outside of Hong Kong may be fully exempt from local tax.

Corporate giants resort to offshore business on an ongoing basis. In particular, Apple, Samsung, Google, Berkshire Hathaway – have created offshore companies as their subsidiaries in many countries. These companies have legally reduced the payment of taxes by a significant amount using a favorable tax policy [1].

Offshore zones have both advantages and disadvantages. Researchers highlight the following advantages of offshore jurisdictions: minimum requirements for financial reporting (in many cases there is no such requirement); low or zero income tax rates; quick and easy company registration; confidentiality of information about the company's directors and shareholders; anonymity of money transfers; offshore companies are exempt from state currency control; in a number of offshore jurisdictions there are no requirements for the size of the authorized capital; court cases are considered in offshore zones [2, p. 11].

Note the shortcomings of offshore zones in conducting business by non-residents: agreements on avoidance of double taxation are not concluded in all offshore zones; certain offshore zones are included in the "black list", which negatively affects the reputation of the company; businessmen are afraid to do business with companies registered in offshore jurisdictions; large banks occasionally

open accounts for offshore companies; offshore companies are often denied lending; governments of developed countries pursue a policy of deoffshorization, as they believe that offshore zones are used to export capital and avoid taxation [3].

In particular, the US is in the process of deoffshorization, where in 2010 passed the Law on Tax Reporting on Foreign Countries, which requires foreign financial institutions to provide detailed information on the money movement of US taxpayers to the US Internal Revenue Service [3]. However, in reality, this law does not solve the problem of the outflow of American funds to offshore jurisdictions. The ICIJ (Pandora Papers) has identified more than 700 companies related to the United States [4].

Results

Table 1 shows the areas of usage and characteristics of offshore business.

Table 1. Possibilities of using offshore companies

Area of usage	Characteristic
Trade activity (supplier at import, buyer at export)	In the offshore zone, trade companies are registered and bank accounts are opened. Payment for the value of exported goods or services, including profits, goes to offshore structures. When importing, it is possible to manipulate the transfer price - overstatement or understatement (in order to avoid income tax or duties). The offshore company also allows to reduce currency risks, carries out purchases for all group of the companies with the subsequent resale at transfer prices to other enterprises.
Investment	In offshore jurisdictions, investment companies are being set up to invest in countries around the world. Many offshore jurisdictions have no or extremely low capital taxes. In some offshore jurisdictions, there are special benefits for certain investment institutions (for example, in the British Virgin Islands - favorable legislation on mutual funds)
Banking	The offshore banking institutions allow low taxes and less stringent banking supervision, which are often branches of large banks.
Insurance activities and reinsurance	Some offshore companies provide better conditions for insurance companies. It is also possible to transfer profits abroad through reinsurance in your own offshore insurance company.
Shipowner's activity	Ease process of registration of vessels in "convenient registers" and low-income taxes allow to create specialized shipowners' companies in offshores.
Aim of usage	Characteristic
Leasing	An offshore leasing company is created. It leases the equipment of the main company. As a result, lease payments are concentrated abroad, and are included in the cost of the parent company and reduce income tax.
Factoring	An offshore company buys the liabilities of the parent company in a high-tax jurisdiction and thus transfers profits to a low-tax jurisdiction.
Contracting services	An offshore company may be a contractor or consultant who is paid offshore for services, resulting in rising costs in a highly taxable jurisdiction. Examples are consulting, marketing, legal, transportation services.
Hiding information	An offshore company can be used to implement a specific agreement, for example, to participate in a privatization tender for the purpose of further "resale" to real participants in the agreement.
Intellectual property ownership	An offshore company may be the owner of intellectual property and enter into licensing or franchising agreements with companies.

Source: author's development

Obviously, banks are needed to service an offshore company. Most banks licensed within offshore jurisdictions refuse to open accounts for offshore companies due to distrust and suspicion of money laundering by the latter. Therefore, offshore companies usually serve offshore banks. At the same time, leading European banks place about 20 billion euros annually in "tax havens" (offshore zones), which is equivalent to 14 % of their total profits [5].

Table 2 shows areas of usage and characteristics of offshore bank accounts.

Table 2. Possibilities of using offshore bank accounts

Area of usage	Characteristic
Investment account	Thanks to investment accounts, clients get the opportunity to increase their assets not by a few percent, but by much more significant amounts. The investment account can be managed directly by clients and used for trading on the stock exchange, for buying stocks. Offshore investment accounts can also be managed by specially hired managers, intermediaries, brokers, etc.
Savings (accumulative) account	A deposit account allows you to accumulate money and receive interest on it. In foreign banks, the interest rate may be higher than in the home country. Some banks offer both time and demand deposits. There are suggestions when interest is accrued even for an active account.
Merchant account	A type of corporate account that allows you to accept payments online. Most often it is about accepting plastic cards online. Requires more inspections and business descriptions.
Current (operational) account	This type of account is used to receive payment from customers, receive a salary, for expenses for daily needs and to pay business expenses. For these accounts, most often there are no restrictions on incoming and outgoing payments, their size.

Source: author's development

In turn, offshore banking provides a number of opportunities that provide insurance against the negligence and irresponsibility of national financial systems. Here are some benefits of having an account in an offshore bank:

1) Offshore banks have higher liquidity. Some offshore private banks have 100 % liquidity, which means that they keep all their assets in accounts.

2) Diversification of the long-term savings portfolio. Opportunity to avoid national political or economic crises.

3) Stability of offshore banking systems.

4) Higher interest rates on deposits in offshore banks. For example, in Germany and Japan, negative interest rates, at this time, banks in India can lend more than 6-7%, on long-term deposits more than 18 %, and in Georgia – rates of 6 % and long-term deposits 14%.

5) Higher returns in global investment funds. Offshore foreign accounts provide greater access to banking and financial services that are not normally available to domestic banks.

6) Currency diversification. Some offshore banks allow the use of more than ten different currencies so that assets are not tied to one country and its currency fluctuates.

7) Protection of assets from unfair lawsuits and fraud.

8) Higher levels of banking confidentiality [6].

Conclusions

Thus, the practice of using offshore and tax havens by big business has become an integral part of the economic life of the world community. Proof of this are high-profile investigative journalism and official statistics. According to various estimates, offshore stores from 30 to 70 trillion dollars. USA. Assessing the possibilities of offshore schemes, we note their economic efficiency in the field of tax planning. Companies that use offshore jurisdictions gain a significant advantage in international competition because they can reduce the prices of goods and services offered. In addition, offshore companies have the ability to keep funds in bank accounts inaccessible to national financial regulators and tax authorities.

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ENTERPRISES ECONOMICS AND MANAGEMENT

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THE MODEL OF INTERRELATION OF THE MANUFACTURER WITH CONSUMERS AND OTHER PARTICIPANTS IN ACTUAL AND VIRTUAL MARKETS

***Abstract.** The article presents the results of economic research of the problem of organizing the relationship between producer and consumer, both on the actual markets and on the virtual markets in cyberspace of the Internet. This problem in economics has not yet been practically studied. It is shown that the use of cyberspace Internet changes aspects of marketing activities. The interests of the consumer become more important to the enterprise. Marketers should encourage consumers to have a dialogue with the organization. A model of the process of interconnection of producer marketing with consumers and other participants of both actual markets and markets in cyberspace of the Internet is developed and presented.*

***Keywords:** innovation; Internet cyberspace; marketing; model; consumer; producer; markets.*

JEL Classification: C39, D18, L19, M31, O31

Introduction

In recent years, a group of factors has emerged that are rapidly transforming the entire economy, including marketing activities. The use of the Internet is increasing. The role of the consumer in markets has changed significantly. This allows manufacturers to significantly increase all marketing tools to influence consumers, and consumers to increase their influence on the range, quality and characteristics of goods and services produced. The producer can only achieve sustainable success if the consumer is included in the chain of creation of the consumer value of the product on mutually beneficial terms. These factors and several others, both economic and non-economic, cause a continuous and accelerating change in all the tools of marketing activity. This requires marketing practitioners to develop and use new and more effective ways of operating in the marketplace, new ways of organising interactions with target consumers, partners and other market participants. Organising interaction with them becomes one of the central tasks of producer marketing. The solution to this problem is hampered by the lack of available publications for both practitioners and most academics dedicated to investigating the essence of changes in marketing activity and the evolution of marketing. The use of process modelling can be effective. The problem of research of interrelation of manufacturer's marketing with consumers and other participants of the market at use of cyberspace of a network the Internet method of modelling is actual and deserves a research. The purpose of the article is to outline a new approach to solving the chosen problem in the context of continuously changing markets and the use of cyberspace Internet.

Materials and methods

The information material for the study was chosen from monographs, academic books and scientific articles in the field of marketing with the continuous growth of Internet capabilities. Some materials of the author's own articles were also used. Scientific methods of theoretical research were used to ensure the validity of the results. The modeling techniques, such as economic cybernetic approach and heuristic axiomatic approach, were used to construct and analyze the process of organizing the relationship between producer and consumers and other market participants in the use of cyberspace of the Internet.

Literature review

The study of the development of producer marketing, peculiarities of modern marketing activity under conditions of using the opportunities of the Internet is considered in many publications of scientists.

F. Kotler (2000) in his work "Marketing in the third millennium: how to create, conquer and retain the market" explores the features of marketing activity when using the opportunities of the Internet [1]. The technology of searching for revolutionary ideas is described in [2].

Litovchenko I. (2009) in a monograph notes the advantages of Internet-marketing [3]. Bill Gates (2004) considers the Internet a necessary tool for modern companies [4].

Monographs Striy L. and co-authors (2015) contain scientific materials reflecting changes and content of marketing activity of enterprises, which occurred in recent years. They consider: the development of markets and the evolution of enterprise marketing; modern directions of marketing development; information support of enterprise marketing activities and many other issues characterizing modern marketing [5-7].

Yoon-Ho Alex Lee (2021) in his article "A Model of Stock-Market-Based Rulemaking" in the American Law and Economics Review, suggests that a modeling mechanism based on market data has potential advantages [8]. This assumption should be taken into account.

Ambrosino An. in co-authorship with Cedrini M., Davis J. (2021) in the article "The unity of science and the disunity of economics", published in 2021 in the Cambridge Journal of Economics formulated an interesting position on the theoretical basis for identifying a set of possible options for integrating social sciences. They suggest concentrating on the problem of pluralism in both the social sciences and economics, as well as on the structural conditions which will enable economics to participate in the development of transdisciplinary science [9]. The clarification of these provisions can contribute to a deeper understanding of the essence of the economic processes occurring in the markets under.

Some aspects of the development of marketing, marketing activities, Internet marketing are contained in the articles by Striy L. and co-authors [10, 11]. Modern marketing management of entrepreneurship (2011) [10]. Modern infocommunications: research of factors affecting innovative development (2018) [11], and also in the following articles below.

Bagorka M., Kadirus I., Yurchenko N. (2021) in the article "Internet-marketing Tools during the Global Financial Crisis: Relevance and Efficiency", described the use of Internet marketing tools during the global financial crisis [12].

Yashkina O. and Savelyeva M. (2021) "Strategii vyboru instrumentov i ineternet-marketing v zavisimosti v biznes-modeli pidpryemosti" [13].

Oklander M., Oklander T., Yashkina O. (2018) "Trends in Marketing Research: Online Panels and Online Spin-offs" [14].

It can be assumed that the problem of the development of marketing, Internet-marketing is well described in the available publications.

However, no publications were found in the available literature on the problem of researching the relationship between producer marketing and consumers and other market participants when using the cyberspace of the Internet.

Results

Marketing is responsible for organising the producer's interaction with the consumer and other market participants. Marketing, marketing activity has a positive capacity for adaptation, quick adaptation to the changing economic, market, social and other conditions of the external environment. This ensures that the current marketing system is continuously aligned with the orientation of the business in the current environment.

At present, as a result of the complex impact of many factors, there is a shift in the orientation of business and marketing activities. Marketing as the most flexible tool of market research and analysis, development and implementation of effective market methods has relatively quickly mastered the cyberspace of the Internet. Marketing activity in cyberspace of the Internet has significant features and requires the use of other forms, methods and techniques of work. This has caused the emergence and rapid development of a new kind of marketing, called Internet-marketing. Its tools make it possible to reduce the uncertainty of the market situation, the market becomes more "transparent", which makes it possible to develop the most effective program of economic activities, choose an adequate strategy for the development of the enterprise and ensure profit growth.

F. Kotler (2000) believes that with the use of the Internet, many aspects of business have changed radically, making it much more efficient. He lists some situational aspects of business that were previously impossible or unavailable [1, pp. 51-53]. I. Litovchenko (2009) in his monograph «Methodological Aspects of Internet Marketing» points to the advantages of using Internet-marketing tools: globalization; access to an unlimited amount of information; convenience for consumers; solvent and socially active audience; more effective and less costly advertising and PR; interactivity. I. Litovchenko believes that due to its interactive nature, the Internet is the ideal means to establish long-term partnerships between producers and consumers. The important elements of Internet marketing are: speed, focus on individual needs and dialog mode; key aspects of technology that provide these opportunities and economic factors that influence the development of the modern market [3, pp. 10-14]. B. Gates (2004) in his book «Business at the Speed of Thought» considers the Internet an essential element of how modern companies operate: "The Internet is not just another sales channel. The earlier a company uses

the Internet, the greater the savings that can be made, which will be especially apparent when compared to competitors' costs [4].

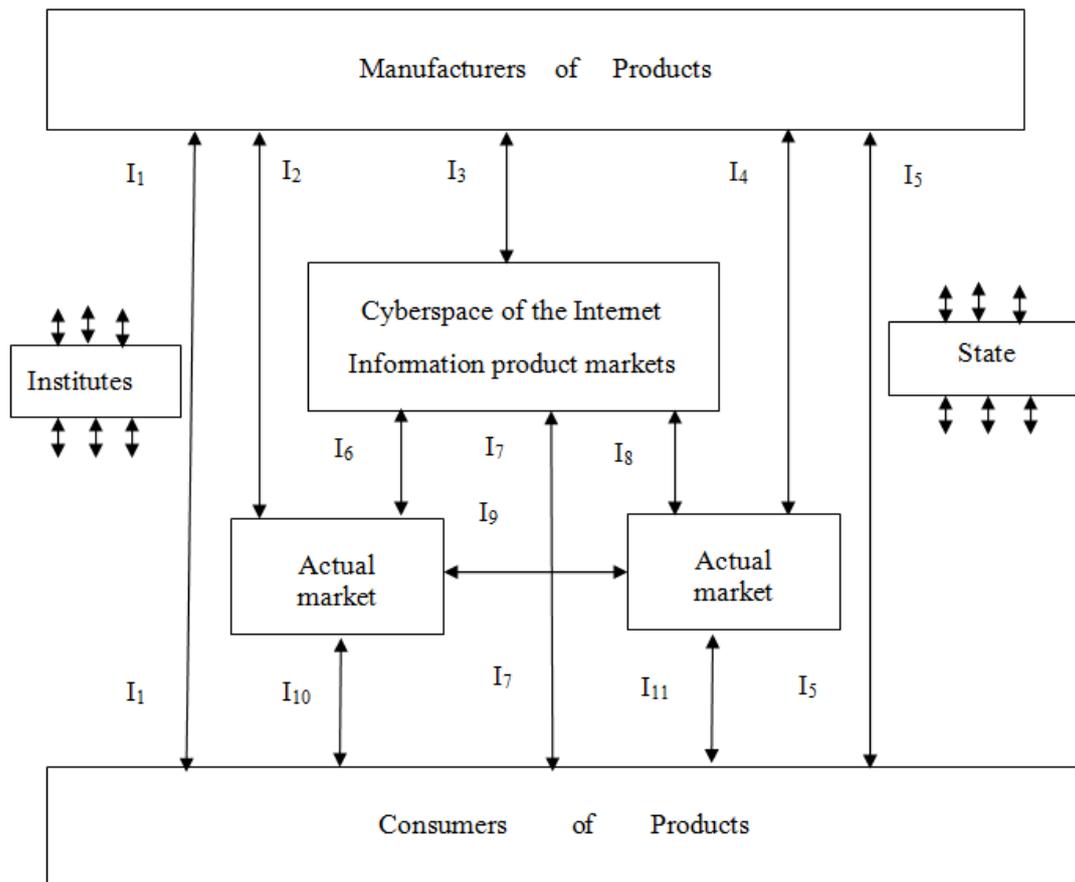


Fig. 1. Diagram of the model of the process of organizing the relationship of the manufacturer with consumers and other market participants

Source: author's own development

The results of the study of the works, which are specified above [8-14] have shown that the use of advanced Internet marketing technologies can bring real savings and profits. This is due to the great benefits and conveniences that accrue to consumers and producers alike. The study of the process of organizing the relationship of the manufacturer with consumers and other market participants when using the cyberspace of the Internet is effectively carried out by modeling the relationship process. Modern markets in the cyberspace of the Internet are currently in the stage of development and structuring. In this case, according to the author, the use of the economic-cybernetic approach and the heuristic anaxiomatization approach will be effective. These methods have been repeatedly used by the authors in previous studies and have shown good efficiency. The economic-cybernetic approach is used as a method of studying economic systems in which management is based on the collection, accumulation, analysis and use of information in order to ensure high management efficiency through the use of methods and methods of economic cybernetics. It is especially effective in the construction and use of models of economic processes [15].

The heuristic anaxiomatization approach makes it possible to fully use the creative abilities of the researcher, his deep understanding of the essence of the modeled process. At the same time, it allows you to discard the unimportant in order

to focus on the main thing. This approach reduces the time of model construction and ensures high efficiency of its research [16].

The scheme of the model of the process of organizing the relationship of the manufacturer with consumers and other market participants when using the cyberspace of the Internet is shown in Fig. 1.

The diagram highlights the participants in the process: the manufacturer of products; the cyberspace of the Internet and the markets of information products; real markets; consumers of products; institutions; the State. "Institutions" and "The State" have an external impact in this system of interaction organization. According to the author, this effect requires special research. The author has decided not to consider its influence within the framework of this article.

The manufacturer of products are interconnected with consumers of products (information flows I_1 and I_5); with cyberspace of the Internet and markets of information products (information flow I_3); with actual markets (information flows I_2 and I_4). Interaction between Manufacturers of products and Consumers of products is carried out on valid or special standard lines of communication. Both parties can be interlocutors. Manufacturers of products (I_1 and I_5) use traditional marketing tools. The actual markets (I_2 and I_4) are also handled by marketers using market methods, depending on the situation on the markets. The work on information product markets (I_3) in the cyberspace of the Internet is done according to Internet-marketing methodology.

Cyberspace of the Internet and markets for information products are interrelated with actual markets (information flows I_6 , I_8) and with consumers of products (information flow I_7).

All markets are interrelated with each other (information flows I_6 , I_8 and I_9); with Manufacturers of Products (information flows I_2 , I_3 and I_4) and with consumers of products (information flows I_8 , I_9 and I_{10}).

Consumers of products are interlinked with producers, all markets (information flows I_1 , I_5 , I_7 , I_{10} , I_{11}) and can be interlinked with each other (not shown in the diagram). The model considered can be implemented in practice. The author believes that its implementation could be beneficial to all participants in both virtual and actual markets.

Discussions

The author has found that the proposed organisation of the producer's relationship with Manufacturers of Products and other market players is capable of rapid adaptation to current real-world conditions. At present, the issue is still poorly understood. This makes this research, and therefore the topic of the article, relevant. The originality of the results of this study lies in the use of modelling techniques: the economic cybernetic approach and the heuristic anaxiomatic approach. By actually using the model it is possible to reconcile the interests of all participants in the system of manufacturers-consumers and other market participants interrelations. A weakness of the research results is the lack of practical recommendations for implementation of the proposed model. A priority for further research could be to detail the structure of the model, clarify the linkages within the model and develop practical recommendations for its implementation. The use of the

results of the study could enable other academics to study various aspects of marketing activities in real markets and in markets in cyberspace on the Internet.

Conclusion

1. A review of recent studies and publications has shown that among the many publications on the producer, its marketing and internet-marketing activities with manufacturers and other participants in real markets and markets on the Internet in cyberspace, many contemporary aspects of the problem chosen for this article have not been addressed. This is mainly concerned with the design, research and implementation of a model for organising the interconnection process.

2. There is a shift in the orientation of business and marketing activities as a result of the complex impact of many factors. Marketing has relatively quickly mastered the cyberspace of the Internet. The emergence and rapid development of Internet marketing has taken place. Tools of internet-marketing allow to develop the most effective program of economical activity, choose the adequate strategy of enterprise development and provide the growth of profit.

3. The authors developed and presented the model of the process of organizing the relations of manufacturers with consumers and other market participants by using the cyberspace of the Internet. In developing the model, the economic cybernetic approach and heuristic axiomatic approach were used, which allows full use of the creative abilities of the researcher. The model can be put into practice and its implementation will be beneficial to all participants in both virtual and physical markets.

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SOME ASPECTS OF INEFFECTIVE PLANNING OF FUNDS IN THE HEALTHCARE SYSTEM OF DIFFERENT COUNTRIES

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НЕКОТОРЫЕ АСПЕКТЫ НЕЭФФЕКТИВНОГО ПЛАНИРОВАНИЯ СРЕДСТВ В СИСТЕМЕ ЗДРАВООХРАНЕНИЯ РАЗНЫХ СТРАН

***Abstract.** The article says about the international experience of the problems of meeting the needs of the health care system in ensuring the availability of medical care to the population, which has remained one of the main over the past few years. And the reason for this is the problem in the financing of individual components of the health care system in our country, especially at the planning stage. In particular, in the hospital sector, there are significant problems associated with the high frequency of adjustments to the cost plan, since when preparing the annual volume, the initiators of the procurement often do not take into account the production indicators for the corresponding year and the availability of inventories in warehouses and structural divisions. The article provides an overview of the problems of health financing in OECD countries and other countries.*

***Keywords:** health financing, GDP, health spending, OECD, financial planning, public health.*

***Аннотация.** В статье рассмотрен мировой опыт проблем удовлетворения потребностей системы здравоохранения в обеспечении доступности медицинской помощи населению, которые остается одной из основных в течение последних нескольких лет. И причиной тому является проблема в вопросах финансирования отдельных компонентов системы здравоохранения в нашей стране, в особенности на этапе планирования. В частности, в больничном секторе наблюдаются существенные проблемы, связанные с высокой частотой корректировок плана расходов, так как при составлении годового объема инициаторами закупок зачастую не учитываются производственные показатели на соответствующий год и наличие товарно-материальных запасов на складах и в структурных подразделениях.*

В статье проведен обзор по вопросам проблем финансирования здравоохранения в странах ОЭСР и других странах.

***Ключевые слова:** финансирование здравоохранения, ВВП, расходы здравоохранения, ОЭСР, финансовое планирование, общественное здравоохранение*

ВВЕДЕНИЕ

Главной целью Послания Президента народу Казахстана «Стратегия «Казахстан-2050»: новый политический курс состоявшегося государства» является вхождение в число 30-ти наиболее развитых стран мира, достижение которой возможно путем преодоления отставания в развитии между нашей страной и странами ОЭСР во всех областях жизнедеятельности, включая и отрасль здравоохранения.

Деятельность системы здравоохранения происходит пропорционально социально-экономическому развитию общества и подчинено общим принципам построения рыночных взаимоотношений в Казахстане. Проблема удовлетворения потребностей системы здравоохранения в обеспечении доступности медицинской помощи населению остается одной из главных в течение последних нескольких лет. И причиной тому является проблема в вопросах финансирования отдельных компонентов системы здравоохранения в нашей стране, в особенности на этапе планирования. В частности, в больничном секторе наблюдаются существенные проблемы, связанные с высокой частотой корректировок плана расходов, так как при составлении годового объема инициаторами закупа зачастую не учитываются производственные показатели на соответствующий год и наличие товарно-материальных запасов на складах и в структурных подразделениях. Кроме того, руководителями структурных подразделений не производится оценка имеющейся мощности для получения соответствующих доходов, что может привести к отрицательному финансовому результату и к убытку предприятия в целом.

Цель данной статьи заключается в проведение анализа проблем финансирования здравоохранения в странах ОЭСР и других странах, а также определение проблем финансирования больничного сектора в Казахстане.

МАТЕРИАЛЫ И МЕТОДЫ

Для поиска научной литературы по исследуемой тематике использованы ключевые слова на русском и английском языках на медицинских научных базах, таких как Google Scholar, PubMed, ВОЗ, ММСП (2005 г.), РЦРЗ МЗ РК.

РЕЗУЛЬТАТЫ И ОБСУЖДЕНИЕ

Проблема неэффективного использования средств в системе здравоохранения существует не только в Казахстане. Так, при анализе этой проблемы в других странах было выявлено, что с США к примеру, несмотря на выделение огромных средств на эту сферу (16,9% от ВВП, 10 586 долларов США на человека) [1], общая производительность здравоохранения не лучше, чем в других странах, и большая часть выделенных средств тратится неэффективно и расточительно [2]. Эту тенденцию в стране смогли выявить на основе данных Национальной карты показателей эффективности системы здравоохранения США (National Scorecard on U.S. Health System Performance, 2008), благодаря которой в США появились убедительные аргументы в пользу внедрения изменений [3].

Одной из основных проблем в финансировании система здравоохранения в странах Европейского союза (ЕС) является проблема устойчивости финансирования, которая зачастую связана с ведением бухгалтерского учета, когда доходов системы здравоохранения недостаточно для выполнения обязательств системы здравоохранения [5].

Политика финансирования здравоохранения в странах ЕС включает в себя ряд функций: сбор средств на здравоохранение, объединение средств (а также рисков) во времени и среди населения, а также закупки медицинских

услуг [5,6]. Также в ЕС существует политика всеобщего охвата медицинскими услугами, льгот и распределения затрат (сборов с пользователей). То, как каждая из этих функций и политик выполняется или применяется, может иметь существенное влияние на цели политики, такие как финансовая защита, равенство в финансах, равенство доступа, прозрачность и подотчетность, вознаграждение за качественный уход, предоставление стимулов для эффективности медицинской организации и предоставлении услуг, а также для повышения административной эффективности [5,12].

В период глобального финансово-экономического кризиса система здравоохранения Греции столкнулась с проблемой устаревшей организационной структуры в которой преобладали элементы клинической медицины и больничные услуги без поддержки централизованной структуры, которое бы занималось планированием. А также там возникла проблема достаточности доступной информации о состоянии здоровья, использовании медицинских услуг или затрат на здоровье, недостаточно прогрессивный и превентивный подход к удовлетворению медико-санитарных потребностей населения в области общественного здравоохранения и первичной медико-санитарной помощи [4,13].

В Бельгии наблюдается тенденция к более эффективному использованию средств здравоохранения. Показатели показывают положительную тенденцию с течением времени: рост использования недорогих лекарственных средств (фармацевтических и биоподобных препаратов) и сокращение продолжительности пребывания в стационаре для физиологических родов: послеродовая продолжительность пребывания в Бельгии сейчас очень близка к средней по ЕС-15. Тем не менее, в Бельгии наблюдаются элементы неэффективного использования средств в амбулаторном секторе, которые отражаются в оказании услуг по скринингу на рак молочной железы у женщин моложе 50 лет. Или, например, рекомендации по лечению специфической боли в пояснице в большинстве случаев не рекомендуют диагностическую визуализацию. Хотя медицинские методы визуализации в таких случаях являются обычным явлением. Кроме того, согласно рекомендациям, пациенты с глубокой депрессией должны проходить курс лечения антидепрессантами не менее 3 месяцев. Около 4 из 10 эпизодов лечения данного недуга показывают период короче 3 месяцев [7].

В национальной системе здравоохранения Англии (National Health System – NHS) основными причинами неэффективного финансирования здравоохранения эксперты отмечают такие факторы, как неадекватный уровень руководства - особенно председатель, главный исполнительный и финансовый директоры; отсутствие сплоченности совета директоров и его неспособность к оспариванию - усугубляется высокой текучестью членов совета директоров, как исполнительных, так и неисполнительных, что ограничивает способность совета работать в команде; упущения совета директоров - обычно в результате слияния, крупного строительного проекта или другого крупного стратегического проекта. Из других причин отмечены «унаследованные затраты», особенно связанные с прошлыми капитальными вложениями; «застойный потенциал», например, связанный с переносом деятельности из

локального на региональный уровень; и разработка национальных тарифов «платежи по результату» [8,14].

Согласно информации ОЭСР в среднем страны ОЭСР тратят 28% общих расходов на здравоохранение на стационарную помощь в больницах. Однако ресурсы больницы используются больше, чем это клинически необходимо, из-за: 1) ненужного посещения больниц, 2) неэффективных процессов в больницах, таких как госпитализация для операций, которые можно проводить в амбулаторных условиях, и 3) более длительного пребывания в больнице, чем необходимо, включая отсроченные выписки из-за отсутствия последующего ухода [9,12].

Признать существование неэффективных расходов и расточительства всегда непросто - будь то работники здравоохранения, менеджеры, пациенты и даже лица, принимающие решения. Но существуют возможности высвободить ресурсы в рамках систем здравоохранения для оказания более качественной медицинской помощи. Сокращение неэффективных расходов и трат приведет к значительной экономии. Для политиков, пытающихся справиться с постоянно растущими расходами на здравоохранение, необходимо использовать все возможности для перехода к более ориентированной на ценность системе здравоохранения.

В Казахстане проблема неэффективности финансового планирования в системе здравоохранения напрямую связано с недостаточным финансированием [15]. Так, в странах ОЭСР расходы на здравоохранение в среднем составляют 8,8% от ВВП. В Казахстане же общие расходы на здравоохранение (ОРЗ) от всех источников финансирования в 2018 году составили 1 885,4 млрд. тенге и показывают рост на 1% по сравнению с предыдущим годом (1 759 млрд. тенге), что составило 3%. Текущие расходы на здравоохранение (ТРЗ) (без учета капитальных расходов) составили 1 765 млрд. тенге, по сравнению с 1 656,1 млрд. тенге в 2017 году. Так ТРЗ в 2018 году составили 2,9% от ВВП [10]. Вследствие этого в Казахстане наблюдается рост частных расходов на здравоохранение, которые ложатся бременем на бюджет домохозяйств. В структуре текущих расходов, государственные расходы составляют 61,5%, в то время как доля частных расходов составляет 38,5% [11,12].

Проблемы в финансировании системы здравоохранения отражаются на деятельности больниц и стационарного сектора в целом. При исследовании ключевых проблем планирования доходов и расходов на уровне многопрофильной больницы с целью исключения риска неэффективного и нерационального расходования денежных средств (в т.ч. снижение себестоимости), был проведен SWOT – анализ (табл. 1).

К примеру, если проанализировать деятельность многопрофильных больниц в нашей стране, то в соответствии с данными, приведенными в таблице 1, можно отметить следующие моменты. Условия труда работников многопрофильной клиники являются сильной стороной системы управления при планировании доходов и расходов на соответствующий год, так как у больниц имеются достаточно серьезные ресурсы в виде здания,

высококвалифицированного медицинского персонала, а также репутация больницы.

Таблица 1. Выявление ключевых проблем при планировании доходов и расходов многопрофильной клиники

Внутренние факторы	<p align="center"><u>Сильные стороны</u></p> <ul style="list-style-type: none"> - Условия труда (здание, оборудование, ЛСиМИ, ЗП и т.д.); - Своевременное и достаточное финансирование; - Квалифицированный персонал; - Хорошая репутация; - Стабильная численность пациентов; - Информационные системы 	<p align="center"><u>Слабые стороны</u></p> <ul style="list-style-type: none"> - Низкий контроль руководителей структурных подразделений; - Безответственность/безнаказанность инициаторов закупа; - Низкая рентабельность услуг; - Снижение доходов; - Неиспользование ИС - Изменения на рынке технологий/ЛСиМИ
Внешние факторы	<p align="center"><u>Возможности</u></p> <ul style="list-style-type: none"> - Приобретение качественных/дешевых аналогов; - Обучение/развитие персонала; - Доступный PR; - Внедрение новых технологий; - Качественное оказание медуслуг/привлечение пациентов 	<p align="center"><u>Угрозы</u></p> <ul style="list-style-type: none"> - Перерасход/залежи ЛСиМИ; - Нарушение в нормативах использования; - Контролирующие органы; - Неудовлетворенность пациентов; - Текучесть кадров

Стоит отметить, что последние несколько лет в Казахстане уделяется большое внимание повышению качества медицинских услуг, которому уделено большое внимание в государственной программе развития здравоохранения РК «Денсаулык» на 2016-2019 годы [16]. В этой связи многопрофильными больницами активно ведутся работы по соответствию требованиям международной аккредитации JCI, получение которой может служить очень сильным способствующим укреплению репутации больницы фактором. Кроме того, своевременное и достаточное финансирование также является положительной стороной, так как этим обеспечивается своевременность оплаты труда сотрудников и как следствие невысокая текучесть медицинских кадров.

В то же самое время, слабыми сторонами многопрофильных больниц являются низкая рентабельность оказываемых медицинских услуг, которая обусловлена преимущественно государственным финансированием больниц, вследствие чего может наблюдаться низкая мотивация к увеличению доли платных услуг для высокоспециализированной и высокотехнологичной медицинской помощи.

Анализ внешних факторов показывает, что внедрение инновационных технологий в больницах и обучение персонала является возможностями, в направлении которых может быть усилена работа многопрофильных клиник, и, которые имеют хороший потенциал для будущих показателей результативности

больницы. Однако, необходимо учесть, что недооценка потенциальных угроз, кроющихся в менеджменте больниц, как например, недостаточный контроль со стороны руководства, может стать основной причиной неполного достижения целей клиник.

Таким образом, SWOT–анализ выявил ключевые проблемы системы планирования доходов и расходов многопрофильной клиники на соответствующей год. Для выявления причин, влияющих на эффективность планирования доходов и расходов, необходимо проведение глубинных интервью за «круглым» столом с руководителями структурных подразделений многопрофильной клиники, а также проведение фокус-групп с участием специалистов и других исследований в дальнейшем.

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PRODUCTIVE FORCES DEVELOPMENT AND REGIONAL ECONOMY

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GREENHOUSE GAS EMISSIONS OF ELECTRIC VEHICLES AND COMBUSTION ENGINE CARS DURING THEIR LIFE-CYCLE

***Abstract.** Europe, being the leader in aiming for carbon neutrality, is likely to get rid of classic combustion engines in the near future. Politicians of European Union predetermined an electric future for cars sold in European Union. Although it does not appear so from official documents, but by making emissions norms gradually more extreme and restrictive it's evident that only vehicles that are going to meet the criteria of low emission cars will be those with partial or full electric drive.*

***Keywords:** electric vehicles, decarbonization, CO2 emissions.*

Introduction

Every car that is sold in European Union (not just produced in Europe, but imported from other continents as well) has to meet given norms. Otherwise automobile factories are in favor of unecological mix that is fined to extremely large extent.

Based on these decisions automobile factories had to prepare plans for the rebirth of their business model and adjust it to electromobility. Those were very difficult and often painful decisions. In the past year several automobile factories announced the end of development and in addition to that they announced an impendent ending of sale of combustion engines in their automobiles. It was confirmed by Audi, Jaguar, Mini, Fiat and Volkswagen, among others.

Lawmakers generally consider electrification as a key step for decarbonization of road transport and home heating. These sectors altogether create 24% of global emissions from fuel combustion and they're two main sources of direct carbon emissions from households. It's expected that gasoline and diesel vehicles (gasoline cars) in passenger transport will be gradually replaced by battery electric vehicles (EV). Heat pumps (HP) present heating alternatives for heating systems powered by gas, oil and coal (fossil fuel fired boiler). Electrification of passenger road transport and home heating plays an important role in current and planned policy to achieve goals of reducing greenhouse gas emissions. Because electricity generation involves usage of fossil fuels, it is not defined where and when could replacing of technologies based on fossil fuels with electric vehicles and heat pumps be effective for reducing overall emissions. Study conducted by Nature Sustainability analyzes current and future prospects of emissions in 59 world regions with heterogeneous households. Illustrated figures suggest that during current carbon intensity of electricity generation, electric vehicles and heat pumps are less intense regarding emissions compared to alternatives based on fossil fuels in 53 world regions, which presents 95% of worldwide demand for transport and heating. Although the future of electrification is not related to fast decarbonization in energy segment, it will probably reduce emissions in almost every world region.

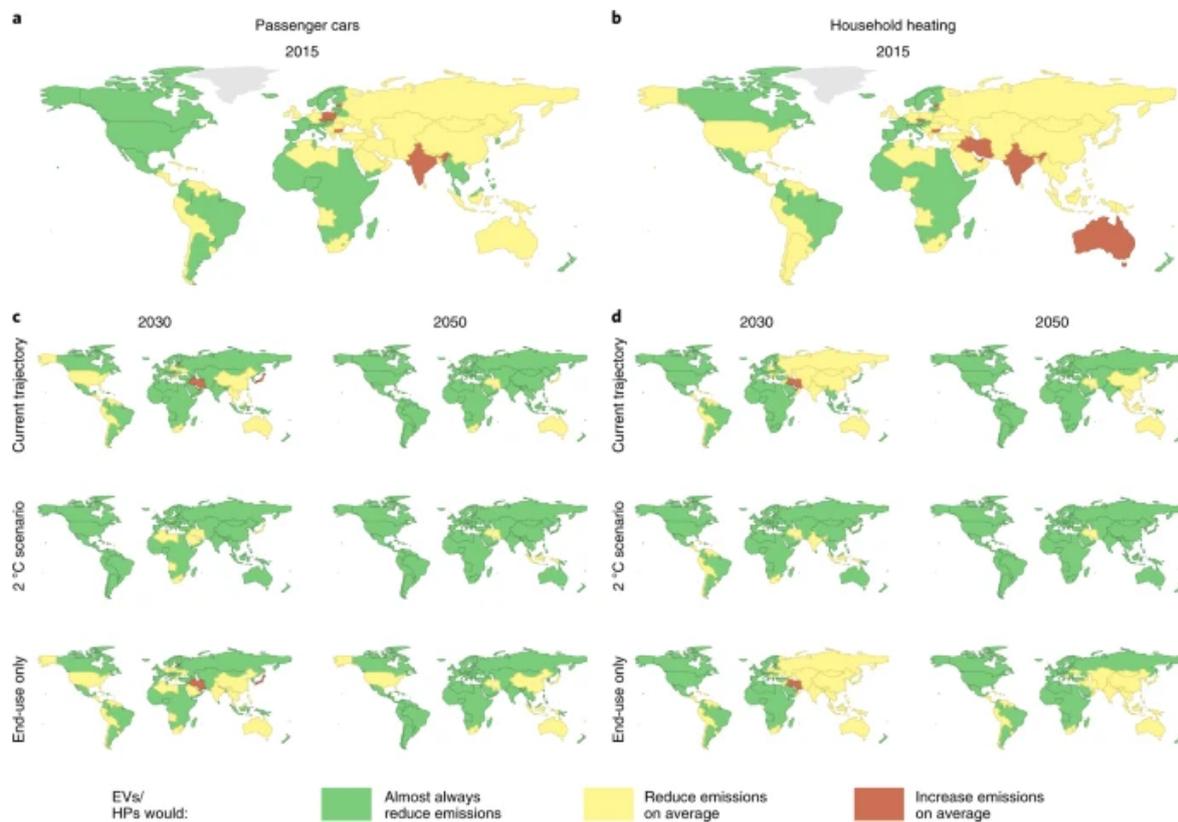


Fig. 1. Relative intensities of greenhouse gas emissions of EV and HP all over the world

Source: Florian Knobloch Steef, S. V. Hanssen, Aileen Lam, Hector Pollitt, Pablo Salas, Unnada Chewprecha, Mark A. J. Huijbregts and Jean-Francois Mercure. Net emission reductions from electric cars and heat pumps in 59 world regions over time. *Nature Sustainability*, Vol. 3, PP. 437-447.

A, b world regions, where predicted GH emissions during life-cycle of EV (a) and HP (b) are reduced compared to new gasoline cars/fossil fuel fired boilers in almost all cases (green) or on average (yellow), or they have higher content of greenhouse gasses and emission on average (red).

C, d, projections for 2030 and 2050 for EV (c) and HP (d) according to current technological trajectory (actual trajectory), scenario of policy 2 °C (scenario 2 °C) and scenario of final utilization without connecting (only for final utilization).

In terms of greenhouse gas emissions, Institute for environmental policy estimated that even after including expenses for car and battery production, electric vehicles in Slovakia will produce fewer emissions, and that is by half, than cars with combustion engines. The institute created a calculator, which allows people to compare the best selling models of cars with alternative and traditional driving mechanism in regard of emissions, investment and operation expenses. This calculator focuses on two aspects, the first one is the amount of greenhouse gas emissions produced by electric vehicles and the second one is whether the investment into currently more and more expensive electric vehicle is advisable and whether they get back their expenses during vehicle's life-cycle.

Non-profit organization International council on clean transportation (ICCT) made a study comparing emissions of electric vehicles and combustion automobiles,

among other things, including their fuel/energy or production footprint. Analysis of ICCT not only explores CO₂ emissions, but also overall greenhouse gas emissions. It's explored individually within the biggest automobile markets (China, Europe, USA, and India) where approximately 70% of all new automobiles is sold. Meanwhile greenhouse gas emissions within every life-cycle period of automobiles and fuels are taken into account – so from mining of raw material and its processing, through refining and production, all the way to operation and eventual recycling or disposal. ICCT also compares actual discoveries with assumed state in 2030. It's important to add that ICCT's calculations also include average carbon footprint of fuel and electric mixes during their life-cycles. Changes of carbon footprint's intensity during vehicle's life-cycle should be considered as well. Fuel and electricity consumption during average mode of utilization of vehicles in real world was taken into account too; meanwhile analytics did not rely only on official testing figures. They also took notice of newest data about battery production on industrial scale and of regional supply of battery chains. They discovered that emissions from battery production for electric vehicles are significantly fewer than the result of previous studies suggested.

Study's results show that greenhouse gas emissions of electric vehicles during their life-cycle are, in comparison with combustion cars, significantly reduced even today, and even on markets with predominantly “dirty” electricity. As we can see in the following diagram, in case of comparable average middle class cars, electric vehicles have fewer emissions and that is by 66-69 % in Europe, 60-68 % in the USA, 37-45 % in China and 19-34 % in India. Fossil fuels are used in a large extent for electricity generation in last two countries that were mentioned.

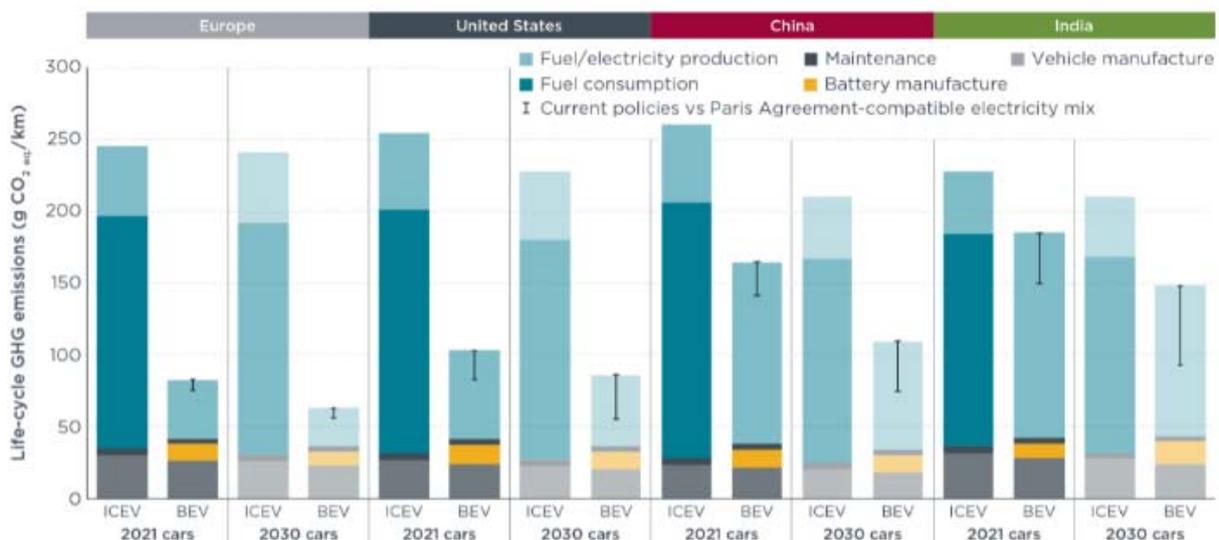


Fig. 2. Life-cycle GHG emissions of average medium-sized gasoline ICEVs and BEVs

Source: ICCT, <https://theicct.org/publications/global-LCA-passenger-cars-Jul2021>

Based on trends, plans, strategies and goals, ICCT predicts that the difference in favor of electric vehicles will intensify nearly on all important markets, also due to the fact that energy mix will be more and more carbon-free.

Research of scientists from Radboud University in Nijmegen, Netherlands and scientists from British University of Cambridge is interlocked with mentioned studies. They also congruently suggest that concerns about the increase of carbon oxide emissions due to expansion of electric cars are just harmful myths. Research revealed that at most places, electric vehicles produce less emissions overall, despite the fact that fossil fuels are still used during their production. According to the researches, driving an electric car instead of a vehicle with gasoline or diesel engine is better for the climate in 95% of countries. The exception is Poland, where electricity generation is still mainly based on coal power plants. In countries like Sweden and France, where most of electric energy is generated from renewable sources and nuclear energy, the average “lifelong” emissions from electric automobiles are reduced by 70% in comparison with gasoline cars. In the United Kingdom this saving creates approximately 30%, however it’s assumed that the fraction of electricity generated from renewable sources will be gradually increasing, as well as in other developed countries. The study predicts that in 2050 every other car on the road will be electric on global scale. Hence global CO₂ emissions will be reduced by about 1,5 gigatons a year, which presents current annual CO₂ emissions of Russia.

The progress could be even faster if countries accepted stricter schedules of transition to electromobility, like United Kingdom did by committing itself to every new car producing zero emissions by 2035 at the very latest. Other European countries are considering the same time schedule. Norway, in which new combustion cars make up a significant minority, is planning on restricting their sale in 2025.

Conclusions

There are many aspects of evaluating what is more harmful and what is less harmful for the environment. One of the aspects is emissions, the other one is local pollution. Other factor is whether the batteries are recyclable. We can rather accurately quantify the amount of emissions during full life-cycle of electric vehicle including its production. We know that there are more emissions during electromobile’s production because of the battery. Emissions can be reduced or increased during vehicle’s operation, depending on the energy mix of particular country. However, based on submitted studies we can establish that electric vehicles cause environmental loads to a lesser extent than traditional ones in almost every continent.

Transition to electromobility will not make all sources of pollution from transport go away. The smell from tires and brakes of electric vehicles is still going to create some pollution in the cities. Electrification is not sufficient for complex problem solution. It’s necessary to reduce transport demand and shift its centre from automobile transport to mass transport in order to achieve goals in terms of climate.

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MONEY, FINANCE AND CREDIT

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AN OVERVIEW ON CREDIT CRISES: RESPONDING TO ECONOMIC RISK

***Abstract.** Following the Great Depression, the 2007-2009 financial crisis can be described as the worst. Financial crises have become threatening to society, forcing governments to approve ever-increasing spending. This process culminated in the global financial crisis, which was so deeply ingrained that even numerous interventions by affected governments could not stop it. The crisis, which began in 2007, when real estate prices in the United States skyrocketed, and it spread rapidly, first to the entire US financial sector and then to financial markets outside the US. Claims in the United States include the entire banking industry, major insurance companies, savings, lenders, etc. The damage was not limited to the financial sector, however, companies that typically relied on credit suffered heavy losses. The U.S. auto industry, which declared itself a federal rescue, found itself on the brink of collapse. Even more alarmingly, commercial banks, believing that no one would repay the loans, simply stopped lending without which most businesses would not function. Stock prices fell around the world, and by the end of 2008 a deep recession had gripped much of the globe. This paper has on focus to discuss the overviews on credit crises, and to give some suggest some responses to economic risk.*

***Keywords:** financial crises; commercial banks; economic risk*

Introduction

The year 2008 will be remembered as the year that was described with a financial crisis, which occurs once in a century (Castro, 2013). The crisis caused unprecedented upheaval on Wall Street, brought the banking system to its knees and shook stock markets, but also brought about radical government intervention. The first signs of the economic crisis appeared in August 2007, but 2008 was the year of the real financial crisis, which plunged the economies of the United States, Europe and Japan into recession, for the first time since the World War II.

The year 2008 will be remembered as the year that was described with a financial crisis, which occurs once in a century. The crisis caused unprecedented upheaval on Wall Street, brought the banking system to its knees and shook stock markets, but also brought about radical government intervention. The first signs of the economic crisis appeared in August 2007, but 2008 was the year of the real financial crisis, which plunged the economies of the United States, Europe and Japan into recession, for the first time since the War of World War II. In 2008, another Wall Street post knelt under the burden of huge credit losses, prompting a drop in the price of oil (Nkusu, 2011). The year 2008 will also be remembered for the radical measures of the authorities, in an attempt to alleviate the crisis. The words credit collapse and fiscal stimulus became part of everyday vocabulary. But the crisis had much deeper roots. Many people had taken out loans for their homes without the possibility of repaying them. When many of them failed, lenders began to find themselves in collapse. Commercial banks present large losses in the insurance system related to home loans. This made banks reluctant to lend money to businesses and other commercial banks. The difficulties created made the smell of recession feel (Balgova, Nies and Plekhanov, 2016).

In March 2008 the first "victims" fell. Bear Stearns had a market share value of about \$ 3.5 billion and was worth \$ 20 billion in January 2007. But the confidence crisis that gripped the firm has spurred a flurry of consumers in recent days, leaving Bear Stearns with a terrible choice: sell the firm - at any price - to a large bank ready to take on its trading obligations. or declare bankruptcy. The stock price fell to \$ 2 per share. On March 17, 2008, Bear Stearns, one of Wall Street's largest firms, was bought by rival Morgan Chase for a fraction of its value. In July 2008 the big credit company Indymac fell (Chaibi and Ftiti, 2015).

Results

Lending is clearly a risky activity and lending institutions occasionally provide loans that suffer losses. Loss can occur as a result of many factors, from poor borrower management to the business cycle stage. The main problem with non-performing loans is that they can impair the value of a financial institution. Many impaired loans in the statement of financial position of a lending institution can threaten its solvency. It is expected that some loans will become problematic, but the purpose of a financial institution is to manage the problem in such a way as to reduce the loss of value to shareholders. The first course of action, therefore, is not to sell the collateral, but to manage the asset or firm (Corazza, Funari and Gusso, 2016).

A non-payment is defined as a loan for which payments are late. Lending institutions may experience non-payment and problem loans for many reasons, such as lack of enforceability of credit policies; lack of clear standards and very loose conditions for obtaining credit; inadequate controls over credit officers; high concentration of bank lending; credit growth greater than the bank's ability to manage them; inadequate systems for identifying problem loans; insufficient knowledge about clients' finances; loans outside the market with which the bank is familiar, etc. (Mohelska and Sokolova, 2016).

All of these reasons for non-payment are found within a lending institution. Many non-performing loans can be avoided by better lending procedures and policies. Also important is the lending culture. This has to do with staff culture regarding procedures and policies. Often, when a loan becomes bad, it happens because policies and procedures are bypassed or ignored. However, credit risk is not static, and many loans that have been given worthily can become bad for many different reasons. Two examples are when the recession affects a firm's cash flow or when firms go bankrupt because their products have become obsolete. The question then becomes how to better monitor these situations. While it may be easy to monitor a small loan portfolio, the situation becomes more complex when the financial institution becomes larger (Ghosh, 2015). This complexity presents increasingly high costs for monitoring. To ensure efficiency, indicators are usually implemented (such as, successive lost payments). However, these indicators do not present a clear picture of the situation or show corrective actions. In many cases, these indicators highlight a non-performing loan when it is too late, resulting in a situation less than optimal for the lending institution. There are three types of non-payment situations (Lazányi, 2014):

- 1. Light financial problems** - that occur when companies experience temporary cash flow shortages. In most cases, these types of problems do not enter

the public arena and are not captured by regulator definitions. As long as the loan is not in arrears for more than ninety days, this type of situation does not pose any serious problem. In many cases, cash flow shortages are temporary and can be corrected within days. A large bill may be overdue, for example. Lack of cash flow can sometimes be more consistent and more serious corrective action should be considered. The general condition of a company experiencing light financial problems is that its economic value is higher than the loan repayment plan. In other words, creating a bankruptcy situation can rapidly devalue the firm's assets, causing losses for both the borrower and the lender - a situation to be avoided. There are a number of solutions that can be used in this case. The simplest approach is for the bank to agree to a repayment deferral, recognizing the temporary nature of the situation. In most cases, the bank will impose penalties on the borrower to ensure that this situation does not recur. A company review should be undertaken to ensure that all possible assets are being utilized and that costs are under control. However, banks need to take further action to ensure that their position is safeguarded. Recalling that cash flow repaid the loan, a lender must take steps to protect the borrower's cash flow. There are many reasons why business may experience shortages in cash flow. The most common cause of lack of cash flow is the firm's incredibly rapid growth. As firms grow, they need more investment in productive capital. As this investment is undertaken, revenues usually do not grow sufficiently until the growth phase is completed. The solution may be to delay investment until the temporary lack of cash flow has disappeared. In some cases, borrowers may hold assets that perform poorly. In many cases, these tools are not essential to the borrower and are obtained either through the acquisition of another firm or when the diversification of firms within a group is seen as a positive step. In any case, selling non-core assets, especially if they are poor performers that degrade overall performance, can generate valuable cash flow. The last solution suggested is a simple solution. Where lending can be a matter of transferring risk to the right party, light financial problems can simply be a matter of asking shareholders to add business capital. In other words, it may not be appropriate for the lender to make any concessions.

2. Average financial problems - The difference between different levels of financial problems is a matter of degrees. In the case of average financial problems, a temporary lack of cash flow is again evident, but the economic value of the company is less than the loan repayment plan. If the bank were to seek bankruptcy of the borrower, then it would generate losses in the process. This loss would depend on the value of the collateral provided. A firm that has a registered residential mortgage as collateral would have little negative effect on the value of its collateral, while a bankrupt manufacturing firm may have its economic value rapidly degraded in the absence of a buyer for its assets. Its, especially if the tools are unique. The lender should simply liquidate the registered residential mortgage in the first case but should exercise more caution in the second case. It may be more beneficial for the lender to restructure the loan.

3. Serious financial problems - are the most obvious problems. Provisions for doubtful debts of a bank are usually made from these problems. Under this scenario, severe financial problems are characterized by a missing debt payment, as well as by

the fact that the economic value of the borrower is less than the loan repayment plan. The normal course of action is to seek the bankruptcy of the firm (Kjosevski and Petkovski, 2017). Some non-performing loans can be difficult to categorize and can feature more than one situation. However, two principles always apply in dealing with non-performing loans (Soros, 2008):

- The main goal is to minimize bank loss. In many circumstances, this means non-liquidation of the loan because the collateral may lose some of its value from the quick sale.
- To manage these problems correctly, the economic value of the loan is compared to the economic value of the borrower.

Conclusions

The global financial system faced the biggest challenge from the 2008 financial crisis. But while in fast-growing countries like China, India and Brazil the crisis has not had an impact on their economic growth, in Western European countries The crisis is reflected in various areas, in the financial, debt, budget deficits and high unemployment in these countries. The impact of the debt crisis of some Western countries such as Greece, Italy, Spain, Portugal, has been felt in the countries of Southeast Europe, which have these countries as their main trading partners. Thus, economic growth is seen to have been declining since 2010 onwards.

The debt crisis in the Eurozone has created fear and anxiety for the entire world economy and finances, now the crisis has reached a systemic dimension, tensions over sovereign debts are shifting to the most important EU economies. National governments and European institutions tried to act quickly, not to let the situation get worse. The severe effects of the debt crisis appeared not only in the very serious Greek case, but also in the troubling problems in Italy, Spain, Portugal, Ireland and in almost all eurozone countries, the weakening of financial markets and many banks. in Europe, of economic growth even lower than forecasts with reserves for the Eurozone, etc.... where it seems that Europe was projecting its major change.

The economies of Southeast European countries were directly affected by the Eurozone countries in the context of the debt crisis that affected some of these countries (Wang, 2016). This is also why the economic growth of these countries was expected to be slower than before the onset of the global crisis, and that, the economic crisis of 2008 continued to be felt in most countries of the region. The negative effects of the debt crisis (mainly the Greek crisis) have been seen in many sectors of the Eurozone economy, such as:

- remittances and trade exchanges;
- the slowdown in economic growth in the Eurozone as a whole;
- banking sectors in the Eurozone;
- direct Foreign investments;
- public budget deficit;
- transport and exports and in many other sectors of the Eurozone economy.

It was important that the closer to the western countries involved in the debt crisis were the countries of Eastern Europe, the more their impact on the economic growth of these countries would be felt. What impact did the debt crisis of Greece and Italy have on the Albanian economy?

Economic experts in Albania see a series of negative effects, which came from the crisis situation faced by Greece. The decrease in remittances by Albanian emigrants was accompanied by the reduction of exports, the reduction of lending in the banking system, etc. But some of the negative indicators in Greece are thought to have turned into positive indicators for Albania. But at the same time, in Albania there was a significant increase in the public budget deficit in 2008, 2009 and 2010, as well as a large increase in domestic debt. Countries with developing economies like Albania are advised to usually keep the debt level at 40%, but in the case of Albania, this debt was at 60%. So, this time Albania could not face the crisis by spending more in the public sector. This time, as the debt was high, they could not use public spending to offset public demand and unemployment. At that time it was recommended that the deficit level be around 3% in the hope that in the years to come they would reduce the level of debt. The economic crisis of 2008 is still felt in most of the Eurozone. Improving regulation and oversight is a good idea, it is more appropriate to avoid future crises, than dealing with the consequences of a catastrophe that has already occurred.

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LEASING AND ITS APPLICATION IN ALBANIA

Abstract. *Leasing is a new concept for individuals as well as for a good part of Albanian SMEs and companies. This refers to the lack of tradition in the financial market, which has been associated with a banking sector still in the consolidation and development phase, but which is nevertheless one of the most regulated and developed sectors of the financial system. The development of financial leasing in Albania received a positive boost with the adoption of the law "On financial leasing" on May 12, 2005. While operating lease was present in the market before May 2005, based on commercial law. Since 2005, Albanian companies have a new financing tool to meet their needs for machinery and equipment. If it is compared the leasing activity with the countries of the region, from the point of view of the contribution that this activity gives to the GDP of a country, it would be said that the statics of Albania are very low. It accounts for less than 0.5% of GDP, while in countries such as Romania or Bosnia and Herzegovina it accounts for over 3% of GDP. These facts create the belief that the leasing sector may be a potential sector for future development.*

Keywords: *Albania; financial lease; operating lease; international lease; domestic lease*

INTRODUCTION

Leasing or financial leasing is one of the legal activities and relationships that has developed rapidly in most countries of the world, including transition economies, becoming one of the most preferred methods for financing business investments but also private consumption of familiar. Leasing is an economic and legal relationship embodied in a contract, under which the leasing company finances the purchase of an item, becoming its owner and leases it to another person to use it for a fixed term against periodic payments, and, upon expiration of the term of the contract, the lessee may purchase the item, continue to lease it for another term or return it to the lessor (Gallardo, 1997). The contract defines the time of use of the item, the responsibility for covering the risks, the maintenance of the item, the amount and periodicity of payments (usually monthly, quarterly or annual), the option of purchasing the item by the lessee, etc. So, leasing or financial leasing, is a way of financing for personal car or for business needs, for vehicles, machinery and work equipment (Yan, 2002). This form of financing has been implemented long ago. It was the Babylonians who implemented a variant of it with their ships and animals. Their king Hammurabi, 50 years later, in 1960 BC, had implemented the first law on leasing. The ancient civilizations of Egypt, Greece, and Rome conducted leasing transactions over their properties, while the Phoenicians promoted it by renting ships to local merchants. Leasing first appeared in the US during the 1700s to finance the use of horse-drawn carriages (Lasfer and Levis, 1998). The 1980s marked a worldwide recognition of financial leasing. Leasing is the largest external source of equipment financing for American corporations, it is greater than bank loans, than financing with bonds, stocks or even commercial mortgages. But above all it is the business that has had and continues to have the fastest growth ever. Although the greatest flourishing it has known in the US and the UK. In Eastern and Central Europe, leasing is widely

regarded as the most favorable alternative for investment financing (Tulvinschi, 2006).

LITERATURE REVIEW

Leasing activity does not depend so much on the size of the company as on the way it conceives it (Carter, 1996). Leasing is a genuine commercial activity, which depends on the quality of the product offered and the service (Fletcher, Freeman, Sultanov and Umarov, 2005). Even the larger the leasing company, the greater the risk of losing any of its in-service qualities. The essence is that within the law, but also within the criteria of risk management, to offer a product that is as acceptable as possible for a large number of people. Only this would be the product that would make buyers of cars, for example, or other equipment, move away from cash purchases and replace it with leasing financing purchases. This financing aims to make the financing of funds as simple as possible for individuals, by offering a cost to enter the system as low as possible, as well as by providing a financing structure that allows clients to have a monthly payment of financing as much as possible. affordable. Prepayment is another important element for leasing companies, to better manage the financing risk, in case of recovery of the financed asset (Amembal, 2000). Machinery and equipment account for about 55 percent of the leasing market portfolio and, for the most part, potential financing of working capital. Leasing companies and banks have established partnership relations with the most important sellers of heavy construction tools and infrastructure, dental and medical equipment, production lines, etc. (Hendel and Lizzeri, 1998). But, for the most part, Albanian entities have tried towards the used machines. Leasing financing is of two types: financial and operational (Mayer, 2008). Financial leasing is similar to credit, but that there are some structural changes from credit. It is more flexible than credit, as it is an over-financing financing (Miller and Upton, 1976). Operational leasing, for some types of vehicles, especially for cars, is also more fiscally efficient compared to financial leasing or credit, although more expensive than both. In this type of leasing, the monthly payments are 100% as a deductible expense (Chigurupati and Hegde, 2010).

ADVANTAGES AND DISADVANTAGES OF LEASING

Advantages of Leasing

- Lack of demand for collateral - Buying a new piece of machinery or equipment can be costly and require considerable capital. Leasing enables businesses to maintain valuable cash reserves.
- 100% financing - The leasing contract finances 100% of the value of the equipment and immediate payment, varies over 10% of the total value. This allows the tenant to use more resources as working capital.
- Lower monthly payments as well as repayment flexibility - The regular small payments required by a lease agreement enable businesses with limited capital to manage their cash flow more efficiently and adapt quickly to changing economic conditions. How and it offers the flexibility of the repayment period matching the useful life of the equipment.

- Asset improvement - Leasing also allows businesses to upgrade assets more often by ensuring they have the latest equipment, without having to incur further capital expenditures.
- Provides additional sources of capital - Leasing does not replace or reduce the ability to use cash or bank loans for other purchases. But it adds a source of capital with products that maximize flexibility and aid in the use of modern technology.
- Security - It gives businesses security because financial asset arrangements cannot be canceled by lenders and payments are generally fixed. However, they can also be structured to include other benefits such as equipment maintenance or variable monthly payments depending on the needs of a business.

Disadvantages of Leasing

- Mandatory Working Capital - Leasing can only finance the purchase of fixed assets. Leasing cannot directly meet the lessee's working capital needs, although small lease installments indirectly meet working capital. Landlords, however, need to be careful because a lack of working capital can jeopardize tenants' ability to generate inflows from leased equipment and be unable to pay installments.
- Prohibition of changes in assets - The tenant may not make changes to assets on his behalf.
- Penalties for termination of the lease - The Tenant must pay penalties in case of termination of the lease before the period signed in the contract.
- Tax disadvantage - Fiscal advantages have played an important role in expanding the leasing sector in developed countries, while the opposite happens in developing countries where many small businesses and micro-businesses do not benefit from tax advantages because they operate outside the formal economy or because they pay taxes which are not based on their actual profit. A graph within a graph is an “inset”, not an “insert”. The word alternatively is preferred to the word “alternately” (unless you really mean something that alternates).

CONCLUSIONS

Leasing:

is an important source of medium and long term financing in developed as well as developing economies, because it is an efficient economic solution to the problem of asset ownership.

increases the total capital investment in the economy, constituting a complementary form of financing as well as a substitute for bank loans.

creates competition by not carrying as many risks as other forms of financing, such as working capital lending.

increases equipment sales. It offers domestic and foreign suppliers a new mechanism for increasing the clientele base and access to new clientele, especially those with limited funding opportunities. In this way leasing is an effective

mechanism to stimulate an economy by mobilizing great opportunities for growth and expansion of various sectors of the economy.

companies have greater opportunities to get to know and enter into contractual relationships with banks, insurance companies or other financial institutions, with strong producers or suppliers of goods and services at home and abroad, creating trust and access to financial resources and consolidated markets, which is difficult for other businesses, especially small and medium-sized enterprises, to do directly.

provides a tool to modernize the production and development of small businesses, which need financing to expand, but often do not have sufficient credit history or collateral for other sources of financing.

RECOMMENDATIONS

Increasing the level of information and awareness of businesses.

Work harder to increase credibility regarding the use of this service, mainly by small businesses, to consult with professional advisors and specialized financial companies.

The use of leasing affects the increase of formality in businesses. Leasing contracts, payments through banks and in general the information available to leasing companies can be used by tax authorities to increase the effectiveness of tax collection and combat evasion.

Businesses, especially small and medium ones, should consider leasing as a good financing opportunity because through leasing companies they can provide not only sources of financing but also modern technological lines, machinery, equipment, or services from manufacturers or consolidated suppliers inside or outside the country, enabling the increase of the quality of their products and services. In this way they become competitive in domestic and foreign markets, and create premises for further growth of activity, for the creation of new jobs and increase of tax and tax revenues.

It should clarify the regulatory environment for leasing and its financial treatment related to value added tax, as well as allow the recognition of invoices as debt instruments, to enable their use as full collateral for loans and working capital.

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MONEY LAUNDERING - CURRENT PROBLEM OF ALBANIAN SOCIETY

***Abstract.** In this article we aim to define and explain in general the notion of money risk as a current problem of Albanian society and money laundering. At the beginning of the article it is given a brief synthesis of money laundering, about its beginnings in the US and its roots. As the article goes on, I emphasize the advantages of economic globalization. It is worth mentioning that in addition to the positive development of the global economy, there is also the possibility of realizing "Money Laundering".*

The article emphasize the steps that money laundering goes through, the steps it leaves, the global financial consequences, etc. It continues with the consequences for the banking system, for customers, for transactions and the consequences for a state. Finally it is given a brief description of the fight against money laundering in our country as a universal risk and a thorough response.

In conclusion, I underline the Albanian reality of recent years, the motto of the Bank of Albania and some other recommendations.

Keywords: money laundering, Albanian society, globalization, banking

1. A brief synthesis on Money Laundering

Money laundering dates back to the 1930's. In the United States, during this period, after the banning of the production of alcoholic beverages by private individuals and the monopolization of this activity, pirate producers, continuing this activity, began to make fat profits. . These illegally secured profits, the pirate producers sought to throw them into legal activities. During this period, Al Capone was one of the first to invest the money earned illegally, in public services in a dry cleaning. This was why it is called "money laundering".

Despite the fact that "Money Laundering" has been started for 70-80 years, only in the '70s-'80s the creation of legislation in the fight against it has started. While in the last 10 years very important steps have been taken, not only in the consolidation of legislation, drafting, ratification, signing, implementation of international conventions, but also in the creation of Units of International Action against "Money Laundering" and special structures against this activity.

2. The advantages of economic globalization

- Increasing the international integration of capitals;
- Globalization of the trade and financial system, increase of international trade;
- Improvement and development of information techniques and technologies;
- Increasing the international mobility of people and reducing restrictions in this regard;
- Gradual integration of Albania in organizations, institutions and the international community.

It is worth mentioning that in addition to the very positive developments of the global economy, the possibilities for the realization of "Money Laundering" have been created and facilitated.

In international practice, real money laundering as a phenomenon goes through 3 stages:

a. "Placement" occurs when money derived from crime enters the financial system or it is used to buy expensive goods. This is the point at which criminal gains are most apparent and therefore have the greatest risk of detection. At this stage the "dirty" money is often in cash form. Institutions that accept deposits are usually attempted, such as banks or money transfer businesses. (Before washing)

b. "Hiding the origin of capital or Layering" occurs when "dirty" money goes through a series of transactions in order to hide the true origin. These transactions may involve investments in various entities, such as companies and trust funds, various financial instruments, such as the purchase of shares or insurance policies, etc. (Mask)



c. "Capital Disclosure or Acceptance" (Integration). When the real source of funds is hidden, the final stage of this process is the reappearance of "dirty" money as legal funds or assets, e.g. as coming from a business. Criminals are free to enjoy their benefits without being too afraid that they could be identified as criminal funds. (Washing)

3. Forms of money laundering:

Some forms of money laundering are:

1 - Returning and transforming ownership, knowing it comes from a crime, with the intent of hiding or eradicating the origin of the property.

2 - Providing assistance to a person involved in crimes in order to avoid the consequences of his action.

3 - Concealment of true nature, source, location, property movements, or related rights, knowing that the property comes from a criminal activity.

4 - Performing a series of structured transactions, designed to avoid the emergence of the need for reporting.

5 - Dividing transactions into smaller values than those specified in the laws and distributing to several accounts (Clearing in the form of ants).

6 - Launderer - the individual who is used by money launderers to deposit small amounts of cash in his bank account so that banks are not able to realize that the total amount of money is too large.

7 - Reflection of activities with higher values, compilation of fake invoices for turnovers, sales, products, etc.

8 - Home Companies: A legitimate business, which criminals and launderers use to inject their cash into the banking system, justifying the amounts as "money earned from business activity" along with the legitimate profits of the company.

9 - Buying tickets for winners of bets, lotteries, casino tickets, games of chance, etc.

10 - Exchanges at foreign exchange offices.

11 - Establishment of fictitious firms (which do not exist) and compilation of fictitious invoices between them.

12 - Shell companies: a company which has no real business activity, which exists only as a legal machination to execute certain tasks such as opening bank accounts, transferring and receiving money as part of the laundering process.

13 - Opening of Non Profit Organizations in order to cover the traces of the origin of funds.

14 - Merger with investments, in partnership with firms and physical and legal entities that carry out legal activities.

15 - Registration and sale of assets (houses, cars, equipment, etc.) on their real value.

16 - Transfer or transfer of money from the bank of one state to the bank of another state in order to disguise and invest in various businesses, such as: construction, tourism, travel companies, insurance companies, non-governmental organizations and entering into exchange and transfer relations with banks which allow the opening and maintenance of anonymous accounts.

(For example, in Switzerland, Luxembourg accounts, before several years, they were opened with a code and not with a client name.)

4. The main traces left by money laundering

The process of money laundering, despite the fact that at first glance it seems like a very sophisticated and secret criminal activity, like any other crime, leaves many traces which are discovered with careful and scientific work and the perpetrators are criminally punished. But it is the task of the prosecuting authorities to specialize in this area to detect these traces.

The main traces of this crime are found in banks, company registers, tax registers, as well as real estate registers.

Money laundering operations today are mostly carried out through **bank transfers**. To begin with, the connection between key suspects in drug trafficking and their bank account numbers, or their friends, is the beginning of a banking investigation. Through the tracks that deposits or transfers leave in banks the entire itinerary that make this money can be followed.

Another place where we can find traces of this crime is **the register of companies**. The links between potential drug traffickers and companies need to be carefully studied. This connection can be direct, when they themselves are partners or administrators of companies, or indirect, when these companies are created or managed by relatives or friends of traffickers. These companies are carefully studied throughout the course of their activity and capital. The amount of increase of the company's capital in relation to the economic activity and the profit of the company must be seen. If this capital increase is completely unjustified by economic activity, money from crime should be suspected. The bank accounts of these companies should be studied, especially the immediate increases and decreases and in large financial amounts. The source of these revenues deposited in the banks or the

destination of those withdrawn is then sought. The balance sheets that companies submit to the tax office should also be carefully studied. These balance sheets can be fake for two reasons: **first** to reduce profit to reduce liabilities to the state, to the point of bringing the company to a loss. **second** when the figures of this balance sheet, including profit, are too high and not clearly match the volume of activity that the company actually carries out, evidenced by tax inspectors. In the **second** case, it should be suspected that the company has a source of money outside its activity, which may be dirty money, and that it should be investigated in this regard.

Traces of criminal money laundering activity can also be found in the **real estate register**. If the investigation shows that a person suspected of drug trafficking has purchased and registered in the real estate register a property of very high value, the investigation should be directed immediately to find the source of this income. Often the entries in this register are the last sign of the criminal money laundering process. Drug traffickers, calling the money laundering process over, are already buying luxury homes, very expensive land or high-value assets.

Investigating and discovering the traces left by this type of crime in banks, companies register, taxes and real estate register, requires in addition to specialization in the legal field and genuine specialists in the field of finance, economics and accounting, as we are dealing with genuine economic-financial processes.

5. Consequences of money laundering

Money laundering is a current phenomenon which has consequences in many sectors of the economy.

Global Financial Consequences of Money Laundering.

World experience has shown that this activity can bring:

- Destructive effects on the credibility of financial and state institutions;
- Damage to the political stability of democratic countries;
- Demand for a macroeconomic level;
- Creation of harmful instabilities in the world foreign exchange market;
- Danger to world peace and freedom, as much of the money generated by this activity is used to regenerate trafficking and terrorism;
- Serious risk to state law enforcement institutions and financial regulators;
- Unpredictable changes in monetary demand;
- Risks to the lack of health of financial institutions and systems;
- Increased flow of international capital flows as well as exchange rates;
- Reduction of foreign investments;
- A complex economic crime that cannot be fought with the usual ways and methods.

Consequences for the Banking System

- Potential Reputation Risk - which would cause a loss of integrity and confidentiality of the banking institution by disclosing confidential customer information.
- Potential Operational Risk - for loss resulting from improper processes or failures of internal procedures, or external events.

- Potential legal risk - for lawsuits, unfair trials, enforcement of contracts, penalties, increased costs or the closure of a financial institution.
- Potential concentration risk - for losses resulting from exposure to multiple loans or debts to a single borrower or to a narrow group of borrowers.

Consequences of money laundering for customers and transactions

- Increases the investigative eye on international transactions.
- Increases the cost of doing business with providers, clients, brokers in countries with very strict anti-money laundering regulations.
- Clients have difficulties and increased costs in sending and receiving funds in different countries.
- Customer and banker tension increases.
- Some customers terminate outsourced transactions.

Consequences for a state

The country is targeted by money laundering criminals.

- Foreign banks take control of the fight against money laundering.
- Transactions are viewed with a much more investigative eye.
- Different transactions with other countries are limited.
- All transactions with one place can be blocked.
- Poor reputation for combating money laundering hurts the economy.
- Access to foreign banks is reduced to legitimate businesses.
- A decrease in private foreign investment (PFI) is created.
- Assistance to foreign governments is reduced

6. The fight against money laundering in our country

Money laundering – a universal risk, a common reaction.

As a crime of international scope, various international anti-crime organizations have often taken initiatives to fight money laundering in an organized manner. One of these initiatives is the creation of various conventions, such as:

Council of Europe Convention "On Combating Money Laundering Arising from Criminal Activities", which our country has signed and is part of.

The Single Convention on Narcotic Drugs of March 30, 1953, where money laundering was first mentioned. It was later amended by the 1972 Protocol "On Amendments to the Single Convention on Narcotic Drugs". Albania adheres to this convention with the law Nr. 8723 dated 26.12.2000.

In 1989, the GAFI (International Financial Action Task Force) or FATF (International Financial Action Task Force on "Money Laundering") was established.

In response to growing concerns in this regard, the governments of the G-7 industrialized countries set up a special unit of financial operations to combat money laundering (GAFI). This intergovernmental body was established to promote policies to combat money laundering through:

- criminalization of "money laundering",
- strengthening the role of the financial system in this regard,
- strengthening international cooperation.

Bank of Albania: It should be Strengthened the fight against money laundering

The proposal, which aims to strengthen the fight against money laundering, is limited to money entering the bank. The Bank of Albania requests that the legal limit for the obligation to declare the origin of money should be reduced. This proposal made by the Bank of Albania aims to strengthen the fight against money laundering, at a time when the current limit of the obligation to declare the origin of money is 2 million. However, this ancillary measure in the fight against money laundering only works in the case of bank accounts, and as long as the money is out of the banks, there is no legal obligation to declare the origin of income. Thus, on any investment made, no matter how large the amount put into use, there is no legal obligation on the origin of income. In this way, money laundering can be carried out outside the banks, starting from the purchase and resale of apartments, to the construction of residential buildings or factories with money, the origin of which the law does not require to be declared. On the other hand, the Western experience, already propagated as a standard of regulation and measurement for Albanian standards, has not yet found application in Albania. In European countries like Germany, for example, even in the case of buying an expensive car, the source of the money that was needed to buy it, is required.

While for larger investments, the rules and controls are very strict.

On the other hand, the head of the Bank of Albania, referring to the prevention of money laundering, emphasized that the way this process is being implemented, should not affect the objective of reducing the informal economy and reducing "cash" in the economy of the country. The fight against money laundering and the objective of reducing the informal economy as well as the reduction of "cash" must go hand in hand, with one-another.



Conclusion

1. The problem of "Money laundering", as a phenomenon of global proportions continues to remain part of the Albanian reality of recent years.
2. It hinders Albania's integration into the EU due to the necessity of fulfilling the requirements of international institutions in this regard.
3. The fight against this illegal activity in our country continues to remain at unsatisfactory levels where as always the main problem is not the lack of laws, but the lack of will to implement them.
4. It is also important to note that the civic culture in our country about this problem is not at satisfactory levels. The declaration of wealth or income has not yet become not only a legal but also a moral obligation to society, by each of us.

5. Banks have a moral and social responsibility to combat money laundering, due to the strong links between money laundering and serious crime, because by tightening control they reduce money laundering, increase the likelihood of criminals being caught and punished.

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TAXATION AND ACCOUNTING SYSTEM

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TAXING ASPECTS OF ELECTRIC VEHICLES

Abstract. *In this article we will focus on the extent of tax incidence, possibility of tax expenses for electric vehicle, depreciation of electric vehicles and other tax aspects. We will compare if higher expenses for obtaining an electric vehicle are compensated for lower operation expenses and tax preferences.*

Keywords: *financial expenses of EV, service expenses of EV, taxpayer.*

Financial expenses of electric vehicles

Ministry of environment of Slovak republic developed a detailed analysis that concerns total financial expenses of electric vehicles during their system's life cycle. The general result is that even though the expenses for obtaining ecologic automobiles are higher, total expenses will progressively adjust during the process of their operation. With increasing number of driven kilometers, total expenses of ecologic cars are approximating to standard cars, electromobile is the most convenient from 160 000 kilometers. Despite the low acquisition price, standard car is gradually becoming economically least convenient alternative. The most convenient in terms of expenses for a long-term operation is an electromobile that has the lowest drive price unit. Higher expenses are caused by fuel prices, requirements for car maintenance and combustion engine maintenance that are higher in comparison with an electric motor.

From the following Fig. 1 it's evident that after counting in state grant (5000 Euros) in case of comparable vehicles of lower middle class, total expenses (acquisition price + operation expenses) of fully electric and regular automobiles after driving an average of 140 000 kilometers will match. $Ax \times$ number of driven kilometers (in thousands), $ax \ y$ price in Euros (in thousands).

The analysis also talks about acquisition price of comparable Skoda Octavia being lower than Hyundai's Ioniq Electric by one third in Slovak republic. However, total expenses of these models already match after 100 000 driven kilometers.

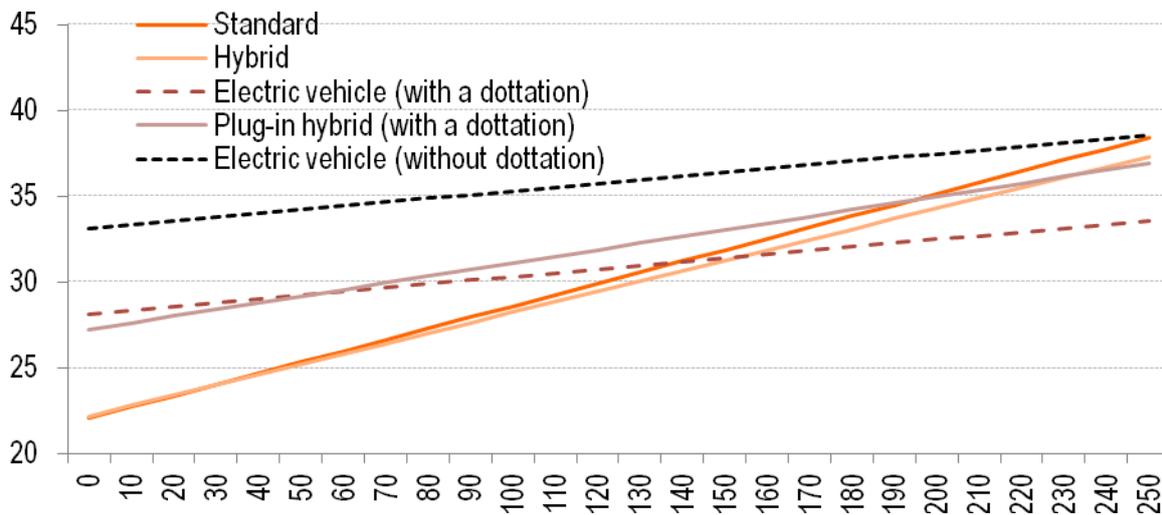


Fig. 1. Comparison of total costs to mileage

Source: <https://www.minzp.sk/iep/publikacie/komentare/zelene-verejne-obstaravanie.html>

In comparison with Nissan Leaf (2018) new electric vehicle, after the same amount of driven kilometers Octavia is more expensive by almost 3000. This data applies after counting in state grant for electric vehicles (5000 Euros). The illustration is presented in Fig. 2, where a standard vehicle is represented by Skoda Octavia, a hybrid by Toyota Auris, a plug-in hybrid by Toyota Prius and an electric vehicle by Hyundai Ioniq.

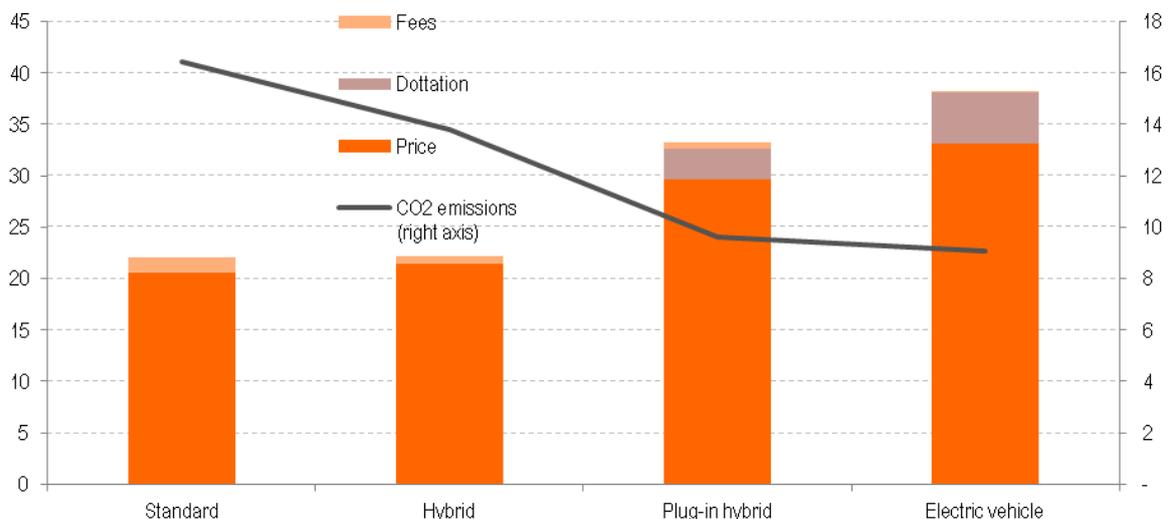


Fig. 2. Total price of individual vehicle types

Source: <https://www.minzp.sk/iep/publikacie/komentare/zelene-verejne-obstaravanie.html>

Low operation and service expenses of electromobiles

In the long term the most convenient choice reveals to be the electric vehicle and the least convenient the standard automobile with combustion engine. That's mainly due to driving fuel and service expenses. Electric vehicle has the lowest drive price unit and compared to an automobile with combustion engine, its engine construction is simple; the engine is more reliable and less demanding for maintenance.

Acquisition price of electric vehicle and plug-in hybrids is currently significantly higher than in case of comparable vehicles with regular combustion

engine; however with the fast advance of new technologies in the forthcoming years this difference will be decreasing. While taking initial investment into account, the most advisable among ecologic cars will be the hybrid, meanwhile electric vehicle and plug-in hybrid currently belong to the most expensive ones on the market.

Thanks to the decline of battery prices, increasing demand and offer of electronic vehicles, as well as other factors, these prices will be continually declining. Analytic company Bloomberg New Energy Finance (BNEF) regularly conducts studies that focus on the price of electric vehicles and its price equality with combustion engine automobiles. The latest analysis shows that as of 2027 we could expect electric vehicles of every segment to be cheaper than their combustion counterparts.

The result of BNEF's analysis that was realized on the initiative of Transport & Environment organization (T&E) is that electric sedans from C and D segments, as well as SUV electromobiles will be reaching production expenses of gas vehicles as of 2026. In 2027 it should also involve small electromobiles from B segment ("sub-compacts"/lower class). Before that, as of 2025, light electric delivery trucks should be cheaper than their diesel counterparts. In case of heavy delivery trucks we should expect the same a year after that. Mentioned subjects are illustrated in Fig. 3.

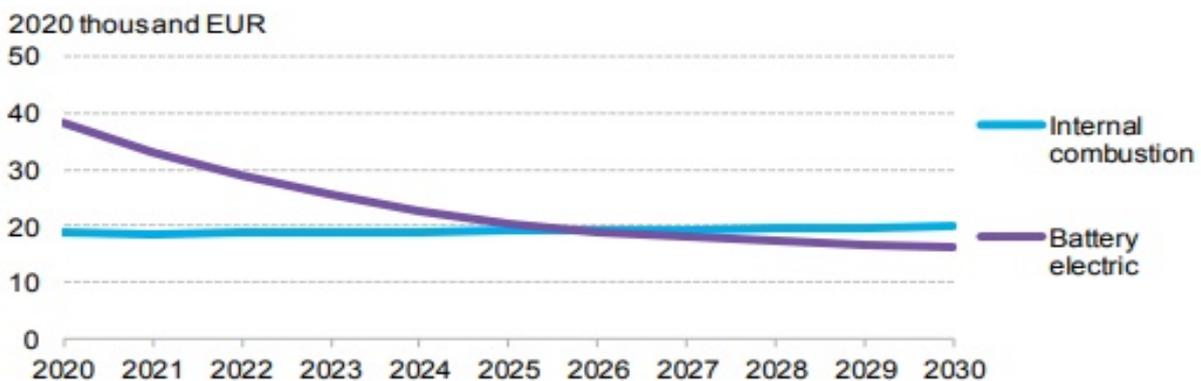


Figure 3. Estimated pre-tax retail prices for C segment vehicles in Europe

Source: Bloomberg NEF

This development should be mainly due to declining battery prices (by 2030 the expected decline will be by 58% compared to 2020) (Fig. 4), new architectures of vehicles and specialized production lines for electric vehicles. According to BNEF electromobiles could have a 100 % share within sales of new vehicles in the European Union by 2035, also thanks to declining prices. And even in Southern and Eastern Europe. Although it's necessary to improve the goals involving CO2 emissions and expand the politics for market stimulation, e. g. fast establishment of charging stations.

If that doesn't happen, BNEF estimates that instead of a 100 % share, battery passenger cars will reach an 85 % share and electric delivery trucks an 83 % share. Analytic company simultaneously draws attention to the fact that electric delivery trucks currently have only a 2 % share of sales. The reason is said to be low emission norms that do not encourage producers to invest in their development and production. Hence the offer of these vehicles on the market could be insufficient.

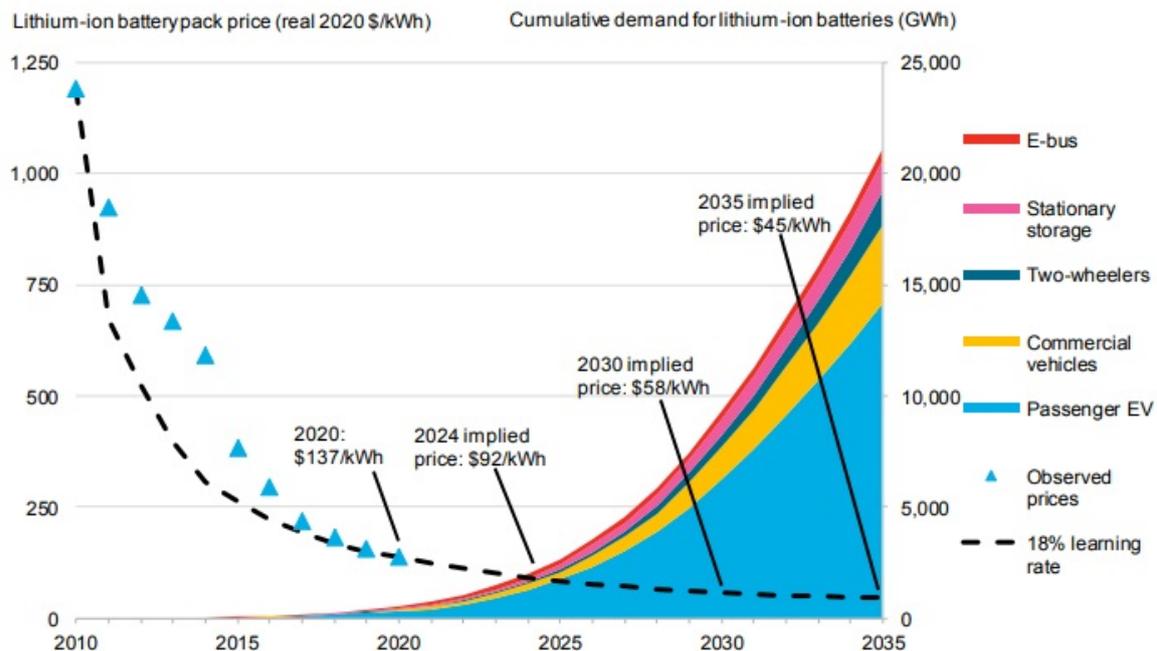


Fig. 4. Lithium-ion battery pack price and demand outlook

Source: Bloomberg NEF 2020 Electric Vehicle Outlook and 2020 Lithium-ion Battery Price Survey

Despite low battery prices, the annual decline rate is slowing down. Observed 18 % theory rate suggests that every time cumulative battery capacity put on the market doubles, battery prices decline by 18 %. With market expansion more time will elapse between every double of cumulative battery's capacity.

Tax expenses applied for electric vehicle

While applying tax expenses for fuels, it's necessary to start from a registration book, where the output that car needs for crossing 100 kilometers is presented in kWh.

Taxpayer can charge an electric vehicle:

- at a charging station, where he receives a document, that may be applied as a tax expense according to § 19 section 2 let. 1) of income tax act or,
- by charging via alternating current (classic plug connector) – via bill for electric energy. In case of vehicle in question being included in business property, taxpayer can apply a tax expense according to § 2 let. i) of income tax act.

In case of an electromobile, taxpayer may demonstrate the energy consumption:

- with his respective measurements (during which the taxpayer has to keep a book of drives) – consumption is demonstrated based on respective internal guideline, which shows the actual consumption and the process of discovery. During the process of determining energy consumption it's necessary, for the purposes of correct discovery of tax expense's amount, to observe the actual consumption of energy and keep individual records of energy consumption per 100 driven kilometers. It's also possible to adequately use the method established in the statement of Ministry of finances of Slovak republic no. 8029/2000-72 about the method of assessing the amount of tax expense for

consumption of fuels of motor vehicle assigned for truck traffic and special utilization (published in the financial informant no. 12/2000), in this case the taxpayer may apply tax expenses according to § 19 section 2 let. 1) of tax income, or

- with a measurement instrument (built directly in the vehicle), which may help to discover the precise energy import in kWh.

Depreciation of electric vehicles

When it comes to automobiles in the first depreciation group, 4 years are being depreciated standardly. In the assignation § 26 section 1 of act no. 595/2003 of Col. of laws of income tax in form of latter regulations (further just “income tax act”) in the form effective from January 1st 2020 a new depreciation group was amended, and that is depreciation group 0 with depreciation time of 2 years.

According to annex no. 1 of income tax act, only passenger vehicles that fall into this depreciation group are those with code of products’ classification 29.10.2, that have inscribed – “BEV” or – “PHEV” in whichever combination with other fuel type or energy source in part II item “18 P.3 Fuel type/energy source” in registration certificate.

Tax amount from motor vehicle of electric vehicles

Subject of tax from motor vehicles is every vehicle of L, M, N and O category that has assigned license number in the Slovak republic and is used for business. Annual tax rates for purposes of tax calculation are presented in annex no. 1 of tax from motor vehicles act, however, for a vehicle of L, M and N category (further “electric vehicle”), whose only source is electricity, the annual tax rate is presented in 0 amount in this annex. Taxpayer who became obligated to submit tax declaration for tax from motor vehicles also has to submit one for an electric vehicle in spite of the fact that the annual tax rate is presented in 0 amounts in annex no. 1.

Electric vehicles and a value added tax

Value added tax act does not contain any specific amendment when it comes to electric vehicles, more particular for VAT purposes is automobile’s specification, presented only in connection with vehicles’ definition described in regulation § 11 section 11 of VAT act. A vehicle is understood as, among other things, an aboveground motor vehicle with engine capacity bigger than 48 cm³ or with an output bigger than 7,2 kW assigned for transport of persons and deliveries.

Claim for VAT deduction during a purchase of electric vehicle is applied based on general policies for deduction, depending on which business purpose it is going to be utilized for by the payer, that results from § 49 section 1-5 (that is full claim for deduction, no claim for deduction or claim for relative part of VAT deduction).

Same principle applies to VAT deduction from energy consumption in connection with its demonstration for purposes of applying tax expenses, as stated above.

New vehicle – definition for VAT purposes

There’s an established definition of new vehicle in regulation § 11 section 12 of VAT act and during its sale the principle of taxing in receiver’s state is applied, even in case of receiver not being a taxpayer or a taxable person.

When it comes to aboveground motor vehicle, it's considered as a new vehicle if it has not driven more than 6000 km or if six months since it was first put into operation have not passed in time of its delivery. In practice it means that those are completely new automobiles, therefore electric vehicles and almost new ones that meet one of the conditions stated above.

For purposes of VAT automobiles (as well as electric vehicles) that do not meet stated criteria are used automobiles, where "usual mechanism" of VAT can be applied or an individual regime of taxation generally used for used ware can be applied under certain conditions.

Vehicle can be sold as a "used one," however if it meets criteria assigned in § 11 section 12 of VAT act, for purposes of VAT it's considered as a new vehicle and the amendment for new vehicles is used during its taxation.

In terms of common principles embodied in Council's regulation 2006/112/ES within the European Union an exception is applied in common principles of taxation – it stands that new vehicles are always taxed in the state of assignation (consumption).

Sale and purchase of used automobiles within the European Union

During purchase or sale of already used passenger vehicles from one member state to another member state it's inevitable to differentiate passenger vehicles that are "new vehicles" and passenger vehicles that are not new vehicles – that are used vehicles.

Individual form of taxation is assigned for new vehicles within the European Union, the same process is applied in all member states. New vehicles are those that were indeed already used, but they meet two assigned criteria. In case of automobiles it's 6000 driven kilometers at most or at least 6 months have passed since it was first put into operation.

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EUROPEAN UNION
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TAXING ASPECT OF DIGITAL PLATFORMS

Abstract. *Modern technologies offer an increasing number of business opportunities or opportunities for earning extra money easily, e.g. in concurrence with regular employment. Term “sharing economics” is currently very searched among general public. Service providers via digital platforms, e.g. UBER, Air B&B, booking.com and others present one of these possibilities. Those are international platforms, companies registered for VAT in other member states of European Union, for example company “A” registered for VAT in Germany, company “B” registered for VAT in Belgium.*

Keywords: *digital platforms, corporate entity, taxi service*

Digital platform from taxing aspect

Digital platform is hardware or software platform needed for app creation and their management. This definition was added into the act no. 595/2003 of Col. of laws about income tax in form of latter regulations, with effectivity from January 1st 2018. From this date, obligations of tax payers providing services of transportation and accommodation and transport in the Slovak republic are amended in a new form. Taxpayers who are using foreign digital platforms for mediating sales of their services are obligated to impose a tax on payments for mediation of paid foreign digital platform operator, if these payments are applied as tax expenses. If taxpayers from no-party states are payment recipients, the tax is assessed by 19% or 35% (according to §2x of income tax act). They have to levy the tax to the tax administrator by the 15th day of the month following the month of payment realization. This obligation begins on February 15th 2018.

Digital platform and taxi service

The fundamental of providing taxi service via digital platform is providing transportation services by physical or corporate entities (transporters) that provide transportation services via specific app; meanwhile it is transport of persons similar to taxi service.

From April 1st 2019 regulations of taxi service operation in the Slovak republic changed significantly. One requirement for issuing a license for taxi service operation was a certificate of professional qualification for performing taxi service available until March 31st 2019. From April 1st 2019 professional qualification is no longer a requirement for obtaining a license for taxi service operation.

Road transportation act introduced a new type of business – dispatching. It's not a business activity that requires a certificate of self-employed license, but a business activity that is currently amended by road transportation act. Dispatching is understood as providing services of transport via mobile phone, digital platform (e. g. app) or other form for persons by vehicles with maximal capacity of 9 persons, including the driver.

For operation of dispatching it's necessary to hold an individual permission for dispatching operation or a license for taxi service operation. So if a businessman

holds a license for taxi service operation, they can also operate dispatching without having to obtain permission. But if a person wants to operate dispatching and does not have license for taxi service operation, they have to obtain the permission for dispatching operation. It's sufficient to have a permanent address, registered place of business or registered place in the European Union, to be qualified for legal actions in full extent and to be blameless. Permissions for dispatching operation are granted and taken away by relevant district authority with residence in the county.

In case of transporter being a holder of transportation license for taxi service operation, income (earnings) from taxpayer's activity and from manipulation with taxpayer's property present the tax subject according to § 2 let. b) and f) of income tax act, apart from individually specified tax subject according to § 12 (taxpayers who are not based or established for business). Tax subject of taxpayer with unlimited tax obligation is income (earnings) from sources on the territory of Slovak republic and from sources abroad.

If transporter is a physical entity (taxpayer with unlimited tax obligation) that provides transportation services based on a license issued by a competent authority (local district authority with residence in the county) incomes from this activity represent incomes from business activities according to § 6 section 1 of income tax act. The transporter fulfills his tax obligation via declaration of taxes of physical entity's income tax.

The transporter presents an accounting entity in terms of act no. 431/2002 of Col. of laws about accounting in form of latter regulations, if they can demonstrate their expenses spent on gaining, securing and keeping incomes according to the income tax act.

The transporter is not an accounting entity if they keep a tax record according to § 6 section 11 of income tax act or if they do not use demonstrable tax expenses, meaning they use inclusive expenses in terms of § 6 section 10 of income tax ct.

If transporter is a corporate entity, that provides transportation services based on a license issued by the competent authority (taxpayer with unlimited tax obligation), incomes from this activity present taxable incomes which are assessed by the transporter via declaration of taxes of corporate entity's income tax.

Based on § 49a section 2 of tax income act the transporter (physical or corporate entity) is obligated to apply for a registration of income tax from the tax administrator, and that is by the end of calendar month after the expiration of month during which they obtained permission or license for business.

Regular business premises

From January 1st 2018 operators of foreign digital platforms mediating transportation and accommodation services in the Slovak republic begin to have an obligation to register regular business premises. It's necessary to register regular business premises at the very latest by the end of calendar month following the month during which business premises began, that is by the end of February 2018, if mediation services were repeatedly provided in January 2018. Operators of digital platforms begin regular business premises regardless if they're from states, whom Slovak republic made the contract about preventing double taxing with, or from states whom Slovak republic did not make such contract with.

Taxpayer can check the information about digital platform's registration for income tax either via call centre of financial authorities or via competent local tax administrator in written form.

Registration of regular business premises in Slovakia by foreign digital platforms for income tax purposes means that they will levy the tax directly in Slovakia and incomes of business premises will be taxed here by submitting a declaration of income tax.

In case of failing to fulfill the registration obligation in the assigned period, tax administrator may inflict a fine from 60 to 20 000 Euros, based on § 155 section 1 let. c) of act no. 563/2009 of Col. of laws about tax administration (tax system) and alteration and amendment of some acts, because a failure to fulfill the registration obligation is considered as an administrative delinquency in terms of § 154 section 1 let. b) of tax system.

Registration of regular business premises by foreign operator of digital platform means that taxpayers providing transportation or accommodation services do not have to assess the tax from payments for mediation. If foreign operators of digital platforms do not fulfill their obligation to register regular business premises in the Slovak republic then they will be registered by the tax administrator on the account of official authority.

Hence it's in providers' of transportation and accommodation services interests to cooperate with tax administrator on identification of foreign digital platforms mediating transportation and accommodation services because by doing so they will get rid of the obligation to assess the tax from payments for mediation.

Reason for the alteration of permanent location was the reaction to new forms of businesses based on providing mediation services in the area of transport and accommodation via digital platforms that are, in contrast to traditional forms, characterized by the absence of a physical presence of taxpayer with limited tax obligation on the territory of state, where services are provided.

Legal examination at the level of European Union

Digital platform performs its activity within the specific state – even in the Slovak republic this activity is connected with international platform and because of that it has to be examined at the level of European Union.

Given company contacts or connects with drivers for whom it provides a set of computation technique tools (interface) which enables them to connect with persons using this service via app of computation technique with the same name looking for transport in the cities. Since given company perform its activity for the purpose of gaining profit, it is a taxable person.

So it's an activity of the nature of profit, which is performed by given company representing the mediator for transport that is between the vehicle owner and a person that needs to be transported within the city, meanwhile this person handles tools of computation technique – interface and software application (smartphones and technologic platform) that enable connection. Hence this service is qualified as "transportation service".

Transporter as a taxable person and taxing of the service (access to software application)

In terms of § 3 section 1 of act no. 222/2004 of Col. of laws about value added tax in form of latter regulations (further just “VAT act”) transporters are considered as taxable persons and their activity is considered as economic activity.

That results in a fact that for purposes of VAT act it is not determining if transporters have a license for business, what’s determining is that they perform this activity in terms of Contract of providing services meanwhile in terms of VAT even a preparatory activity is considered as a performance of economic activity. That means that if the transporter who registered as a taxpayer is preparing for the performance of mentioned activity, they now have the right for tax deduction while performing activity of transportation.

Delivery place of transportation service is according to § 16 section 4 of VAT act at a location where the transport is performed, that is on the territory of Slovak republic, hence it’s service that is a tax subject in the Slovak republic based on § 2 section 1 of VAT act.

Transporter is also in a position of recipient of services from a company that ensures the access to software app and that is located in another member state. This company provides access to the service for Slovak transporters via their license for mobile app.

Gaining such access for return is according to § 9 section 1 of VAT act considered as a service and is tax subject with delivery place in the Slovak republic. Because transporters are in a position of taxable persons, delivery place is assigned according to §15 section 1 of VAT act, so it’s at a location where service recipient is settled in. Recipients of mentioned services – Slovak transporters are settled in the Slovak republic, hence they’re persons obligated to pay taxes in the Slovak republic, according to § 69 section 3 of VAT act.

According to § 69 section 3 of VAT act taxable person and corporate entity that is not a taxable person and is registered for tax according to § 7 are obligated to pay taxes while providing service delivered by a foreign person from other member state or a foreign person from the third state, if the delivery place is Slovak republic according to § 15 section 1 of VAT act. That means that the transporter is obligated to declare and pay VAT from received service, whereas it’s a transfer of tax duty.

If transporter is not a taxpayer, they also have an obligation to levy tax according to § 69 section 3 of VAT act, whereas they are a taxable person, however they will not have the right for tax deduction (VAT can be deducted only by a taxable person in taxpayer’s position).

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ECONOMIC SECURITY OF BUSINESS ENTITIES

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THE FIGHT AGAINST MONEY LAUNDERING AT THE EU LEVEL

Abstract. *It is important for states to work together in the fight against money laundering because only a united effort can defeat the most serious cross-border crimes, which often exploit differences and gaps between different legal regimes. It appears vital that countries cooperate with each other to fight this threat, not only on the level of technical information and criminal procedure but ideally also in the development of a common legal framework, meaning certain shared minimum standards for protection against money laundering not only at the global level but also within the EU.*

The European Union is attempting, primarily through its directives, to lay down certain standards for the legal framework and harmonise measures to combat money laundering at the EU level. Alongside the directives, the EU addresses this area through other legal acts, recommendations and expert reports analysing this type of crime and the technological developments employed by its perpetrators. The EU also has the role of harmonising the systems used to combat money laundering in EU Member States. The EU has already implemented several instruments of criminal law and criminal law to facilitate the detection and prosecution of this crime and to improve cooperation between Member States which will be discussed in more detail later in this article.

Keywords: *money laundering, cross-border crimes, criminal law, criminal law, detection and prosecution of crime*

INTRODUCTION

The main international body for the fight against money laundering is the Financial Action Task Force (FATF), which was established by the G7 countries in 1989 to develop international standards for combatting money laundering. Very soon afterwards, in 1990, the FATF began issuing what now amount to “40+9 Recommendations” comprising 40 recommendations related to money laundering and 9 special recommendations on terrorist financing (despite the significant differences between terrorist financing and money laundering, the FATF and individual countries find it useful to apply the same legal and regulatory approach to both negative phenomena) [1]. The organisation also promotes harmonisation of regulations for combatting money laundering at the global level through its blacklist of “non-cooperative” countries. Measures to combat money laundering based on the FATF Recommendations make up an important and growing part of legal and regulatory frameworks throughout the world. Even the European Union tends to

implement these international standards and policies for combatting money laundering rather than exporting its own policies to third countries [1, 2].

The question naturally arises that if there is so much global and European activity against money laundering in which most countries participate, both in the world and in Europe, then why do the perpetrators so often seem to have the upper hand? Why is money laundering so difficult to detect and so difficult to prove when it is detected? Why is there estimated to be such a high latency of this type of crime – nearly fourfold? Maybe it is affected by other factors than just technological progress. After all, when new means or techniques for committing crimes are developed, legislatures, law enforcement authorities and their partners need to respond to them immediately with their own improvements in technology and detection methods [3].

1. Financial Action Task Force (FATF)

As mentioned in the previous section, the Financial Action Task Force was established in 1989 at the Paris summit of the G7 countries to investigate and develop measures for the suppression of money laundering. In 2001, its mandate was expanded to include the fight against terrorist financing. The FATF is not established as a permanent international body but a task force of the Organisation for Economic Co-operation and Development (OECD) operating for a fixed period. The most recent mandate established by the Ministerial Meeting covers the period 2012 – 2020.

The FATF is a policy-making body that issues recommendations for all countries in the world encouraging them to adopt the necessary measures to bring their domestic systems for combatting money laundering and terrorist financing into line with the latest FATF Recommendations and ensure the effective implementation of those measures. Although FATF has no executive powers, its Recommendations are recognised globally as the world standard by individual countries and international organizations [4].

The aim of the FATF is to define standards and support the effective implementation of legal, regulatory and operational measures to stamp out money laundering, terrorist financing and related threats to the international financial system. The FATF also monitors countries' progress in implementing its Recommendations, studies money laundering and terrorist financing methods and counter-measures and supports the adoption and implementation of the FATF Recommendations around the world.

The FATF also reviews compliance with its international standards every three years through a process of mutual evaluations conducted by the FATF and the FATF-style regional bodies. The speed of implementation of the body's standards by individual countries has been amazing. Another important aspect of the FATF's work is the identification and study of methods and trends in money laundering and terrorist financing. The FATF also issues typologies and other guidelines to assist institutions in regulated sectors, especially to help them recognise and react to attempts to abuse their services.

2. The FATF Recommendations

In 1990, the FATF published 40 recommendations on money laundering and updated them in 1996. In 2001, it added 8 special recommendations on terrorist

financing, to which a further recommendation was added in 2004 to make a total of 9 special recommendations. The recommendations must be kept up to date to provide an adequate counterweight to the latest criminal trends so they are revised and amended as required in line with developments in crime. The FATF Recommendations were overhauled in full for the first time in 2003 and again in 2012. The FATF Recommendations have been approved by more than 180 countries in the world and are generally accepted as the world standard for combating money laundering and terrorist financing [5].

These international standards provide general recommendations for countries on incorporating the crime of money laundering into their domestic legislation, adopting measures for the freezing, seizure and confiscation of assets, creating a regulatory regime for banks and other financial institutions for the prevention and detection of money laundering. The Recommendations encourage not only the criminalisation of money laundering but cover a wide range of measure for the prevention and detection of this negative phenomenon, making money laundering more difficult for criminals and making it easier to investigate and prosecute money laundering crimes and recover the proceeds of crime [6].

The objectives of the FATF in relation to the suppression of money laundering are:

- to prevent perpetrators from “laundering” the proceeds of their crimes;
- to prevent others from assisting money laundering;
- to prevent criminals and the perpetrators of money laundering from abusing the legitimate services of banks, accountants, lawyers and other persons to launder money.

As regards the specific crime of money laundering, Recommendation 3 says that countries should criminalise money laundering on the basis of the Vienna Convention and the Palermo Convention, and that the crime of money laundering should be applied to all serious offences as predicate offences with a view to including the widest range of predicate offences. These predicate offences may be defined by a reference to all offences or to a certain category of offences, such as serious offences, or offences with a minimum penalty (e.g., with a minimum sentence of imprisonment of one year) etc. The offence of money laundering should extend to any type of property, regardless of its value, if the property directly or indirectly represents the proceeds of crime. When proving that property is the proceeds of crime, it should not be necessary that a person be convicted of a predicate offence. It is necessary to introduce effective, proportionate and dissuasive penalties for money laundering offences. Criminal liability and penalties should also apply to legal persons that commit money laundering offences and if fundamental principles of domestic law prohibit this, legal persons should be subject to civil or administrative liability or sanctions. Such measures should be without prejudice to the criminal liability of natural persons. All sanctions should in any case be effective, proportionate and dissuasive. Criminal liability should apply not only in relation to money laundering offences but also to auxiliary offences such as attempt, aiding and abetting, facilitating, and counselling the commission, unless this is not permitted by fundamental principles or provisions of domestic law [7].

Of the other recommendations, the most important for the fight against money laundering are:

a) the need for risk assessment and a risk-based approach in which each country assesses the money laundering risks of individual countries; a range of measures should also be used for effective mitigation of risk;

b) countries should have their own national policies on the fight against money laundering and there should be effective national cooperation and coordination between the bodies participating in this fight;

c) the authorities responsible for combatting money laundering should have the power to freeze or seize and confiscate the proceeds of crime;

d) financial institutions should be required to undertake customer due diligence measures to identify customers and beneficial owners, and they should be prohibited from keeping anonymous accounts or accounts in obviously fictitious names;

e) countries and financial institutions should identify and assess the money laundering risks that may arise in relation to the development of new products, delivery mechanisms, technologies, and take appropriate measures to mitigate such risks;

f) financial institutions should be required to report suspicious transactions to financial intelligence units or other competent authorities for further investigation and assessment;

g) not only financial institutions but also non-financial businesses and professions should participate in the system for combatting money laundering, especially as regards customer due diligence and the like;

h) countries should take measures to prevent the misuse of legal persons for money laundering or terrorist financing based on adequate, accurate and timely information on the beneficial ownership and control of legal entities, especially those countries where it is possible to issue bearer shares;

i) countries should create their own system for combatting money laundering and establish adequate regulation, supervision and monitoring of financial institutions, non-financial businesses and professions by bodies with the power to impose various disciplinary and financial sanctions;

j) countries should establish a financial intelligence unit to serve as a national centre for the receipt and analysis of suspicious transaction reports and other information relevant to money laundering, predicate crimes and terrorist financing, and for the dissemination of the results of that analysis;

k) countries should ensure that designated law enforcement authorities have responsibility and adequate powers for the investigation, detection and prosecution of money laundering and terrorist financing offences;

l) the general recommendation that countries should maintain comprehensive statistics on matters relevant to the effectiveness and efficiency of their systems for combatting money laundering and terrorist financing; they should also provide guidance and feedback to assist financial institutions and others in applying national measures to combat money laundering and terrorist financing;

m) countries should create effective and efficient international cooperation, implement international conventions and standards into their domestic legislation,

and provide mutual legal assistance in detecting and investigating money laundering, freezing and confiscating the proceeds of crime, extraditing suspects and so on.

CONCLUSION

The FATF Standards have also been revised to strengthen the requirements for higher risk situations, and to allow countries to take a more focused approach in areas where high risks remain or implementation could be enhanced. Countries should first identify, assess and understand the risks of money laundering and terrorist finance that they face, and then adopt appropriate measures to mitigate the risk. The risk-based approach allows countries, within the framework of the FATF

requirements, to adopt a more flexible set of measures, in order to target their resources more effectively and apply preventive measures that are commensurate to the nature of risks, in order to focus their efforts in the most effective way [8].

In Europe, money laundering began to be a major issue in the 1990s when controls on the movement of capital were relaxed, and it continues to be a topical issue in the present day [9]. Weapons for fighting this undesirable phenomenon have gradually been created based on and in conformity with international standards. The Council and the European Parliament have so far issued four fundamental directives on preventing the use of the financial system for money laundering or terrorist financing, which copy the FATF Recommendations and their revisions. In this way they have gradually adapted the system of prevention and repression to the challenges of new forms of crime, leading to the expansion of individual measures and the whole legal framework for combatting money laundering [9]. Member States always transpose the individual directives gradually into their national legislation; thereby creating a European legal framework for combatting money laundering that is consistent and coherent in its fundamental outlines.

Although the Recommendations do not have the force of law, the document has become fundamental to anti-money laundering policy with a continuing strong influence on European and national legislation. It has achieved unprecedented recognition and strength for a document of its nature.

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TOURISM ECONOMY

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A SURVEY REGARDING THE TOURISTS' OPINIONS IN THE BULGARIAN SEA RESORT "ALBENA" ON THE USE OF FURNITURE WITH HIDDEN COMPARTMENTS IN HOTEL ROOMS AS AN ALTERNATIVE FORM OF PROTECTION OF ITEMS AND VALUABLES

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ИЗСЛЕДВАНЕ НА МНЕНИЕТО НА ТУРИСТИ В К.К. АЛБЕНА ОТНОСНО ИЗПОЛЗВАНЕТО НА МЕБЕЛИ С ТАЙНИ ОТДЕЛЕНИЯ В ХОТЕЛСКИТЕ СТАИ, КАТО АЛТРНАТИВНА ФОРМА НА ЗАЩИТА НА ВЕЩЕТЕ И ЦЕННОСТИТЕ ИМ

Abstract: *The main goal of the paper is to outline the opinions of tourists about the use of furniture with hidden compartments, installed in their hotel rooms. This is seen by the author as an opportunity for theft prevention, as well as an innovative form of communication and interaction with tourists. The object of analysis are Bulgarian and foreign tourists in the sea resort „Albena“. The primary data is collected through a survey on the spot in June-July 2021. The study of statistical relationships and dependencies is made based on One - way ANOVA and Chi square - analysis. The main conclusion is that tourists consider the currently used by the hotels security devices and systems sufficiently effective, while the furniture with hidden compartments are mainly for advertising purposes.*

Keywords: *Sea resort hotels, furniture with hidden compartments, questionnaires, safety*

Анотация: *Основна цел на разработката е да се очертаят мнения на туристи относно използването на мебели с тайници, монтирани в хотелските им стаи. Това се разглежда от автора като възможност за превенция от кражби, както и иновативна форма за комуникация и взаимодействие с туристите. Обект на анализ са български и чуждестранни туристи в к.к. „Албена“. Първичните данни са събрани чрез анкетно проучване на място на територията на курорта през месеците юни-юли 2021 г. Изследването на статистически връзки и зависимости е направено на база дисперсионен анализ (One – way ANOVA) и Хи квадрат – анализ (χ^2). Основни заключения от изследването са, че туристите считат текущо използваните от хотелите устройства и системи за осигуряване на безопасност за достатъчно ефективни, докато мебелите с тайни отделения имат предимно рекламна цел.*

Ключови думи: *Черноморски хотели, мебели с тайни отделения, анкети, сигурност*

ВЪВЕДЕНИЕ

Въпреки че България е туристическа дестинацията с относително високата степен на сигурност [7, стр. 75], кражбите на вещи и ценности на туристи са сред преобладаващите престъпления по черноморските курорти в страната [2,3]. С цел превенция и осигуряване на защита на своите гости хотелите приоритетно използват системи за наблюдение и алармени системи. На основата на теорията за Превенция на престъпността чрез дизайн, базиран на спецификите на околната среда (Crime prevention through environmental design) се счита, че сигурността трябва да бъде първоначално заложена в

архитектурния дизайн или физическите промени в околната среда на хотела [1, р. 53]. В случая сигурността се свързва не само с използването на охранително оборудване, устройства, политики и процедури, но и на подходящи дизайнерски решения, в това число и мебели. За да оптимизират пространството в хотелската стая, а и като начин за иновативна комуникация с гостите (чрез поставяне на забавни бележки, малки подаръци и др.), някои хотели монтират специално изработени мебели с тайни отделения в тях [4, 5, 6]. В интернет пространството съществуват предложения за създаване в домашни условия или закупуване по поръчка на мебели с тайници. Те дават възможност да се скрият бижута, паспорти, пари и малки ценни предмети от трети лица. Въпреки, че дизайнът и разработката на подобни мебели не са ново явление тяхното използване е предимно за домашна употреба, а не като инструмент за защита на вещи и принадлежности на гости в хотели. В този контекст основна цел на настоящата разработка е да се проучат нагласите на туристи по българското Черноморие относно възможността за използване на хотелски мебели с тайни отделения, които да осигурят допълнителна защита на ценностите им. По-конкретно обект на анализ са български и чуждестранни туристи, посетили к.к. „Албена“ през активния летен сезон на 2021 г. Изборът на к.к. „Албена“ се базира на факта, че същият е морски курорт с национално значение, определен с Решение №45 на МС от 21.01.2005 г. Възприетите изследователски методи се основават на логическия, дедуктивния и сравнителен методи, както и на методите на анализ и синтез. Първичните данни са събрани чрез анкетно проучване на място на територията на курорта. За целите на емпиричното проучване са използвани програмите – IBM – SPSS Statistics, ver. 19 и Microsoft Office Excel 2016. Изследването на статистически връзки и зависимости е направено на база дисперсионен анализ (One – way ANOVA) и Хи квадрат – анализ (χ^2). Основни ограничения на изследването са, че същото е проведено в условията на нестабилна икономическа и здравна ситуация, което е причина фокусът на туристите да е насочен към подходи и дейности, осигуряващи здравна превенция. При извеждане на резултатите и заключенията не се вземат предвид категоризацията на хотела, в който е настанен респондентът. Допълнителни ограничения са малкият обем на извадката, както и че по-голямата част от анкетирания са туристи от страната. Основната авторова хипотеза е, че текущо използваните от хотелите устройства и системи за осигуряване на безопасност се считат за достатъчно ефективни и ефикасни от туристите за опазване на вещите и ценностите им. В тази контекст монтирането на мебели с тайни отделения в хотелските стаи се възприема като маркетингов подход, а не като инструмент за осигуряване на реална превенция.

МЕТОДОЛОГИЯ НА ИЗСЛЕДВАНЕТО И ПРОФИЛ НА РЕСПОНДЕНТИТЕ

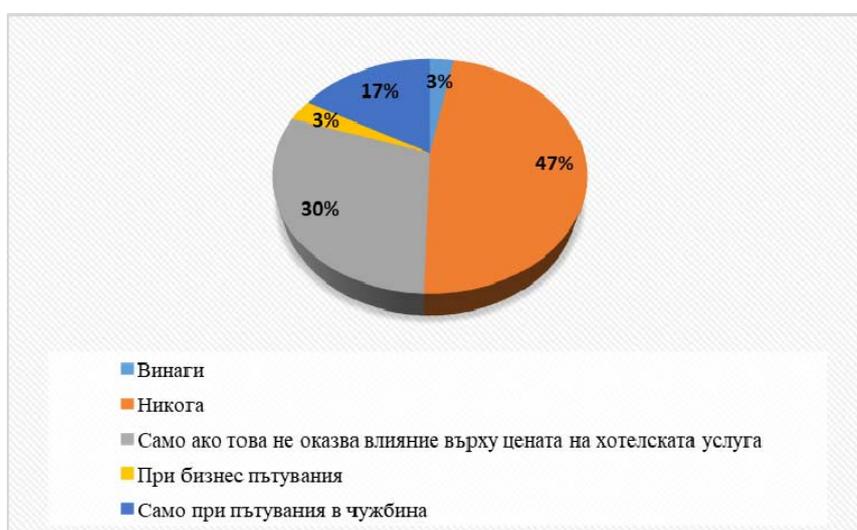
Проучването сред туристи и събирането на първични данни е извършено чрез въпросници, разпространени и попълнени на място в черноморския курорт – „Албена“ през месеците юни-юли 2021 г. Поставените и анализирани в рамките на настоящата разработка въпроси са част от по-мощно анкетно проучване, целящо идентифициране на текущите нужди за развитие на туризма

в България. Полевата работа е осъществена от анкетъорска мрежа. Изследването на статистически връзки и зависимости е направено на база Хи квадрат – анализ (χ^2) за проверка на хипотезите, когато факторната и резултатната променлива са качествени данни, и дисперсионен анализ (One – way ANOVA) за случаите, когато факторната/независимата/ променлива е качествена, а резултатната/ зависимата/ променлива е количествена.

В периода на провеждане на проучването са анкетирани 101 туристи, като 77.5% от тях са български граждани (предимно жители на гр. Добрич и столицата), а 22.5% - чуждестранни (предимно от Румъния и Великобритания). Преобладаващата част от туристите (55.9%) са на възраст между 25-45 години. Най-много от изследваните респонденти посещават курорта заедно със своето семейство (68.6%) и приятели (43.1%), предимно с цел почивка. Само 1% избират к.к. „Албена“ с цел СПА или балнеолечение. Значителен процент от анкетираните туристи (41%) могат да бъдат считани за „редовни“ посетители, които са идвали пет и повече пъти в курорта. За 25.5% от респондентите най-предпочитаният интервал за престой в к.к. „Албена“ е между 4 и 5 дни. Освен за хранене и настаняване респондентите изразходват допълнителни средства за транспорт, развлечения и атракции, като размерът им зависи от продължителността на престоя. В тази връзка 58.3% от лицата, които прекарват до 3 дни в морския курорт посочват, че допълнително изразходват между 21 и 50 лв. дневно на човек, а лицата, които прекарват 7 дни в к.к. „Албена“ - между 51 и 100 лв.

РЕЗУЛТАТИ ОТ АНАЛИЗА

На въпроса „Кога бихте използвали специално проектирани мебели, в които да криете своите ценности и вещи, когато сте гости в хотел?“, 47.5% от анкетираните не биха ги използвали при никакви обстоятелства, а 30% само ако това не оказва влияние върху цената на хотелската услуга. 16.8% от анкетираните туристи биха оставили своите ценности на съхранение в подобен вид мебели при пътувания извън страната, но само 3% посочват, че винаги биха се възползвали от тях (виж фиг. 1).



Фиг. 1. Отговори на въпроса „Кога бихте използвали специално проектирани мебели, в които да криете своите ценности и вещи, когато сте гости в хотел?“, n=101

При проверка за наличие на статистически връзки и зависимости такива не са отчетени между:

- възрастта на респондентите ($F(3,97) = 0.425$, $p = 0.735 > 0.05$; при тест на Левин (Levene) $p = 0.181 > 0.05$);

- броя на текущите посещения на курорта от респондентите ($F(2,96) = 0.67$, $p = 0.935 > 0.05$; при тест на Левин (Levene) $p = 0.788 > 0.05$);

- средствата, които анкетираните изразходват на дневна база извън разходите им за настаняване и храна ($F(2,96) = 1.122$, $p = 0.344 > 0.05$; при тест на Левин (Levene) $p = 0.056 > 0.05$);

- продължителността на престоя на туристите в курорта ($F(5,94) = 1.168$, $p = 0.330 > 0.05$; при тест на Левин (Levene) $p = 0.298 > 0.05$)

и мнението на респондентите относно това кога биха използвали мебели с тайници, монтирани в хотелските им стаи. Данните са показателни за наличие на средна статистическа връзка между националността на анкетираните туристи и обстоятелствата, при които те биха използвали подобен вид мебели (Cramer's V: 0.419, $p < 0.05$).

На респондентите, обект на анализ, са зададени и въпроси свързани с нагласите им по отношение на ползване на специално проектирани мебели в хотелската стая, които да служат за съхранение на ценности. Най-голям е процентът на анкетираните (47.1%), които предпочитат когато са на път да не носят ценни вещи със себе си, а за 19.6% използването на текущо монтираните сейфове в хотелските стаи е достатъчно за предпазване на ценностите им. Скептично е мнението и на 12.7% от туристите, които считат че това по-скоро има рекламен ефект за хотела, но не и реална полза за гостите. За 10.8% това е само привидно ефективно, защото служителите на хотела ще са наясно къде са тези тайници. Само 5.9% от туристите смятат, че подобен тип мебели реално ще опазят вещите им, като предотвратят евентуални случаи на кражби. 2% от допитаните са на мнение, че монтирането на мебели с тайни отделения в хотелската им стая ще са предпоставка туристите да се чувстват по-сигурни. Между националността на респондентите и визията, че подобни мебели биха предпазили техните ценности и вещи има средна статистически значима връзка (Cramer's V: 0.415, $p < 0.05$), към която обаче следва да се отнасяме резервирани поради това, че не са изпълнени всички условия за прилагане на Хи квадрат – анализа.

ЗАКЛЮЧЕНИЕ

Резултатите от събраните и анализирани данни са показателни за предимно негативно отношение към използването на мебели с тайни отделения. Те се считат от респондентите за неефективни, като по-голямата част от анкетираните не биха ги използвали. Възрастта, честотата на посещение и продължителността на престоя в курорта, както и допълнителните средства, които туристите изразходват на ежедневна база не са фактори, оказващи влияние върху отношението им относно мебелите с тайни отделения. При проверката на статистически връзки и зависимости, там където е отчетена такава (по повод националността на респондентите), не са изпълнени всички условия за приложение на избраната методология. Това налага необходимостта

от по-задълбочени изследвания относно факторите, които оказват въздействие върху мотивацията на туристите да използват или не мебели с тайни отделения. Следва да се отбележи, че по мнение на повече от половината от респондентите високите цени (65,3%) и ниското качество на предлаганите услуги (61,9%) са причина за евентуален отлив и намаляващ интерес към комплекса от страна на туристите. Сравнително нисък е процентът на лицата (8,4%), които считат че честите кражби и престъпления са фактори оказващи въздействие в посока създаване на негативно мнение на туристите за курорта. Въпреки, че предходното не може по категоричен начин да се счита като предпоставка за отношението на туристите към използването на мебели с тайници в хотелските стаи, то е показателно за визията им относно сигурността и безопасността в курорта, а от там и върху необходимостта от допълнителни средства за защита. В допълнение значителен дял от туристите споделят, че предпочитат да не носят ценни вещи със себе си по време на пътуване. Това по същество обезсмисля функционалността и ефективността на вграждането на тайни отделения в мебелите.

Световното разпространение на COVID-19 и несигурната здравна обстановка оказва силно въздействие върху търсенето и предлагането на хотелски услуги. Туристите като цяло се насочват към пътувания в по-малки групи и наемане на стаи в бутикови хотели. Това налага преосмисляне на взаимодействието с туристите и дори предлагане на нови нестандартни решения по време на техния престой. В тази връзка самите туристи отчитат използването на мебели с тайни отделения като възможност за реклама или привличане на VIP гости. Подобен вид добавена стойност за хотела обаче не е обект на задълбочен анализ в разработката.

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MANAGEMENT

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SODIUM-ION BATTERIES

Abstract. *Currently most used lithium-ion batteries are definitely not the best solution, mainly because of the need for increasingly rare lithium. Although this type of batteries has several strong suits, it's not perfect and brings a number of disadvantages. For example ageing of the battery, problems with its subsequent recycling and steadily high cost price. Due to quickly expanding electromobility and increasing overall number of electronic devices, it's advisable to look for new solutions. That's why producers from all over the world come with different alternatives that are cheaper and more accessible. One of which is the sodium-ion battery.*

Keywords: *electromobility, battery life, lithium-ion battery.*

Introduction

Sodium-ion batteries are not new, revolutionary or original in regard of functioning. Their principle is very similar to lithium-ion batteries and even their first concepts came simultaneously. In their own way sodium-ion batteries work the same as lithium-ion batteries, which generate energy by repulsing ions between a pair of electrodes in liquid electrolyte. However, one of the issues of their current form is that while this is happening, non-active crystals of sodium have a tendency to cumulate on the surface of negatively charged electrode, cathode, which results in decreasing of battery life. On top of that, sodium-ion batteries do not maintain as much energy as their lithium-ion counterparts. Scientists have struggled for years to achieve similar energy density that lithium-ion batteries contain. But the development is progressing and gradually these differences are being minimized.

The biggest disadvantage of sodium in comparison with lithium is its weight, which is approximately tripled. Lithium, however, presents a fraction of less than 5% of overall battery weight. Besides weight, sodium-ion batteries are less efficient because of lower voltage of articles. In spite of that it seems that a breakthrough is happening and utilization of sodium-ion batteries will become a reality. But it will definitely take some time until sodium-ion batteries reach the level of technical forwardness and will be able to be produced in masses and installed in electric vehicles. But when it happens, the transition to sodium-ion batteries should be trouble free to a significant extent, because of the very similar technology.

There are two well-known types of sodium-ion batteries – Sodium-sulfur (Nas) and Sodium-nickel-chloride. These batteries have classic structures like any other electrochemical source – a positive electrode, a negative electrode and an electrolyte. Specialties of these batteries include its operating temperature, which ranges from 270 to 350 °C and the fact that electrodes are neither in solid or liquid state.

Sodium-sulfur batteries

The operating temperature during charging and discharging ranges from 300 to 350 °C. During discharging, negative sodium electrode oxidizes to sodium oxide and there are ions Na⁺ forming within the confines of electrode and electrolyte. These ions migrate through solid electrolyte, which is beta-oxide aluminium (β -Al₂O₃), and

there's a reduction on positive electrode forming sodium sulfide (Na_2S_x). Process of charging, discharging and related chemical reactions are displayed in the figure below.

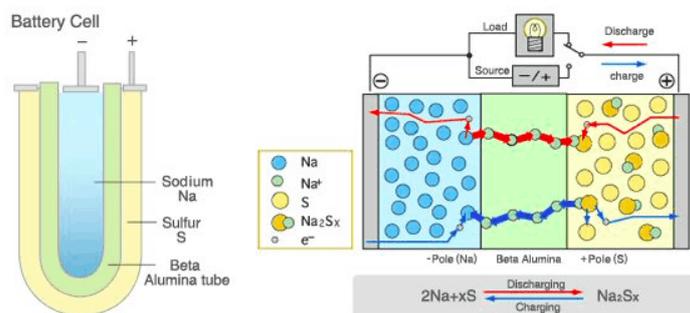


Figure 1. Scheme of sodium-ion battery and formula of chemical reaction

Source: www.twinkletoesengineering.info

Sodium-ion batteries use dangerous substances, including sodium metal which is flammable in case of a chemical reaction with water. Hence sodium-ion batteries are constructed to be airproof and two-sided from stainless steel and with closures that contain serial parallel field of NaS cells. Every cell is hermetically sealed and surrounded by sand. The first reason for using sand is the fixation of cells and the second is moderation of fire in case of battery malfunctions.

Patent no. SG10201912317X (2020-02-27) called NON-FLAMMABLE SODIUM-ION BATTERIES describes non-flammable sodium-ion accumulator with a cathode and an anode that uses electrolyte containing NaBF_4 and a glyme solvent.

NaS batteries may be installed in energetic devices of electrical substations and in power stations using renewable sources of energy where they're charged during a time period, when electricity generation is higher than electricity consumption (usually it's during low operation), and stored electricity is subsequently consumed during a time period when the immediate consumption is higher than the generation. Battery modules consist of cells, warming body and dry sand.

Technical merits of this battery are its plus factors. Although the energy density is currently only at 170 Wh/kg, theoretically its potential figure is up-to 792 Wh/kg which is almost two times more in comparison with Li-ion batteries, whose theoretical figure is 410 Wh/kg and density of cells who are being made today ranges from 200 to 250 Wh/kg. The number of charging and discharging battery cycles reaches 4500. Battery life should be around 15 years.

In the patent literature, there is also patent no. WO2021086264 (2021-05-06) that talks about using an electrolyte in sodium-sulfur batteries. This invention involves electrolyte containing sodium salt and additive containing at least one other metal/semimetal cation with standard reducing potential. This invention also provides the improvement of sodium cell's circuit life which contains sodium anode, sulfur cathode and electrolyte containing sodium salt dispersed in alkyl carbonate dissolvent.

Sodium-nickel-chloride batteries

Structure of sodium-nickel-chloride batteries is similar to sodium-sulfur batteries. Salt NaCl and nickel Ni transform to nickel(II)-chloride NiCl_2 and melted sodium Na during charging. Chemical reactions are reversed during discharging.

Electrodes are divided by a ceramic wall (of electrolyte) which is conductive for sodium ions Na^+ and presents an isolator for electrons at the same time. Because of this chemical reaction in the cell is possible only when the outer circuit is connected and enables a current of electrons, which is equal to the current of sodium ions.

Porous solid substance NiCl_2 is a cathode impregnated in the sodium ion of conductive salt NaAlCl_4 , which provides conductive way between the inner wall of separator and zone of reaction. Cells are hermetically sealed and encapsulated in modules with 20 kWh capacities.

It requires the inner operating temperature to reach $270\text{-}350^\circ\text{C}$ in order to achieve an acceptable resistibility of the cells and that is why heat mechanisms need to be operated. Energy density of this battery technology is currently at around 115 Wh/kg and theoretically achievable figure is estimated at 787 Wh/kg.

In comparison with classic Li-Ion accumulators, sodium-ion batteries are unable to compete in terms of output and capacity. Unfortunately, the reason is that sodium, compared to lithium, is much more frequent and therefore cheaper. The main issue is that compared to lithium, sodium ions are bigger and interact differently on the graphite electrode (anode). Obviously there are various ideas on how to solve this situation; e. g. the anode could be only from the very metal or from a completely different material.

Swedish Chalmers University of Technology lately came up with technology, which they describe as “dual face of graphene.” They put together material with a specific structure; there is a molecule at the end of every graphene sheet that isolates individual sodium ions, but simultaneously operates as a centre of their activity. Relevant molecule is connected to the bottom sheet through a covalent link and to the upper sheet through electrostatic interactions.

Sheets of graphene have identical pore size, regulated density of functionality and small “outer” surface/minimum edges. This structure results in creating a narrow space between two sheets of graphene. Related electrochemical reactions happen at this place and because of that new experimental battery has bigger capacity and better output. To be more specific: sodium in standard graphite has a capacity of approximately 35 mAh/g, which is less than one tenth of capacity of lithium-ion battery with graphite. Regarding the new type of graphene battery, the capacity for sodium ions is 332 mAh/g which is nearing the figure of Li-Ion batteries with graphite electrode. Processes on the electrode seem to be well reversible, so the battery could be stable even after many circles.

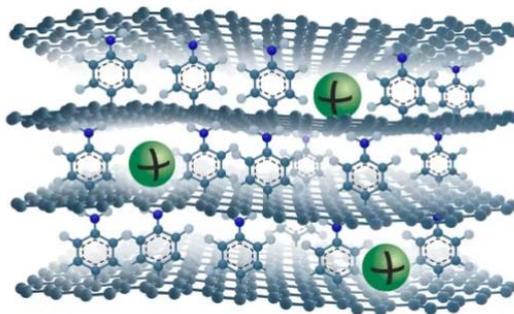


Figure 2. Sodium ions between graphene sheets

Source: Yen Strandqvist/Chalmers University of Technology

Special molecule between two graphene sheets laid on top of each other is connected through a covalent link, through graphene layers with the lower one and through electrostatic interactions with the upper one.

Graphene technology is also mentioned in patent US2021143409 (2021-05-13) called Graphene Foam-Protected Phosphorus Material for Lithium-Ion or Sodium-Ion batteries and in patent US2021135219 (2021-05-06) called Graphene-Encapsulated Graphene-Supported Phosphorus-Based Anode Active Material for Lithium-Ion or Sodium-Ion Batteries.

Network of French researchers RS2E comes up with an innovation: sodium-ion batteries in well-known 18650 format.



Figure 3. Sodium-ion battery Na-ion in form of standard 18650 cell

Source: CNRS

Conclusion

One of the biggest issues within the mass transition to electromobility is the acquisition price of electric automobiles in comparison with cars using combustion engine. The reason is battery and its high prices, due to the need for hardly accessible metals for its production. Lithium and other costly metals, such as cobalt and copper are rare and their constantly increasing demand will soon lead to problems with deliveries all over the world. All automobile manufacturers wish for reasonably priced charging batteries. Hence it's not surprising that a lot of effort goes into the development of better and cheaper batteries. Lithium-ion charging batteries still remain in the first place thanks to an excellent overall output, stability and charging time.

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MINISTRY
OF TRANSPORT
AND CONSTRUCTION
OF THE SLOVAK REPUBLIC

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MARKETING IN THE SEED SECTOR, A CHALLENGE OF AGRO-ECONOMICS IN ALBANIA

***Abstract.** The seed trading started to have a real meaning in Albania after the 90's, when this activity passed from the centralized hold of the state, towards that of the private sector. In these conditions, where many concepts of foreign trade were absent in practice it was difficult for the local product to compete with that of different European countries. The local traders would seem even more underdeveloped if we would explore the marketing concept of the seed sector or of any other national strategic policy for the protection of the local producer and trader. Even though 25 years have passed, there are still shortcomings in this sector compared to the region's countries.*

This study has as a goal to point out the problems with seed trading from the local producer, analyzing the strong and weak points, the possibilities and risks with which their activity faces. The study has analyzed data taken from the Southeastern region of Albania, in the Korca area.

Considering that agriculture is the base sector of economy, where the majority of the population has it as their main activity, the commitment from the responsible management must be maximal in creating the legal base and the national strategy for the foundation of a structured market in order to help the producers and also the traders.

Albania still has no advantage for her produce towards the neighboring countries. This was clear from the data of the seed import/export. A considerable amount is imported, while the exports are focused only at spices or medicinal herbs.

Keywords: *Seed marketing, seed policy, seed import/export, structured market.*

INTRODUCTION

Agriculture is the sector that has a greater impact in the Albanian economy, consisting of 18.3% of the GDP. About 50% of the rural population has agriculture as its main activity. But is this considerable part of the population motivated to produce and then trade their product?

The result from INSTAT (year 2015) tells for an absence of motivation due to the areas planted with wheats have had a decrease in their total, even though they were already low. In the meantime there was an increase in the surfaces planted with fruit trees. To be sure in developing a healthy agriculture, except for the producing and the use of agricultural inputs, attention should also go towards their trading. The trade of seeds and saplings is an important element of the whole system.

During these 25 post-communism years, attention was focused mostly on the productive sector and less to the drafting of policies for the trade development, the protection by law of the local produce, the control over the imported seeds and even less in developing a national policy over the seed sector or their marketing.

The seed marketing has in its focus the fulfillment of the farmer's requests, not only in the variety and the quality of seeds, but also in ensuring that the price be reasonable. Often the difficulties of the organizing of the seed distribution to the small farmers have been underestimated because the attention was turned towards the big producers.

A significant part of the population sees marketing as something that has to do only with advertising. But that is not the case.

Its base principle is the identification of the farmer's needs and also the realization of the distributor's objectives. That is the reason that the seed production and marketing are the main activities that control supply, the price of the seeds for the increase of production and productivity. Therefore the increase of the local production or even their import, would not have a large importance because this variety would not arrive in time at the farmer in order for him to cultivate it. All this would be realized with more efficiency if there would exist an organization of the seed marketing. Its focus would be the variety of the species of seeds, their quality, competitive prices etc.

Considering this problem of Albanian agriculture, the focus of this work would be in analyzing the opportunities of the development of local seed production, the founding of a national strategic marketing policy with a focus for the protection of the small producer and trader.

MATERIALS AND METHODS

In this paper are taken secondary data collected from the surveys performed to 100 farmers in the District of Korca, in the Southeast of Albania. These data are analyzed in accordance to the SWOT-analysis method. This analyze takes into account the study of four concepts, strengths, weaknesses, opportunities and the risks.

There are also analyzed data obtained by the National Food Authority, regarding the data of the import and export of different types of seeds and the countries where they are imported from and as well the destinations where they are exported.

RESULTS AND DISCUSSIONS

The elaboration of these data collected from the farmers of the area, have the scope to establish a strategy for the creation of a sustainable market. In this strategy a lot of elements should be involved, starting from the production of the seed, so from the source to the distribution of the seed and its cultivation at the simple farmer.

The main aim would be that the farmer can easily find in the market the best varieties of the seeds, with the best price, different type of seeds and the necessary information on how to cultivate them. The aim of quality and the increase of productivity per unit would be the main goal. The impact and the interaction of all the factors are analyzed in accordance to the SWOT-analysis.

Strengths:

- The Region has a good image for the production of high quality seeds.
- Scientific research institutions for study executions.

Weaknesses:

- Lack of a seed policy for 25 years.
- Lack of motivation
- Lack of commitment from the tradesmen and the manufacturers.
- Informal market
- The infrastructure is in poor conditions
- Lack of information for farmers
- Small farmers and fragmented
- Few competitive advantages compared to other countries

– Limited funding

Opportunities:

- Proximity to neighboring markets such as Greece and Macedonia.
- Funding for the creation of self-structured markets
- The formalization of the economy
- Registration and the recognition of the manufacturer farmer.
- A stronger control on the seeds in order to have a higher productivity
- The implementation of different methods to minimize the distribution costs.
- The introduction of more productive varieties.
- Offer-demand prediction.

Risks:

- Seed products from the region and beyond compete the domestic production
- Lack of coordination of the transaction risks the increment of the seeds' cost from the local producers.
- Lack of registration of the manufacturers, jeopardizes the sale of the production in the formalized markets.

The country of import// The type of seed	Corn seed	Vegetable seed	Medicinal seed	Decorative seedling
Italy		303.742 ton		
Austria				1500 pieces
China		167.213 ton		
Denmark		1186 ton		
France	50 ton	195.428 ton		
Guatemala		0.31 ton		
Netherlands		733.692 ton		
India		0.631 ton		
Israel		294.161 ton		
Chile		1.845 ton		
Peru		3.183 ton		
USA		1290.056 ton	2.5 ton	
Thailand		14.467ton		
Taiwan		50.668 ton		
Turkey		5.4 ton		
Germany		96.850 ton		

Inasmuch as this system is totally in the hands of the private market, the role of the state would be very important to design a protective policy for the seeds' manufacturers and for the market where they are sold. In this case, would be enough

the creation of a national structured market divided according to the main districts of the country. In this way we create the basics of the structured marketing.

Analyzing the data of the above statement, it is clear that it is the lack of organization and commitment of farmers, merchants but also state institutions to organize a seed marketing sector. Registration of producers, traders and the formalization of the economy are the main and the basic tasks. Also the development of infrastructure will enable the development of a more stable trade/commerce as well as reducing costs.

Imported products compete with the domestic production because they have a comparative advantage in cost but also in the diversity of the varieties. These products are mainly imported from the regional countries such as Serbia, Macedonia, Bosnia, but also from other countries such as Russia, USA, Netherlands, France, Italy etc. The below table shows the main items that are imported.

Our country exports mainly herbal spices, essential oils, medicinal herbs etc. They are mainly exported in Switzerland, Canada, and less in Germany, Italy and USA.

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NEED-BASED METHODOLOGY FOR USING BIG DATA IN FINANCIAL CONTROL FUNCTIONS

***Abstract.** This article presents a basic methodology that would support the work and in particular the analysis of Big Data and its management in general. The methodology has been developed at the enterprise level and the presented examples concern the financial control functions. In addition to this methodology, there is another methodology that is based on the types of Big Data and its sources, but it is not presented in this work.*

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Keywords: *Big Data, digitalization, Big Data analysis, structured, semi-structured and unstructured data in financial control functions.*

INTRODUCTION

The digitalization of business, entertainment, much of everyday life in a virtual environment gives rise to the availability and accumulation of Big Data. In itself, this accumulation does not benefit the company. In this sense, among the many definitions of Big Data, the definition of the research company Forrester stands out, which states: “Big Data combines techniques and technologies that make sense of data at the extreme limit of practicality.” [1]. Indeed, for this data to make sense and value, it shall be used effectively and, to that end, effectively managed. Effective Big Data management requires the collection, recording, identification, addressing, use, storage and analysis. It is the analysis of Big Data that brings concrete benefits and value for the company, provides a competitive advantage and improves the relations with customers, suppliers and other stakeholders.

1. Need for Big Data in financial control functions

Without claiming to be exhaustive, some of the most common financial control functions and their Big Data needs will be discussed below.

Good financial management requires effective portfolio management, including coordinating the financing and raising of funds from appropriate sources, optimization of working capital and investment portfolios, liquidity management (including cash flows) and management of cash, investments and tangible assets. The typical processes related to the raising of funds are attracting funds in the form of shares / shareholdings and/or using bank loans. For the purposes of these processes, as well as the processes related to the optimization of working capital and investment portfolios, as well as their revaluation, Big Data is needed, such as the prices of shares and bonds, as well as the conditions for bank loans. Regarding liquidity management, including cash flow management, Big Data is needed, which is mostly internal data. Examples include revenues and expenses, comparisons with previous periods, with indicators of related competing companies, as well as simulations and forecasts for future periods.

In practice, the Controlling function can be found as a narrowly specialized function, mainly concerning the control over the implementation of the budget. Controlling can have other closely specialized manifestations, such as supply control, production control, sales control, financial result control, liquidity control, etc. Controlling is also found as a broadly specialized function. In many cases, in practice an equal sign is placed between budgeting and controlling as functions. In defining the specifics of the functions, the concept shall be taken into account in the following definition:

“In the broadest sense, Controlling is defined as a concept and practical activity for planning, control and information provision in the enterprise. In this sense, it encompasses the interconnected manifestation of two of the functions of management-planning and control.” [2] In the role of this broad-spectrum function, Controlling, including budgeting, performs many analyses, models and forecasts and therefore needs Big Data characterized by both large volumes and diversity. This can be historical data from internal or external sources.

Whatever the chosen control framework – COSO, COBIT or another, the common denominator in all cases will be the need to control transactions, which in themselves can be Big Data. Here are some popular control activities that are typical for most companies, namely: reconciliation of accounts / data / control amounts, etc., approval procedures, authorizations, permits, the “four eyes” principle, compliance of limits, etc. Transaction control is based on large databases, both in terms of volume and diversity. A large volume of records is analyzed and multiple comparisons are made.

2. Methodology for working with Big Data based on the needs of the financial control functions

Companies have different structures depending on their size, the objects of business, etc. The financial control functions are positioned in different departments, covering different processes. For example, the Controlling function can be within the Finance Department or within a specific control unit. In some companies this function includes the budgeting process, while in other companies budgeting is a separate function. That is why the proposed methodology refers to functions and provides for the specification of sub-processes / stages in each of them.

The methodology includes eleven stages which will be discussed below:

- Determination of business processes / functions

At this stage, the main business processes are determined, such as accounting, portfolio management, liquidity management, financial analysis, financial and tax planning (budgeting), controlling, reporting, control activities, etc.

- Description of business processes / functions

Once the main business processes have been identified, they shall be described correctly. The source of information can be functional characteristics, interviews conducted with employees and observations.

- Determination of sub-processes / stages

The purpose of this stage is to deepen the scope and to detail the process in order to achieve greater specificity. For example, Controlling can be divided into

supply control, production control, sales control, financial result control, liquidity control, etc. Each of these types listed can be detailed.

- Description of sub-processes / stages

The identified processes / sub-processes / stages also need to be properly described. For example, sub-processes in budgeting can be: development, ongoing control, updating and reporting on implementation, cost management, regular comparison between the planned data set in the budget and the actual data, maintaining a common database (data warehouse), analyzing information and reporting to the management.

- Determining the need for Big Data

After the descriptions have been made, it shall be established what data is being worked on at each level and the data shall be addressed to each unit / function. At this stage it is very important not to refer only to the currently used data, but to assess for the respective process what data, including Big Data, is needed to make said process more efficient. For example, stock prices are Big Data needed for the purposes of the analysis and financial management functions. For the Controlling function, in particular the sub-process of supply control, such Big Data can be the prices of goods, customer satisfaction, etc.

- Identifying the types of Big Data

The data shall be determined as to which type they belong – whether they are structured, unstructured or semi-structured. What is typical of the field of Finance is that for the most part the data is structured and this applies to most of its constituent functions. There is also semi-structured data, such as conditions under offers, conditions for bank loans, etc., as well as unstructured information for clients, etc.

- Identifying the sources of Big Data

Once the Big Data has been identified, the sources from which to obtain information shall also be identified. These sources can be internal (reports, statements, balance sheets, interviews, etc.) and external (prices, laws, regulations, banking conditions). For example, for stock prices this may be the Bulgarian Stock Exchange and for the prices of goods the sources are the respective commodity exchanges, the National Statistical Institute, etc. Regarding customer satisfaction, the source is documented results of questionnaire surveys.

- Selecting methods of analysis of Big Data

Below are listed some methods [1] that are suitable for most activities in the field of Finance, such as:

Regression is used for predictive analysis. The Linear Regression method is widely used, which determines the influence of one numerical parameter on another. For example, what is the average value of the change in sales volume when the marketing budget changes by BGN 100. Association Rule Learning is another method, in particular a set of methods for identifying relations, i.e. associative rules for relations between variables in large volumes of data. These methods are used in data mining solutions. The Visualization method is used to graphically present the results of “big data” analysis in the form of diagrams or animated images in order to simplify the interpretation and easier understanding of the results.

- Real analysis of Big Data

This stage consists in performing the analysis itself and forming intermediate results. The analysis could be used for the purposes of control and regulation: “the analysis aims to identify patterns and trends in events and phenomena, to measure the influence of individual factors and to actively influence their elimination” [3]

A typical example is financial analysis, which has a multiplier application and effect. It can be used to assess the condition of the company, to serve other internal activities such as budgeting, controlling and reporting, internal control and internal audit, to serve as information to external and internal stakeholders, as comparison by financial indicators with other companies, and as comparison of overall financial performance. Financial analysis is also needed when a company is surveying its counterparties.

- Coordination and synchronization of Big Data / analysis of Big Data

Good management implies very good communication between all departments / functions. Regarding Big Data, the communication between the financial control functions and the functions related to Human Resources, Production, Marketing, Assets and Procurement are especially important when making decisions on prices of goods, raw materials, labor, insurance, etc., setting price margins and other preferences for loyal customers.

In order to ensure greater efficiency and effectiveness, it is necessary to identify the data that is used by different units / functions, as well as to compare, coordinate and, if necessary, synchronize the same.

- Results

The results of the analysis of Big Data shall be appropriately described, presented, reported, communicated and coordinated with the stakeholders.

Conclusion

In conclusion, it can be summarized that Big Data and in particular its analysis can significantly improve the efficiency of the financial control functions. To this end, they shall be properly managed. In this sense, the proposed methodology, although basic, can support this process. As Tatyana Yavasheva notes, “Big Data and artificial intelligence can be used to reduce the risks and improve the quality of products and services, to make decisions faster and in a more informed manner, but also to study customer behavior.”[4] This conclusion finds to some extent an analogy in the financial control functions. Effective work with Big Data and in particular its analysis will benefit the making of fast and informed financial decisions, will improve control methods and approaches and will generally improve the management and performance of the company.

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PSYCHOLOGY, PEDAGOGY AND EDUCATION

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EDUCATIONAL SERVICES AND TAX EXEMPTION

Abstract. *Providing of education by schools, educational institutions or other physical or corporate entities through different seminars and conferences is considered as service delivery in terms of value added tax. Educational services may be exempted from payment of taxes according to conditions set by directive 2006/112/ES about common system of value added tax (further just a “VAT directive”) and by act no. 222/2004 of body of laws about VAT tax in form of latter regulations (further just “VAT act”). In case of educational services not meeting conditions of tax exemption and the place of delivery of these services being in Slovak republic, they are subjected to assessment by 20%.*

Keywords: *public university, University’s research, University’s business activities*

Educational services that are exempted from payment of taxes are adjusted by act no. 222/2004 of body of laws about VAT tax in form of latter regulations (further just “VAT act”) in § 31. Those are mainly services that are performed by the subject based on individual permission (e.g. so called school act, university act, act for educational facilities) for a reward.

According to directive 2206/112/ES about value added tax, certain activities of public interest are exempted from payment of taxes and it includes educational activities as well. According to article 132 section 1 let. i) and j) of presented directive, it involves education of children and teenagers, school and university education, specialized preparation or reskilling including providing of service and product delivery, which are closely related to it, performed by subjects that are managed by public law and have these aims or other subjects, who have similar aims.

However, tax exemption does not apply to activities related to achieving additional earnings, with whom given institutions compete against business subjects.

Educational activity in terms of act no. 222/2004 of body of laws

According to § 31 section 1 of VAT act tax exemption applies to:

- Educational services provided according to individual regulations,
- Educational services provided by corporate or physical entity, that fulfills one or more conditions in terms of § 30 section 2 of VAT act. In case of subjected services it’s under a condition that this activity is performed for purpose other than achieving profit, potential profit has to be assigned for continuation and improvement of provided services,
- Educational services provided as professional training and reskilling.

According to § 31 section 2 of VAT act product and service delivery closely related to educational services, that are presented in § 31 section 1 of VAT act and performed by persons providing educational services according to this regulation are also exempted from payment of taxes.

Individual regulation related to educational services is understood as university act no. 131/2002 of body of laws about universities and about amendment and alteration of some acts (in full form of act no. 175/2008 of body of laws), school act (no. 245/2008 of body of law) and educational facilities act (no. 279/1993 of body of laws).

School system includes nursery schools, elementary schools, gymnasiums, secondary specialized schools, conservatories, schools for children and pupils with special educational needs, elementary art schools and language schools.

School facilities are a part of school educational system. Their operation is determined by act no. 279/1993 of body of laws about school facilities in form of latter regulations. It involves facilities that may be considered as part of specialized educational system or those providing services for education of pupils with special educational needs (specialized nursery school, specialized educational facilities, and consulting facilities). Special-interest educational facilities and specialized school facilities are regarded as school facilities as well.

University education

According to university act, universities are public universities, national universities, private universities with residence on the territory of Slovak republic or universities abroad. Universities have exclusive right to provide and organize university education.

Institutions that are not universities which gained accreditation – unacademic institutions also partake in providing of university education. Unacademic institutions request accreditation and recognition of rights to participate in performing doctorate educational programs for particular field of study.

Universities also provide further education referencing the further education act.

Tax exemption during educational services applies to unacademic institutions partaking in performing doctorate educational program according to § 31 section 1 let. a) of VAT act .

Public university

Public university is an autonomous institution governed by public law which is established and disestablished by public law. In terms of university act educational services provided by public university are exempted from payment of taxes according to § 31 section 1 let. a) of VAT act.

According to § 1 section 4 let. e) of university act, universities fulfill their mission also by providing further and continual education. Further education is alongside with elementary, secondary and university education a part of Slovak's republic educational system and its realization is a public task. Providing of this service by a university is exempted from payment of taxes in terms of § 31 section 1 let. a) of VAT act.

Further education is performed not only by school institutions but also by educational establishments of other corporate and physical entities and it's performed in form of seminars, education trainings or courses for example.

Incomes of university

Incomes as state grants for operation and development of education and science within additional contract from chapter of Ministry of education of Slovak republic are not reward (counter value) for purposes of § 2 section 1 of VAT act, hence they're not tax subjects.

If university gains incomes from students, then it's necessary to evaluate if these incomes represent school fees or charges related to studying at public university, if these incomes are closely related to educational services according to university act, hence they're exempted from payment of taxes in terms of § 31 of VAT act or if these incomes are from business activity that are kept on individual account so they're tax subject and liable to tax.

Incomes from financial donations given to public university are not counter value for provided fulfillment, they are not tax subjects.

Grants and contributions from abroad for solving scientific and experimental projects fall into tax base during product and service delivery only when they're directly connected to price for product or delivery. If it does not involve income – contribution or grant that is directly connected to product or service price, then the income is not considered as counter value for product or service delivery so such grant or contribution are not tax subjects.

University's business activities

According to § 18 of university act, public university may perform business activity. Within the frame of business activity public university performs an activity interconnected with its educational, experimental, developmental, medical-preventive, art or other productive activity or activity for more effective utilization of human resources and property.

Business activity cannot jeopardize quality, extent and availability of activities fulfilling the mission of public university.

Expenses for business activity have to be covered by earnings from it. Resources gained from this activity are used by public university to fulfill missions for which it was established.

Public university keeps earnings and expenses related to business activity separately from earnings and expenses related to main activity in its accounting records. Public university keeps incomes and expenses related to business activity on separate regular account or on separate regular accounts. Earnings and expenses from business activity are not part of public university's budget.

Educational services are exempted from payment of taxes if their main goal is not achieving additional earnings. If university performs other educational activities than activities presented in act no. 568/2009 of body of laws about lifelong education, according to § 18 of university act its business activity involves educational activities aiming for achieving additional earnings. Such educational activities are not exempted from payment of taxes according to § 31 section 1 let. a) of VAT act.

E.g. educational activities provided by university within the frame of preparatory courses for university's entrance exams could be considered as exemption from taxes according to § 31 section 1 let. a) of VAT act, only if they were provided in accordance with conditions assigned in act no. 568/2009 of body of laws.

In terms of further education act, further education is considered as specialized education and preparation during which participant of accredited education gets a certification or certificate of completing education meanwhile it doesn't have to be accredited activity. Further education is considered as specialized education which enables everyone to complete, extend and enhance achieved education, reskill or appease their interests or which prepares them for achieving certain degree of education in school system. Further education is performed through various short-term and long-term educational activities in different forms, such as studying while being employed, additional study or reskilling. The result is that preparatory courses for entrance exams cannot be considered as educational services exempted from payment of taxes according to § 31 section 1 let. a) of VAT act.

University's research

Exception provided for education does not apply to research activities of universities; research activities are not exempted from payment of taxes and are not considered as services closely related to university education.

If research activities are performed for a reward, when there's a legal relationship between service provider and service recipient, based on which recipient is paying for received service, in that case research activity is a tax subject and university is entitled to tax assessment when conditions stated in § 49 and 51 of VAT act are fulfilled. However if research activity is not performed for counter value and is not a tax subject, in this case they do not have claim for tax assessment.

Fulfillments performed for students

Sale of specialized literature to students of university and further education is exempted from payment of taxes when the product is delivered according to § 31 section 2 of VAT act because it's directly related to educational services.

Renting of property to students accommodated in halls of residence could not be considered as providing of services that is exempted from payment of taxes in terms of § 31 section 2 of VAT act because it's not directly related to educational services.

Renting of black gowns from university to students for graduation ceremony for counter value fulfills conditions for exemption from payment of taxes according to § 31 section 2 of VAT act because it's related to finalization of university study.

Providing of accommodation by competent person to respective students and students of other school for counter value is considered as service closely related to educational services based on which it's exempted from payment of taxes according to § 31 section 2 of VAT act.

In case of accommodation facility providing accommodation to other persons – e.g. during holidays, this service is liable to tax.

Providing of meals by competent person to respective students and students of other schools as a service closely related to educational services is exempted from

payment of taxes according to § 31 section 2 of VAT act. Providing of meals by employee of educational institutions to persons other than persons who receive educational services is not exempted from payment of taxes according to § 31 of VAT act.

Providing of photographic and video documentary services is not related to educational activity, hence exemption from payment of taxes cannot be applied.

Products and services closely related to educational services

According to § 31 of section 2 of VAT act product and service delivery closely related to educational services provided in terms of section 1 of this regulation is also exempted from payment of taxes. Products and service delivery may be considered as closely related to education, hence it's exemption from payment of taxes only if it's performed as additional educational fulfillment that does not represent an aim by itself but a tool for utilization of main service under better conditions, meanwhile education is the main fulfillment.

If delivered products and services are not necessary for realization of transactions exempted from payment of taxes, that is for providing of educational services and if they're mainly aiming for university achieving additional earnings via realization of fulfillments that directly compete against fulfillments of business companies that are liable to tax, such delivery is not exempted from payment of taxes.

While evaluating if organizing conferences for counter value is a service closely related to education it needs to be clear if the conference is necessary for providing of university education and if its main goal is not achieving additional earnings.

Educational services liable to tax

Educational services that do not fulfill condition for exemption from payment of taxes according to § 31 of VAT act are assessed by 20% by the taxpayer in case of place of their delivery being in Slovak republic, that is if they're tax subjects in Slovak republic according to § 2 section 1 let. b) of VAT act.

While providing of services in general – that also involves educational services, it's necessary to determine at first, where their place of delivery is. It's necessary to differentiate if educational activity is provided to taxable or nontaxable person.

While providing educational activities by taxable person to other taxable person, place of delivery is assigned according to § 15 section 1 of VAT act, that is residence, business place or permanent address of taxable person, who is being provided with educational activity.

In case of providing of educational activity to nontaxable person, place of delivery is assigned according to § 16 section 3 of VAT act based on place of physical operation.

Educational services provided electronically

Educational services provided via distance education are according to § 16 section 18 let. e) of VAT act considered as electronic services.

Providing of distance education is:

- automatic distance education dependent on the internet or similar electronic network and its providing does not require any human intervention or only limited human intervention including virtual classrooms except for cases of internet or similar electronic network being utilized as a communication tool between teacher and student;

- textbooks that are being completed by students online and that are automatically evaluated without human intervention.

If this educational on-line service is provided to taxable person from other member state, place of delivery is assigned according to § 15 section 1 of VAT act – that is in state of recipient of this service. That means that provider of service from Slovak republic who is not registered for tax becomes obligated to register according to § 7a section 2 of VAT act before the bill is made. Subsequently after registration a bill without VAT is made, the tax is assessed by recipient of the service.

If presented services are provided to nontaxable persons, according to § 16 section 14 of VAT act place of delivery of electronic service is place of residence, permanent address or place where this person is staying. So provided service is subject of taxes in customer's state – nontaxable person.

In order to reduce administrative load based on obligation of provider of stated services to levy tax in member states of their customers, which is preceded by registration for tax in these states, a simplification was accepted that is represented by individual adjustment – so called mini one-stop-shop – one place of contact. It involves adjustment according to regulations § 68, § 68a, § 68b a § 68c of VAT act.

Stated adjustment is related to providers of services that are delivered electronically and that are located in the European Union, however not in member state where delivery place of these services is (so called member state of consumption).

The advantage of this adjustment is the fact that provider of these services (on-line educational services) does not have to register in every member state of consumption. Provider's obligation to declare and pay tax that belongs to member state of consumption while using this adjustment is fulfilled through single declaration of taxes submitted via electronic portal in member state, in which they identify for utilization of this adjustment – so called member state of identification. Provider with residence in Slovak republic is obligated to choose Slovak republic as a member state of identification.

Stated individual adjustment is not allowed to be used in those member states where service provider's residence or business premises are and which are member states of consumption at the same time. That means that if a provider whose identification state is Slovak republic, because that's where residence of their economic activity is, provides subjected on-line educational services to nontaxable persons in Slovak republic, they include them in declaration of taxes submitted in Slovak republic.

Taxable persons with residence or business premises in Slovak republic use identification number assigned for Slovak republic while applying individual adjustment (assigned during registration according to § 4, § 4b, § 7 or § 7a).

Stated individual adjustment is not related to electronic services provided to the third countries. In that case according to § 16 section 14 of VAT act delivery place of service is in customer's state and because service is not tax subject in Slovak republic it's necessary for the provider of on-line education activity to inform themselves on obligations of eventual registration for tax, or more precisely other obligations resulting from laws of service recipient's state.

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SEMIOTICS IN ALBANIAN FILMS OF THE SOCIALIST REALISM ERA

***Abstract.** After World War II, in Eastern Europe, the so-called method of socialist realism reigned in literature and in all fields of arts; in paintings, in music, in cinematography, etc. Differently from other Eastern European countries, Albania followed a much more stringent and isolationist policy, both in arts and other fields of life. As a result, the method of socialist realism was implemented much more dogmatically and schematically, compared to other Eastern European countries. Using the fundamental analytical tools of cinema semiotics, developed by its founder, Christian Metz, we analyse in this paper how the method of socialist realism in Albania was implemented in cinema, which served as one of the main propaganda tools for the communist dictatorship. The main features of Albanian films of that time were schematism and strong intertextualism, which were aimed at distributing the communist ideology to the masses. The Communist Party viewed films as the most effective tool to reach this aim (compared to literature and other arts), because of the power of combining words and images in films.*

***Keywords:** socialist realism, semiotics, film, cinema*

INTRODUCTION

Socialist realism was a creative method officially imposed in literature, music and art after World War II in all Eastern European countries. In general, that method was officially considered as the only creative means in these areas and was defined by strict rules and structures that were to be followed, in order to fulfil the ethic, moral and political role assigned by the state.

The codes and models were constructed ideologically and were repeated regularly in order to reach the objective of creating the new socialist citizen. A semiotic system of signs and symbols was part of these models and codes. The semiotic systems are synthesized by Jakobson as systems in which “every message includes signs” (The Philosophy Book, 2011, p. 223). Jakobson’s work helps to analyse how semiotic system were used in art and cinema in Albania during the socialist realism era.

Differently from other Eastern European countries, the socialist realism in Albania was implemented much more dogmatically and schematically. This standard was truer for cinematography, which was considered by the communist government as the most effective artistic tool, since it combined words with images.

When cinema was initially born, films were considered simply an entertaining, cheap novelty. Later, as films became more sophisticated, the audiences started to travel together with stars on the screen to the fantasy worlds created in films. The combination of words with images in films were able to transmit powerful messages. Metz, known as the founder of the semantics of cinema, viewed films “as language on a linguistic basis”. On the other hand, Jan Marie Lambert Peters posits that if films were to be considered a language, then their main elements should be separated in units of picture.

Thus Peters, differently from Metz, viewed each unit of picture as a mini-unit of film semiotics (Encyclopedia of semiotics, 1998, p. 241). Signs are images, or as Wollen puts it, images in themselves are signs. They impact the audiences

inconspicuously through their silent language up to the point where they might dictate how to live their lives. The big screen attracted even painters of fame like Salvador Dali, who is considered a revolutionary artist in this area.

However, in the Soviet Union, the revolution in cinema was of a political form, rather than artistic. There cinema was considered as art for the masses – a code word for using it as a propaganda tool (The Movie Book, 2016, p. 14). The same happened in Albania, where cinema was considered by the communist government as the best art form to be used for spreading the communist ideology with the full spectrum of words and semiotic vocabulary comprising films.

The cinema in Albania had its beginnings with the founding of the state film studio “Shqipëria e Re” in 1952 and its first release in 1954, the “Scanderbeg” film, which was a Russian-Albanian collaboration. Most Albanian filmmakers studied in the Soviet Union and other socialist countries of Eastern Europe. Those talented filmmakers were obliged to learn there the codes and rules that they were to follow in their creative work.

The semiotic analysis in this study can serve as a lesson for the future. Unfortunately, a combination of words, images and symbols in films could be a powerful tool for would-be authoritarian regimes of tomorrow.

THE SEMIOTIC ANALYSIS

All forms of art have distinctive semiotics, systems of signs that can be created at different stages of their development. The semiotics of each form of art represents a way of classifying or interpreting it. The semiotic systems of sign in art can change or be replaced alongside societal, economic and political changes, which can affect all forms of art.

Cinema as a form of art had a late start in Albania, compared to other countries. In fact, it was the only form of art in Albania that had its birth during the communist regime. Differently from literature, music, paintings, sculpture, etc., the cinema during the socialist realism era did not have the need to replace semiotics, because it started with the semiotic system of socialist realism.

Before the first Albanian film was released, mostly soviet films were playing in movie theatres. The models used in those films were simply adopted by the young Albanian filmmakers. Not only semiotic signs were copied, but the same nationalistic symbols of collective memory were used (Yzeiri, 2013, p. 198).

Three were the main themes of Albanian films of that time: historic themes, World War II themes, and socialist life themes. Each of these themes had its codes of words and signs, which made them distinctive from each other. However, all three themes were characterized by the same dogmatic and schematic structure.

The cinema’s semiotics was used specific images, to sign the times of the communist ideology, constructing in the process different structures for specific situations (Yzeiri, 2013, p. 12). The declared objective of the socialist realism method was to truly depict the reality in literature and art. However, as A Leka puts it, the socialist mimes had the difficult task of constructing or reconstructing something that had not or would not really happen (Leka, 2020, p. 107).

Declaring that cinema was the art for the masses and understanding its uncontested role as a purveyor of messages, the communist government tried by any

means to convince as many people as possible to believe in a reality depicted in films, which did not really exist or did not have a chance to exist in the future.

In films of historic themes, the reality had not existed as some older people would remember. The most important events and leaders of the Albanian history would be presented in the films in accordance to the interpretations of the communist historians. Some events and leaders would be ignored as if they never existed.

In films of World War II themes, the task of recreating the history was more difficult initially, because most people were old enough to remember what had really happened – what the communists and what the nationalists had done during the war. However, as the memories faded and the after-war generations did not have personal memories of the war, the propagandistic nature of Albanian films depicting war events became more poignant.

Every film was supposed to have at least one positive hero, “who should be depicted according to a government-approved ideo-aesthetic code” (Leka, 2020, p. 26). The positive hero was supposed to always be contrasted with some negative characters. He (normally was a he) was a seriously looking man, rarely smiling, thoughtful, wise, authoritative, almost like a stone (like socialist semiotics itself). However, he was always ready to sacrifice for others around, for society in general, and for the fatherland. At the end of films, he would normally be a victor – but if he died at the end of a film, his ideals would continue to live and thrive stronger among his followers.

Often these types of heroes and other positive characters in Albanian films fancied moustaches (“Gjeneral Gramafoni”, “Militanti”, “Njeriu me top”, etc.). Most likely this was not a feature inherited from the ottoman period of Albania. It was the typical moustaches used by communists, as opposed to nationalists during World War II (Dervishi Z., 2018, Konica.al). It is something similar to “Julius Cezar” of Mankiewicz, where most characters have distinctive hair models, that affirm their Roman belonging. Therefore, the director uses such “signs” in order to purvey his message (Barthes, 2016, p. 43). Similarly, moustaches in Albanian social realist films (especially those about World War II) were used as a semiotic tool not only to depict brave and manly heroes, but also to separate them from their nationalist rivals, based on the different style of moustaches.

Films with themes from “socialist life” depicted people from different walks of life – workers, farmers, intellectuals. “In those films, one could not find depressive dark themes; they were briming optimism. It was the socialist realism scheme inherited from Zhdanov,” would later reminisce Pirro Milkani, one of the most successful film directors in Albania. “As in literature, the cinema semiotics would have the cult of the socialist people as the main distinctive sign in the pragmatic scheme of socialist realism as a means for cultivating the communist ideology among masses,” (Yzeiri, 2013, p. 187).

No matter who was depicted as the main character in a film with a theme from the “socialist life” – a worker, a farmer or an intellectual – he or she should have a certain look and manners, according to a scheme prepared by the party for the “New Socialist Person”. He or she should devote his life and efforts to the building of the “happy New World” and should fight any sign of complacency or “enemy” thoughts among people around him.

Built in such a schematic way, characters in the Albanian films of that time, were used by the government as a model for masses to follow. The codes and signs were all prefabricated by the propaganda sector of the Communist Party and film directors/actors should simply make sure to use them in films in the way they dressed, combed their hair, walked, talked in family, work and with friends.

CONCLUSION

Almost until 1990, the semiotics of films was used at nauseum as a tool of communist propaganda in Albania, but did it work? The fall of communism gave a clear answer to that question. Once the government repression was lifted, Albanians embraced the western way of life both literally (by fleeing Albania in hundreds of thousands) and metaphorically (by watching freely western films and television programs). Nowadays those films serve as a reminder of how an authoritarian regime can try control the life of citizens even through semiotics.

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SOCIOLOGY AND POLITICAL SCIENCE

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THEORETICAL PERSPECTIVES TO UNDERSTANDING FOR SOCIAL JUSTICE

***Abstract.** Social justice is a term that excites all societies. The article shows different theoretical views on it. It is emphasized that in any society, social justice is justice in terms of the distribution of wealth, opportunities and privileges in it and is in relation to its cultural traditions. Various scholars from antiquity to the present have contributed to clarifying the content of the concept of "social justice"; The theory of social justice has different manifestations in different societies and this is related to different legislation and different practices.*

***Keywords:** Social justice, distribution of public wealth, economic and legal justice, public roles, rights and obligations of people*

INTRODUCTION

Social justice is justice in terms of the distribution of wealth, opportunities and privileges within a society [1]. In Western as well as older Asian cultures, the concept of social justice often refers to the process of ensuring that individuals fulfill their social roles and receive what society owes them. In current social justice movements, the emphasis is on removing barriers to social mobility, building safety nets and economic justice [11].

Justice distributes rights and responsibilities in the institutions of society, which enables people to receive the main benefits and burdens of cooperation. Relevant institutions often include taxation, social security, public health, public school, public services, labor law and market regulation to ensure a fair distribution of wealth and equal opportunities [18].

Interpretations that link justice to society are mediated by differences in cultural traditions, some emphasizing individual responsibility to society and others the balance between access to power and its responsible use [2].

While the concepts of social justice can be found in classical and Christian philosophical sources from Plato and Aristotle, from Augustine to Thomas Aquinas, the term "social justice" found its earliest uses in the late 18th century - albeit with unclear theoretical or practical values.

Literary review

The invention and definition of the term can be found in the social-scientific treatise of Luigi Taparelli, in the early 1840s [1]. He establishes the principle of natural law, which corresponds to the evangelical principle of brotherly love - ie. social justice reflects the duty that one has to the other, in the interdependent abstract unity of the human person in society [5]. After the revolutions of 1848, the term was widely popularized through the works of Antonio Rosmini-Serbati [19].

In the late Industrial Revolution, progressive American lawyers began to use the term more, especially Louis Brandeis and Roscoe Pound. Since the beginning of

the 20th century, it has also been embedded in international law and institutions; the preamble to the establishment of the International Labor Organization recalls that universal and lasting peace can only be established if it is based on social justice. In the later 20th century, social justice was central to the philosophy of the social contract, mainly by John Rawls in *Theory of Justice* (1971). In 1993, the Vienna Declaration and Program of Action addressed social justice as an objective of human rights education [23].

The various conceptions of justice, as discussed in ancient Western philosophy, are usually community-centered.

Plato wrote in *The Republic* that it would be an ideal state if every member of the community were to be assigned to the class he found most suitable for him [14]. For Plato, justice is both part of human virtue and the connection that connects man with society. It is the identical quality that makes good and social. Justice is order and duty - it is for the soul, just as health is for the body. Plato says that justice is not just a force, but a harmonious force. Justice is not the right of the stronger, but the effective harmony of the whole. All moral concepts revolve around the good of the whole - individually as well as socially.

Plato believes that rights exist only between free people, and the law must take into account, first, the relationship of inequality, in which individuals are treated in proportion to their value, and only second, the relationship of equality. Reflecting this time, when slavery and submission to women were typical, ancient views of justice tended to reflect the class systems that still prevailed. On the other hand, there are strong conceptions of justice and community for privileged groups. Aristotle says that distributive justice requires people to be distributed goods and assets according to their merits [3].

Socrates is credited with developing the idea of a social contract, according to which people must follow the rules of a society and accept its burdens because they have accepted the benefits of it.

In the Middle Ages, religious scholars, especially Thomas Aquinas, continued to discuss justice in various ways, but ultimately linked being a good citizen to serving God.

After the Renaissance and the Reformation, the modern concept of social justice, as a developing human potential, began to appear through the work of a series of authors. Baruch Spinoza in *"For the Improvement of Understanding"* (1677) argues that the only true purpose of life must be to acquire "a human character much more stable than [one's own]" and to attain this "degree of perfection ... it is good that it should reach, together with other persons, if possible, the above-mentioned character. "[21]."

During the Enlightenment and in response to the French and American revolutions, Thomas Payne wrote similarly in *Human Rights* (1792) that society must give "genius a just and universal chance" and thus "the construction of government must be such as to bring forward ... the whole degree of capacity which never manifests itself in revolutions "[12].

As mentioned earlier, social justice is traditionally thought to have been invented by the Jesuit priest Luigi Taparelli in the 1840s, but the term is older. Although there is no certainty about the first use of the term "social justice", early

sources can be found in 18th century Europe [13]. Some references to the use of the term are in articles in magazines in the spirit of the Enlightenment, in which social justice is described as the duty of the monarch; also the term is present in books written by Catholics, Italian theologians, in particular members of the Society of Jesus. Thus, according to these sources, social justice is another term for "justice of society", justice that governs the relations between individuals in society, without any mention of socio-economic justice or human dignity [13].

The use of the term began to be used more and more frequently by Catholic thinkers in the 1840s, beginning with the Jesuit Luigi Taparelli in *Civiltà Cattolica* and based on the work of St. Thomas Aquinas. Taparelli argues that the various theories based on subjective Cartesian thinking undermine the unity of society present in Thomistic metaphysics, as neither is sufficiently committed to ethics [22].

Writing in 1861, the influential British philosopher and economist John Stuart Mill stated in *Utilitarianism* that "Society must treat all those who deserve it equally well, that is, those who deserve social justice equally well. . This is the highest abstract. standard for social and distributive justice; to which all institutions and the efforts of all virtuous citizens must come as close as possible." [10].

In the late 19th and early 20th centuries, social justice became an important topic in American political and legal philosophy, especially in the work of John Dewey, Roscoe Pound, and Louis Brandeis. One of the main concerns during this period was the decisions of the Lochner-era U.S. Supreme Court to repeal legislation passed by state and federal governments for social and economic improvement, such as the eight-hour day or the right to join a union. After the First World War, the founding document of the International Labor Organization used the same terminology in its preamble, stating that "peace can only be established if it is based on social justice". From that moment on, the discussion of social justice entered the main legal and academic discourse.

In 1931, Pope Pius XI explicitly mentioned the term "social justice," along with the concept of subsidiarity, for the first time in Catholic social teaching in the encyclical *Quadragesimo anno*. Then again in *Divini Redemptoris* the church points out that the realization of social justice relies on the promotion of the dignity of the human person [6]. That same year, and due to the documented influence of the *Divini Redemptoris*, the Irish Constitution was the first to establish the term "social justice" as a principle of the country's economy, and then other countries around the world did the same in the 20th century, even under socialist regimes. such as the Cuban Constitution of 1976 [13].

In the late 20th century, several liberal and conservative thinkers, notably Friedrich Hayek, rejected the concept, stating that it meant nothing or meant too much. However, the concept remains highly influential, especially with its popularization by philosophers such as John Rawls.

Results

Although the importance of social justice varies, at least three common elements can be identified in modern theories about it: 1. An obligation of the state to allocate certain vital resources (such as economic, social and cultural rights); 2.

Protection of human rights and dignity; 3. Positive action to promote equal opportunities for all [13].

Hunter Lewis' work to promote natural health and sustainable economies advocates for conservation as a key prerequisite for social justice. His Manifesto for Sustainability links the continued prosperity of human life to real conditions, to the environment that sustains that life, and links injustice to the devastating consequences of the unintended consequences of human action. Citing classical Greek thinkers such as Epicurus on the good of the pursuit of happiness [9].

All societies have a basic structure of social, economic and political institutions, both formal and informal. By testing the extent to which these elements fit and work together, Rawls created a key test of legitimacy on social contract theories. In order to determine whether a particular system of collectively imposed social arrangements is legitimate, he argues that the consent of the people who are subject to it must be sought, but not necessarily on the basis of an objective notion of justice based on a consistent ideological basis. Obviously, not every citizen can be asked to take part in a survey to determine his or her agreement with every proposal that involves some coercion, so it must be assumed that all citizens are reasonable. Rawls argues for a two-step process for determining a citizen's hypothetical agreement:

1. The citizen agrees to be represented by X for certain purposes and to that extent X has these powers as the guardian of the citizen.

2. X agrees that implementation in a particular social context is legitimate. The citizen is therefore bound by this decision, as the function of the guardian is to represent the citizen in this way.

This applies to one person representing a small group, as well as to national governments, which are the ultimate trustees, with representative powers for the benefit of all citizens within their territorial boundaries. Governments that fail to ensure the well-being of their citizens in accordance with the principles of justice are not legitimate. To emphasize the general principle that justice should be raised by the people and not dictated by the legislative powers of governments, Rawls argues that "there is ... a general presumption against imposing legal and other restrictions on conduct without sufficient cause. But this presumption does not create a special priority for any particular freedom." [17]. This is support for an unclassified set of freedoms that reasonable citizens in all countries must respect and uphold - to some extent the list proposed by Rawls is in line with normative human rights that have international recognition and direct application in some nation states where citizens are they need to be encouraged to act in a way that fixes a greater degree of equality of results. According to Rawls, the basic freedoms that any good society must guarantee are:

- Freedom of thought;
- Freedom of conscience, as it affects social relationships based on religion, philosophy and morality;
- Political freedoms (eg representative democratic institutions, freedom of speech and press and freedom of assembly);
- Freedom of association;

- Freedoms necessary for the freedom and integrity of the individual (namely: freedom from slavery, freedom of movement and a reasonable degree of freedom to choose a profession);
- Rights and freedoms covered by the rule of law.

Thomas Poge's arguments refer to a standard of social justice that creates deficits in human rights. He assigns responsibility to those who actively cooperate in the design or establishment of a social institution. Poge argues that social institutions have an obligation not to harm the poor [15].

Poge speaks of "institutional cosmopolitanism" and assigns responsibility to institutional human rights deficit schemes. An example is slavery and third parties. A third party must not recognize or impose slavery. The institutional order should be responsible only for the deprivations of human rights that it establishes or permits. The current institutional design, he says, systematically harms emerging economies by allowing corporate tax evasion [16], illegal financial flows, corruption, human and arms trafficking. Elizabeth Kahn argues that some of these responsibilities must be applied worldwide [8].

The United Nations - UN calls social justice "a fundamental principle of peaceful and prosperous coexistence within and between nations." [20]. The 2006 UN document "Social Justice in an Open World: The Role of the United Nations" states that "Social justice can be understood as a fair and compassionate distribution of the fruits of economic growth ..." [20, p. 16].

The term "social justice" is seen by the UN "as a substitute for the protection of human rights" and first appeared in UN texts in the second half of the 1960s. At the initiative of the then Soviet Union and with the support of developing countries, the term was used in the Declaration on Social Progress and Development, adopted in 1969 [20, p.52].

The same document states: "From a comprehensive global perspective, shaped by the UN Charter and the Universal Declaration of Human Rights, the neglect of the pursuit of social justice in all its forms is becoming a de facto acceptance of a future marred by violence, repression and chaos [20, p.6]. The report concludes: "Social justice is not possible without strong and consistent redistribution policies designed and implemented by public agencies." [20, p.16].

The same UN document offers a brief history: "The concept of social justice is relatively new. None of the great philosophers of history – neither Plato, nor Aristotle, nor Confucius, nor Averoes, nor even Rousseau or Kant – saw the need to look at justice or correct injustices from a social perspective. The concept first appeared in Western thought and political language as a result of the industrial revolution and the parallel development of socialist doctrine. It emerged as an expression of protest against what was perceived as capitalist exploitation of labor and as a focal point for the development of measures to improve the human condition ... After the revolutions that shook Europe in the mid-1800s, social justice turned into a unifying cry for progressive thinkers and political activists ... By the middle of the twentieth century, the concept of social justice became central to the ideologies and programs of virtually all left and centrist political parties in the world ..." [20, p.11-12].

The idea of social justice is also criticized by certain social thinkers:

Friedrich Hayek of the Austrian School of Economics rejects the very idea of social justice as meaningless, contradictory and ideological, believing that the realization of any degree of social justice is impossible and that the attempt to do so must destroy all freedom. There can be no test to find out what is "socially unfair" because there is no entity through which such injustice can be committed and there are no rules of individual conduct whose observance in the market order would provide individuals and groups with a position which, as such. Social justice does not belong to the category of error, but to that of stupidity, as the term "moral stone" [7].

Hayek argues that proponents of social justice often portray it as a moral virtue, but most of their descriptions refer to impersonal states of affairs (eg, income inequality, poverty), which are cited as "social injustice." Hayek argues that social justice is either a virtue or not. If it is, it can only be attributed to the actions of individuals. However, most who use the term attribute it to social systems, so "social justice" actually describes a regulatory principle of order; they are not interested in virtue, but in strength. For Hayek, this notion of social justice presupposes that people are guided by specific external guidelines rather than internal, personal rules of fair behavior. It also suggests that one can never be held accountable for one's own behavior, as this would be "blaming the victim". According to Hayek, the function of social justice is to accuse someone else, often attributed to the "system," or those who are mythically supposed to control it. In this way, it is based on the attractive idea "you suffer; your suffering is caused by strong others; these oppressors must be destroyed." [7, p.11-12].

Conclusion

In conclusion, the following should be summarized:

1. In any society, Social Justice is justice in terms of the distribution of wealth, opportunities and privileges in it and is in relation to its cultural traditions;
2. Various scholars from antiquity to the present have contributed to clarifying the content of the concept of "social justice";
3. The theory of social justice has different manifestations in different societies and this is related to different legislation and different practices.

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