Digitālās finanses un FinTech ekosistēma: inovācijas un ilgtspēja stratēģiskas nenoteiktības apstākļos / Digital Finance and the FinTech Ecosystem: Innovation and Sustainability under Strategic Uncertainty

Report of Contributions

https://conferences.lu.lv/e/818

Contribution ID: **1** Type: **not specified**

The role of mobile money in promoting sustainable development

The development of information technologies has contributed rapid growth of financial technologies (FinTech). Innovative technologies in the financial industry, including blockchain technology, artificial intelligence (AI), machine learning, etc., help improve financial services, facilitate access to finance, etc. This development has enabled financing initiatives related to the SDGs, making them essential for promoting sustainable development. Research on the role of mobile money in connection with achieving UN SDGs is essential because of its influence on multiple SDG domains. By overcoming geographic barriers, lowering transaction costs and increasing liquidity, mobile money can promote household consumption smoothing, firm working capital cycles, and the efficiency of public and private transfers. The case of the Baltic countries is useful for analysis due to their substantial progress made towards financial sector development, digitalisation of the economy, and moving towards sustainable development. However, the digitalisation level of the financial industry is not sufficient yet. The results of the study show that the development of the countries is significantly affected by technological innovations in the financial sector. It is relevant for promoting inclusive and sustainable economic growth; important for strengthening resilient infrastructure, industrialisation, and innovation, as well as reducing inequality within and among countries.

Primary author: FOMINS, Andris (University of Latvia)

Presenter: FOMINS, Andris (University of Latvia)

Contribution ID: **2** Type: **not specified**

Sustainability of Latvian Financial Technology (FinTech) Companies in the Digital Era

In the era of digital transformation, the development of financial technologies is characterised by high technological variability and dynamic innovation processes. These developments are clearly observable in Latvia, where they have contributed to the establishment and consolidation of a stable and growing FinTech sector. Companies in the industry evolve on the basis of digital solutions and technological progress, becoming a competitive alternative to traditional financial institutions. At the same time, Latvian FinTech companies are rapidly expanding in export markets, offering globally competitive and technologically advanced products.

The aim of the study is to evaluate the sustainability of Latvian FinTech companies in the digital era by analysing the economic, technological, and regulatory factors that influence their long-term viability and development prospects.

Latvia institutionally supports this development by continuously improving its regulatory environment and strategically positioning the country as a financial technology centre and innovation hub for emerging digital technologies.

Primary author: Mr JĒKABSONS, Andis (LU BA)

Presenter: Mr JĒKABSONS, Andis (LU BA)

Contribution ID: **3** Type: **not specified**

From AI Exposure to Productivity Growth or Social Fragmentation

Artificial intelligence (AI) is increasingly seen as a key factor in boosting future productivity. However, the important question now shifts from AI's general potential to its varying effects in different countries. Recent analyses by Moody's predict that AI could increase labor productivity by about 1.5% each year across a group of 106 nations, leading to a total growth of around 15% over ten years. However, these gains are not certain. They will not be shared equally, nor will they be socially neutral. The current research raises a crucial question: under what conditions does exposure to AI lead to real productivity gains at the national level? The argument focuses on the interaction of three main factors: the types of jobs in the workforce, demographic aspects, and the effectiveness of institutions. Countries with a large number of jobs that work well with AI are likely in a better position to take advantage of productivity benefits. Meanwhile, aging populations might see different results based on their labor market conditions and their ability to handle changes. The study will use a cross-country panel dataset that includes about 80-120 economies, depending on data availability. It will combine AI-exposure metrics from IMF datasets with economic, demographic, and institutional indicators from the World Bank, OECD, and United Nations. The analysis will use regression methods to find the relationship between AI exposure and productivity growth. It will include interaction terms to see how factors like aging, social safety, education systems, and labor market conditions affect this relationship. The study aims to show that AI does not change economies in the same way for everyone; instead, it creates advantages based on specific conditions. Some countries may turn AI exposure into inclusive productivity growth, while others may face rising inequality, labor market disruptions, and increased social division.

Primary author: KUZMINA, Jekaterina (BA School of Business and Finance of the University of Latvia)

Presenter: KUZMINA, Jekaterina (BA School of Business and Finance of the University of Latvia)