

Editorial: Nexus between Financial Markets, Technology and Firm Performance in Era of Industry 4.0

1. INTRODUCTION

Industry 4.0 is a name given to the trend set by smartification technology use through robotization, digitalization and data exchange in industry (Rasiah, 2019). It includes cyber-physical systems, the Internet of things, cloud computing, big data analytics and cognitive computing. Industry 4.0 is commonly referred to as the fourth industrial revolution (Wollschlaeger, Sauter, & Jasperneite, 2017), which fosters the applications of Smart technologies in learning, work and business. Consequently, the massive technological advancements that has been evolving compel industry to not only reshape their production process but also these alterations can be observed in all areas of business and economy. Emerging at a time when the world is consciously moving to accept that the environment is a global common, technological development in all sectors, including manufacturing, is seeking ways to cap CO2 emissions (Qureshi, Rasli, & Zaman, 2016; Qureshi et al., 2019; Rasiah, 2019). As a result, it has become paramount to study how CO2 emissions can be reduced in the pursuit of economic development process (Hishan et al. 2019).

A major issue attracting attention is how financial markets are reshaping counter challenges posed by the digitalization of the global economy? Technological advance has also changed the economics of banking and financial markets with progressive usage of computerization and online transactions (Harasis, Qureshi, & Rasli, 2018; Qureshi, Khan, & Zaman, 2012). The use of technology to improve customer service has become a particularly hot topic. For example, branchless telebanking is an emerging concept that is exposing the potential for studying technological developments in the field. Online banking without physical branches where all transactions represents another customer service innovation in this area, and a platform on which technology firms can compete with traditional banks. These changes have significantly affected financial reporting and economic progress (Shaikh, 2016).). Thus, it is important to record the advancement in the field of economic and finance in order to understand the particular country's progress. Consequently, the purpose of this special issue is to share the contributions of the expert researchers on how financial market advancements specifically, and industry 4.0 technologies generally, are reshaping economies.

2. ABOUT THE SPECIAL ISSUE

We are pleased to guest edit the special issue "Nexus between Financial Markets, Technology and firm performance in Era of industry 4.0" for the readers of the *Journal of Reviews on Global Economics*. We hope this issue provide theoretical and empirical contributions in the field of Economics and finance. The purpose of this special issue is to share the views of scholars specializing on new developments in financial markets, and to discern industry 4.0 technology developments and firm performance with an emphasis on multidisciplinary applications in economics and finance. We are proud to note that only 14 papers were chosen from a rigorous blind review process from 67 submissions for this issue.

All papers in this issue are supported by empirical research in the field of Economics and Finance. The use of robust statistical tools help provides some of the latest quantitative developments in the field.

3. ABOUT THE RESEARCH PAPERS

The special issue opens with research paper of Prof.Dr. Siok Kun Sek, and Jenq Fei Chu titled **Oil Price Pass-Through on Domestic Inflation Oil Importing Versus Oil Exporting Countries**. This article extends the examination on two panel groups, namely the oil importing and oil exporting countries. ARDL technique used to test the relationships.

Baldrice Siregara and Rudy Badrudin authored "**The Evaluation of Fiscal Decentralization In Indonesia Based On The Degree Of Regional Autonomy**." This article focused on the presence of the degree of regional autonomy and its impact on social welfare using data covering all districts in Indonesia from 2013 to 2016. The results of the

study indicated the fiscal decentralization has a significant effect on capital expenditure in districts' APBD in Indonesia but has no significant effect on economic growth and social welfare of districts in Indonesia; capital expenditure in districts' APBD in Indonesia has a significant effect on the economic growth and social welfare of the districts in Indonesia; and economic growth has no significant effect on the social welfare of the districts in Indonesia.

The article of Prof. Dr. Zaitul titled "**Corporate Governance and Bank Performance: Global Financial Crisis 2008**" investigates the role of Corporate Governance to enhance bank performance through empirical analysis using MRA.

The article of Sayed Kushairi Bin Sayed Nordin, Sek Siok Kun, titled **Investigating the relationship on CO2, energy consumption and economic growth: A panel data approach** investigated the effect of energy consumption, CO2 on economic growth studied the long-run relationship based using second generation panel unit-root and panel cointegration tests on oil importers and exporters.

The article of Zahid ur Rehman Khokher and Syed Musa bin Syed Jaafar Alhabshi, title "**Predicting Distress in Islamic Banks: The Effectiveness of Capital Measures in CAMELS Framework**" identified key capital adequacy measures and other parameters that effectively predict distress in Islamic banks.

Rodhiah Umaroh from Universitas Gadjah Mada Indonesia wrote "**Does Education Reduce CO2 Emissions? Empirical Evidence of The Environmental Kuznets Curve in Indonesia**", She used the Autoregressive Distributed Lag (ARDL) Bound Test approach to identify co-integration between CO2 emissions and education.

The article **Relationship between Leverage and Firm Size toward to Real Earning Management provided Unit Analysis of Mining Company Indonesia Exchange Stock Period 2012 until 2015**

The article **Method of Payments in the Merger and Acquisitions Transaction: The Case of Saudi Arabia** by Nadisah Zakaria, Kamilah Kamaludin and Alya Alkhalifa focused on The performance of mergers and acquisitions companies in Saudi Arabia.

The article "**Corporate board attributes and dividend payout likelihood**" by Idris Adamu Adamu, Rokiah Ishak, Nor Laili Hassan explored the influence of gender diversity and financial expertise on the likelihood of dividends payout using Pooled logistic regression on a sample of data from non-financial listed firms in Nigeria spanning from the years from 2009 to 2015.

The short and long-run performance of Sharia-Compliant initial public offerings (IPOs) in the emerging market: Evidence from the Saudi Arabia Share Market by Kamilah Kamaludin and Nadisah Zakaria investigated the short- and long-run share performance of 40 Sharia-compliant IPO companies listed on the Saudi Arabia Stock Exchange (Tadawul) from 1st January 2000 to 31st August 2017.

Finally the paper **Total Quality Management System in an Education Environment: The Case of a Private University in Bahrain** by Mahmood A Husain Ali Akbar, Mohd Ali Helmi, Syed Shah Alam contributed to our understanding on Quality management in education institutions.

All research articles in this special issue provided empirical evidences and used advance statistical tools. We extended our efforts to contribute in extending current understanding of economics and finance.

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