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Elements of sustainable growth: In search for an exit from the crisis

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The financial crisis that was triggered in the summer of 2007 has developed gradually into the worst global economic crisis in post-war economic history. In 2012 and 2013 most economies expanded at a pace below their potential and experienced unemployment that was well above their pre-crisis levels. Unemployment rates hit record high in eurozone economies, especially in the periphery. There is a vicious cycle of deleveraging, rising unemployment, fiscal austerity and financial sector fragility that fosters the contraction of economic activity in developed countries, which in turn spills over to developing countries and economies in transition.

In the context of rising unemployment levels and reduced budgets, and the disappointingly slow recovery, policy-makers and academics need to refocus their priorities into an orientation towards sustainable economic growth and job creation. The content of this special issue focuses on the qualitative/institutional elements of economic growth and addresses the issues of sustainable development and economic growth policies. In the process of doing so, the discussion expands on the qualitative determinants of economic openness, international business, and innovation. Moreover, the effect of economic migrants on the origin's country economic growth is also considered as the phenomenon has also expanded to developed countries due to the crisis.

The findings of the papers comprising this special issue have been presented at the International Conference on International Business (www.icib.eu) in May 2012 and contribute to the ongoing discussion for the elements of sustainable

economic growth. All papers have passed a double-blind referee process supervised by the two guest editors (Aristidis Bitzenis and Vasileios A. Vlachos) subject to the final approval of the journal's editor. The guest editors would like to thank the numerous reviewers (while maintaining their anonymity out of respect for their difficult decision) and the authors of the published papers in considering this special issue as an outlet of their high quality research.

In the first paper, Ioannis Tampakoudis, Dimitra Fylantzopoulou and Konstantina Nikandrou investigate the link between sustainable development and GDP growth in the eurozone. The authors utilize a set of sustainability indicators, which are classified as headline indicators by the European Commission and their findings signify the necessity for alterations on the current EU economic model, such as the requirement for differentiated policies in each member state due to the distinctive characteristics in the social, economic and political levels, and particularly due to the impact of the economic crisis.

George Sarafopoulos, Konstantinos Hazakis and Panagiotis Ioannidis study the process of local economic growth after the implementation of a local government institutional reform. The authors utilise game theory techniques in order to investigate regions that confront problems of uneven development and their findings indicate that social cohesion and effective implementation of reform are key elements for local economic growth.

Amany Fakher investigates the relationship between institutional quality and economic openness. The author quantifies the impact of quality of institutions on FDI and trade in Egypt and generates results in support of the hypothesis that institutional variation is an important determinant of trade and FDI flows and moreover, of their ability to generate positive externalities to the host economy.

Anastasia Blouchoutzi and Christos Nikas investigate the effects of remittances on the macroeconomic variables of consumption, imports and investment in two small, transition emigration countries. Their subject is quite relevant as this is an emergent phenomenon in advanced economies of the south eurozone periphery and moreover, indicates positive externalities from emigration to the origin country's economic growth.

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Last but not least is a research note by Nikolaos Sklavounos and Yannis Hajidimitriou who revisit the concept of trust in international joint ventures. The importance of their findings is also indicated by their research sample, which includes Greek businesses and therefore, implies new directions in the process of gaining a competitive advantage required for exiting the crisis.