

## INTRODUCTION



Dear Readers,

We offer to your attention a special issue of the Baltic Journal of Legal and Social Sciences, dedicated to modern problems and challenges of economics and finance, which we have united under the common ideology of FUTURE MONEY.

The annual special issue is a new tradition of Baltic International Academy, the aim of which is to present the ideas of honoured and young scientists, as well as of practicing professionals. Such a symbiosis of academic science, theoretical thought and practical experience lead to the serious and comprehensive discussion, to see the viability of theoretical calculations, and to give business practical solutions to problems.

Why we find this initiative to be so important? The world is changing rapidly. In fact, every 2–3 years there are events of unprecedented power and scale of impact on our daily lives. Unresolved global economic problems since the world crisis of 2007–2008, lack of answers to modern geopolitical challenges, lack of a coordinated strategy for solving a variety of social problems, united by the world community in the formulas of responsible development and ESG technologies, create situation when the scientific community communicate its position to the people more actively. Our journal is one of such platforms.

The Baltic Journal of Legal and Social Sciences follows the current trends to the fullest extent: a significant number of articles are devoted to digital finance, social economy and human problems in the world of finance.

The global pandemic COVID-19 has had a serious impact on the format of B2B and B2C interaction, pushed the transition of mankind to online technologies, remote work. The impact of digital technologies, year after year, is reshaping our lives and most significantly transforming the practice of banking, financial transactions and much more.

Banks and financial companies, as well as even central banks feel that the ground seem to be slipping from under their feet: the emergence of FinTech companies capable of carrying out financial transactions without banks and, moreover, without the involvement of a financial regulator. Platforms such as Facebook, Meta, etc. are already international in nature and their “population” reaches hundreds of millions of digital “citizens” who are ready to interact financially with each other.

It's but natural that the academic community shows its interest to Central Bank Digital Currency (CBDC), which is controlled by the state, and to the technologies of their development.

NFT and blockchain technologies greatly simplify the operations of buying and selling assets in two worlds: real assets and virtual assets. And implementation of new technologies eliminate multiple layers of intermediaries and controllers. Fast, cheap, absolutely transparent and controlled: this is the formula that will always satisfy the client.

Just imagine what a challenge it is not only to various unscrupulous businessmen, but also to the entire world bureaucracy. Sceptics, however, argue that no one will ever be able to defeat this dragon of bureaucracy. Another question, how will the most “peace-loving” states of the planet, uncontrolled by the civil society, make payments to any private military companies under the comprehensive implementation of blockchain? They will be the first to stand in the way of the introduction of these technologies.

We should not expect a seamless implementation, but the fact remains that these technologies are penetrating our lives step by step, changing the established order and way of life.

At the same time, questions about the place of the human being in the modern world are becoming more and more loud. Scientists have even chosen the term Phygital - a combination of man and his digital environment. As it turns out, this problem is more serious and multi-faceted, since in question is not only the place of man, in the world, but also about the place of the human in man himself.

The consumerist attitude to the planet and its ecology; the rapid growth of inequality and the gap between the poor and the rich; the geopolitical catastrophe of 2022, a war in the centre of Europe unimaginable to any sane person just a short time ago; the barbarians of the 21st century; the list of problems created by man is endless. Our actions have their consequences. And the price that humanity will pay is yet to be assessed.

The world pandemic has led to significant imbalances in the macroeconomics of leading countries and associations, so the volume of ECB and Fed emission, aimed at social programs and overcoming the consequences of the pandemic for a year and a half, is equivalent to the amount of money printed in the course of 10 previous years. As a consequence, inflation and volatility of economies. The volume of the U.S. government debt has exceeded the historical maximum of 33 trillion U.S. dollars and the country's stability rating has been changed downward. All this makes the world's leading economists and scientists talk about a protracted crisis.

Obviously, the search for new solutions, development and implementation of innovations that will allow to find harmony in the technologies of interaction between financial institutions and humans, ways of responsible business, to solve the issues of control and reduction of human consumption (including through those which introduce ESG technologies) is not only the task of scientists. The state and practical business should be active participants in the search and scientific dialog. The role of the new generation of citizens of the planet, modern students who took an active part in the preparation of articles of the journal is very important.

Editor of the special issue

*Alexey Aleksandrov*

Doctor of Sciences (Economic), MBA,

Visiting Professor of the Baltic International Academy

*Zanna Cernostana,*

Mg.oec., Assist. professor,

Director of the master program «International Finance and Economics»  
of the Baltic International Academy