



# FORUM

INTERNATIONAL ACCOUNTING

## INTERNATIONAL ACCOUNTING SECTION OF THE AMERICAN ACCOUNTING ASSOCIATION

NO. 52

SUMMER 1994

EDITOR: Ross Tondkar  
Virginia Commonwealth University

### CHAIRPERSON'S MESSAGE

Another year in the Section's history is drawing to a close. You will be pleased to learn that this year's committees have been hard at work to accomplish the twin objectives I set for the Section; namely, 1) assisting the AAA membership at large in introducing students to the international dimensions of accounting, and 2) apprising researchers of the many issues in this area of specialization that merit scholarly investigation.

In the area of curriculum and pedagogy, outstanding continuing education workshops were held at the AAA's various regional meetings. Especially noteworthy were sessions held at the Western, Southwestern, Mid-West and Mid-Atlantic Regions. I am informed that the sessions were well received and the discussions substantive. A sincere "mahalo" to Shirley Daniel, Stephen Salter, Grace Pownall, Alvin Carley, Timothy Sale, Robert Sack and Pat McQueen for their fine efforts in this regard.

Ed Shoenthal (Educational Resources Committee) reports that his committee is close to completing its tasks of 1) assembling a kit of instructional materials that will support curriculum and classroom efforts, and 2) undertaking a thoughtful content analysis of international accounting course outlines to identify alternative approaches to teaching the subject. Given the future availability of these resources to accounting instructors everywhere, there will be no excuse for not taking the international dimension into the classroom.

On the research front, Cheryl Fulkerson (Research Committee) reports that her committee has been very productive. Most sections of the research monograph are now in revised form. She is now working with Kathleen Bindon (Advisory Committee) to ensure that the topics covered are representative and that the monograph is submitted in late June as scheduled. The Advisory Committee is finalizing its priority list of international accounting practice issues and preparing a recommendation on IAS Commit-

tee structure to be presented at the Section's annual meeting in New York City.

Shahrokh Saudagaran (Publications Committee) has reviewed the long-awaited international accounting bibliography that is being compiled by Konrad Kubin. He has contacted the AAA's office in Sarasota to finalize the logistics of making available the revised end-product to the AAA membership (IAS members included, of course) within a month of receiving the revised version from Konrad.

Mark Lang (IAS Program Committee) reports that 36 papers were received for possible presentation at this year's AAA Annual Meeting and nine were recommended for concurrent sessions. The sessions are outlined below:

Session 1: Capital Markets Research in International Accounting  
Moderator: Andrew Alford  
Discussant: Sandra Chamberlain

"Do Japanese Analysts Overreact or Underreact to Earnings Announcements."

First author: Wikil Kwak

"Equal Access to Information: The Stock Price Effects of Foreign Firms' Noncompliance with U.S. and UK Rules Requiring Cross-Jurisdiction Conformity of Disclosure."

First author: Grace Pownall

"The Financial Reporting of Foreign-Exchange Derivatives: Synopsis and Introduction."

First author: Stephen Goldberg

Session 2: Descriptive Analysis of International Accounting Issues

Moderator: Gordian Ndubizu

Discussant: Oscar Holzman



Frederick D. S. Choi

(Continued on page 2)

**Chairperson's Message**  
(Continued from page 1)

"Accounting Harmonization Between Australia and New Zealand: Towards a Regulatory Union."

First Author: Asheq Rahman

"Norsk Hydro's Communication to International Capital Markets: A Blend of Accounting Principles."

First author: Norvald Monsen

"The Development of International Accounting Standards: An Analysis of Constituent Participation in Standard Setting."

First author: Sara Kenny

**Session 3: Experimental and Survey Research in International Accounting**

Moderator: Veronique Frucot

Discussant: Laureen Maines

"Cultural Sensitivity to the Demand for Internal Auditors: Experimental Evidence from Asia and the West."

First author: Steven Kachelmeier

"An International Comparison of Moral Constructs Underlying Auditors' Ethical Judgments."

First author: Jeffrey Cohen

"Professionalism and Accountants: A Cross-Cultural Analysis."

First author: Cynthia Jeffrey

Mark and his committee members are to be congratulated for putting together what promises to be an interesting and informative program.

Carol Frost (Dissertation Award Committee) reports that her committee received three submissions to be considered for the Section's 1994 award. There is a possibility that the Committee will not grant an award this year. Reviews received thus far indicate that the submissions do not meet the International Section's quality standards.

Chee Chow (Outstanding International Accounting Educator Award Committee) reports that his committee has selected its recipient for the 1994 award. In keeping with tradition, the name of the recipient will be announced at the Section's annual luncheon at the AAA annual meeting. The Committee recommends that the award be made an occasional one in the future, such that it can but does not have to be given every year. The Committee believes that this change will increase the perceived stature of the award.

David Yang (Membership Committee) and his committee have prepared a new membership package. This package has been sent to the directors of each accounting doctoral program to enlist doctoral students as new members, made available at each AAA regional meeting and distributed at major accounting conferences held this academic year. The Section's 1994 Membership Directory has been submitted to Sarasota for publication and is scheduled to be mailed to IAS members by July 1994.

I want to take this opportunity to thank my committee chairs and especially the members of the Section, both here and abroad, who contributed their time and talents to make this year a most productive one. Although space does not permit individual acknowledgement, rest assured that you will be recognized at our annual meeting in New York City. More important, future generations of students will benefit from your efforts, and for that, you have earned our heartfelt thanks. It has been a pleasure serving as your section chairperson. Thanks to your collective efforts we have established a sound platform on which to build.

Frederick D. S. Choi

**CALL FOR NOMINATIONS**

The Nominations Committee of the International Accounting Section is soliciting nominations for the positions of Academic Vice-Chairperson, Practice Vice-Chairperson, Secretary, and Treasurer for 1995-96. Nominations for the Advisory Board are also being solicited. The deadline for submitting nominations is February 1, 1995.

Nominations should be sent to:

Kathleen E. Sinning  
3182 Haworth College of Business  
Western Michigan University  
Kalamazoo, Michigan 49006  
FAX: (616) 387-5710  
Ph: (616) 387-5259

**EDITOR'S NOTE**

The deadlines for future issues of *International Accounting Forum* are:

1994 Fall Issue - September 1, 1994

1995 Spring Issue - January 1, 1995

Send news items to:

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# C ALL FOR PAPERS



## INTERNATIONAL ACCOUNTING RESEARCH CONFERENCE

Co-Sponsored by  
The American Accounting Association  
and the KPMG Peat Marwick Foundation

The American Accounting Association is pleased to announce that the KPMG Peat Marwick Foundation has agreed to co-sponsor a conference on research addressing international accounting issues. The conference will be held at KPMG Peat Marwick's Quality Institute in Montvale, New Jersey, U.S.A. on Friday and Saturday, March 24-25, 1995. The conference agenda will include presentation and discussion of five competitively chosen research papers and a panel discussion of a current topic in international financial reporting. Attendance is open to experienced international accounting researchers; qualified accounting researchers who have little or no experience with international accounting; nonacademics with international accounting research interests; and selected doctoral students.

Papers are invited in all areas of international accounting, including international auditing, tax, financial reporting, and managerial accounting. Papers using all research approaches, including analytical, experimental, field study, and archival-empirical approaches, will be considered. The rigor and relevance of the research will be the main criteria in selecting papers for the conference. While copies of all working papers accepted for the conference will be mailed to registrants, no formal proceedings will be published. Papers must be written in English, and must not be under consideration for publication or accepted for publication. Manuscripts should be typed, double-spaced, on one side of the paper only, and authors should follow the "Instructions to Authors" given in *The Accounting Review* for formatting. Please mail (do not fax) three copies of each paper for review. Only completed manuscripts will be accepted for review: please do not submit abstracts. All papers will be blind reviewed by two reviewers. All travel, lodging and meal expenses for one author of each accepted paper will be reimbursed through the sponsorship of the KPMG Peat Marwick Foundation.

To be considered, papers must be received (not post-marked) by October 14, 1994. Papers received after this date will not be considered. Authors will be notified of the decision on their papers by January 2, 1995. Send papers to:

Professor Grace Pownall  
Emory Business School  
1602 Mizell Drive  
Atlanta, Georgia 30322

## THE THIRD MANAGEMENT CONTROL SYSTEMS SYMPOSIUM LONDON, U.K.

July 3, 4, and 5, 1995  
Imperial College  
University of London

Jointly sponsored by the **ACCOUNTING BEHAVIOR AND ORGANIZATIONS** section of the American Accounting Association and the **BRITISH MANAGEMENT CONTROL ASSOCIATION**.

### Submission Details:

Submissions are invited for papers pushing back the frontiers of research in the area of management accounting and control systems including: theoretically informed case studies; behavioral and organizational aspects of activity based costing and strategic cost management; postmodernist and poststructuralist analysis of control issues; critical social theory-based studies of management accounting; historical archaeological and genealogical studies of management accounting developments; empirical and lab studies of asymmetrical information, moral hazard, and adverse selection issues; impact of culture on design and use of management accounting systems; management accounting and control of the labor process; management control developments in former communist countries; impact of control systems on gender and minority groups; financial controls in public sector and healthcare organizations; management control and advanced information technologies; management control during organizational decline; behavioral accounting teaching innovations; ethics of managers' manipulation of management control systems; impact of management controls on environmental concerns; business strategy and control systems; and theoretical think pieces.

Authors should submit three copies of complete papers by February 1, 1995. Authors will be advised of the editorial panel's decision by March 30, 1995. Send papers to:

Professor Norman B. Macintosh  
Queen's University  
Kingston, Canada, K7L 3N6  
EMAIL: macintsh@qucdn.queensu.ca  
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Professor David T. Otley  
Lancaster University  
Lancaster, U.K., LA1 4YX  
Fax: 44-524-847-321

## "HAVE YOU SEEN...?"

by  
Mike Kennelley, Florida State University

**"The Information Content of Segment Disclosures: Australian Evidence,"** by M. J. Aitken, R. M. Czernkowski and C. G. Hooper, *ABACUS* [Vol. 30, 1994]: 65-77.

This paper investigates whether the voluntary decomposition of consolidated earnings disclosures into industry segments has information content in the sense that such disclosures better enable investors to predict earnings. The broad rationale underlying the experimental design is that if segment disclosure does enable investors to better predict earnings then residual abnormal returns (after controlling for unexpected earnings) surrounding the earnings announcements of firms providing segment disclosures should on average be significantly lower than a matched group of firms that do not provide this type of disclosure. Using a short event window design, the results support this view.

**"The Relation between Returns and Earnings: Evidence for the U.K.,"** by N. Strong, *Accounting and Business Research* [Vol. 24, 1993]: 69-77.

This paper presents an empirical study of the explanatory power of annual earnings figures for annual stock returns using UK data. The analysis is performed on a sample of companies, with varying year-ends, over the period 1969-1990. The research exploits Ohlson's recent theoretical contributions to the study of the valuation relevance of accounting information, and it complements a study by Easton and Harris (1991) on US data. Similar to the results of Easton and Harris, the results for the UK provide consistent evidence that both earnings levels and earnings differences have significant explanatory power for security returns. However, unlike Easton and Harris, the evidence from individual year regressions suggests that changes in earnings rather than the level of earnings may be more important in explaining security returns in the UK.

**"Predicting Uncertainty Audit Qualifications in Australia Using Publicly Available Information,"** by G. S. Monroe and S. Teh, *Accounting and Finance* [Vol. 33, 1993]: 79-106.

This research project constructed a logit model to predict "subject to" qualified audit opinions using financial statement and market variables for 1,848 audit reports for Australian companies issued from 1984 to 1988. The model provided a better goodness of fit and was more efficient than two naive strategies for predicting "subject to" audit qualifications. The model explicitly incorporated the relative costs of Type II to Type I errors to account for the auditor's asymmetrical loss function. The model was reasonably accurate when a sensitivity analysis for the

relative costs of Type II and Type I errors was considered. The accuracy rates for the estimation sample ranged from 70% to 95%. An inter-temporal holdout sample of 293 audit opinions for Australian firms issued during 1989 indicated that the model was useful for predicting "subject to" audit opinions. The accuracy rates for the holdout sample ranges from 72% to 90% over a range of relative Type II and Type I costs.

**"An Empirical Study of the Audit Expectation-Performance Gap,"** by B. Porter, *Accounting and Business Research* [Vol. 24, 1993]: 49-68.

The critical, litigious environment which characterizes auditing today can be traced to the audit expectation-performance gap. Defined as the gap between society's expectations of auditors and auditors' perceived performance, it is seen to comprise 'reasonableness' and 'performance' components, the latter being subdivided into 'deficient standards' and 'deficient performance'. Empirical research was conducted in New Zealand in 1989 to investigate the audit expectation-performance gap. The study enables the duties which constitute the reasonableness, deficient standards and deficient performance components of the gap to be identified. It also provides the means to estimate the relative contribution of the duties to their respective components, and of the components to the overall gap between society's expectations of auditors and auditors' perceived performance. The research provides new insights into the structure, composition and extent of the audit expectation-performance gap but, more importantly, it signals a rational, comprehensive approach towards narrowing the gap. If adopted, this should bring society's expectations of auditors and auditors' performance into closer accord and, as a consequence, reduce the criticism and litigation which auditors face today.

**"The True and Fair View Requirement: Impact on and of the Fourth Directive,"** by C. Nobes, *Accounting and Business Research* [Vol. 24, 1993]: 35-48.

The overriding British legal requirement for financial reporting of giving 'a true and fair view' (TFV) has been exported to continental Europe via the European Community's (EC) Fourth Directive on Company Law. This paper considers accounting rules in continental Europe before this process, and traces the gradual acceptance of the predominance of TFV in the drafting of the Directive after UK accession to the EC. The signifiers used in different European languages in the various drafts of the Directive are examined. It is noted that all (eight) other versions contain only one adjective (generally equivalent to 'faith

*(Continued on page 5,*

## Have You Seen...? (Continued from page 4)

ful') rather than true *and* fair. The origins of the Dutch *getrouw*, the French *fidèle*, etc. are looked into. As the Directive evolved, and particularly as it was implemented in the twelve EC states, greater linguistic variety emerged, such that five countries changed the wording from the original Directive and two others qualified the wording. Whether this affects what TFV signifies is investigated. Countries can also be divided into several groups with respect to the effects of having the TFV in law. The extremes appear to be the UK and Germany.

**"Personality Biases of Accounting Students: Some Implications for Learning Style Preferences,"** by P. Booth and H. Winzar, *Accounting and Finance* [Vol. 33, 1993]: 109-120.

This paper reviews the evidence of a Myers-Briggs personality type bias for accounting students. A survey of a sample of accounting majors in three Australian universities supports the overseas evidence that there appears to be a strong tendency for accounting students to have common preferences on three of the four Myers-Briggs dimensions. The findings of this research suggest that while significant diversity is still evident, there is a bias in the Myers-Briggs personality profiles of accounting students towards preferences for sensation over intuition, thinking over feeling, and judgment over perception. Research in psychology and education has shown that different Myers-Briggs personality preferences are associated with significant differences in how people prefer to learn, and the types of learning experiences under which they perform best, that is personality types are associated with distinct learning styles. These outcomes suggest that accounting educators should cater to the variety of personality types among their students by adopting a diversified teaching approach. Such an approach should provide a balance of learning experiences and teaching strategies by attempting to challenge the weaknesses of the personality bias of accounting students in the intuition, feeling and perception areas, and building upon their strengths in the sensation, thinking and judgment areas.

**"The Role of Accounting in Ideological Conflict: Lessons from the South African Divestment Movement,"** by P. Arnold and T. Hammond, *Accounting, Organizations and Society* [Vol. 19, 1994]: 111-126.

Social critiques of accounting have challenged the conventional view of corporate social disclosure as a neutral, technical tool for enhancing corporate social responsibility, and stressed the ideological role accounting plays in legitimating corporate activities. This paper extends the literature on the role of accounting in ideological conflict by examining the ideological role accounting and social disclosure played in the South African divestment debates in the United States during the 1970s and 1980s. The history of the Sullivan Principles and institutional divestment from South Africa provides an empirical context for exam-

ining both the potential and limits of accounting's capacity to serve the interests of subordinate groups and social movements.

**"Joking Apart: The Serious Side to the Accountant Stereotype,"** by P. D. Bougen, *Accounting, Organizations and Society* [Vol. 19, 1994]: 319-335.

This study examines the phenomenon of an accountant stereotype as a widely reproduced representation of the accounting persona. In particular, it is concerned with how the stereotype is constructed within the discourse of humour. The study argues that the accountant stereotype, which on the face of it might appear as a relatively unambiguous characterization, constitutes in fact a complex configuration of images incorporating representations of the accountant, the bookkeeper, accounting and bookkeeping. This complexity is shown to underscore the significance of the stereotype and jokes about it, for those engaged in the practice of accounting. By examining different historical accounting contexts, the stereotype is also shown to be a fragile assembly of images, which can be subjected to transformation in different historical situations. The study concludes by addressing some of the issues which are currently reconstructing the accountant stereotype.

**"Overcoming Barriers: Early African-American Certified Public Accountants,"** by T. Hammond and D. W. Streeter, *Accounting, Organizations and Society* [Vol. 19, 1994]: 271-288.

This study challenges the notion that public accounting firms in the United States have provided equality of opportunity. Utilizing theories of racism and recognizing the importance of highlighting hidden histories, it examines the early history of African-Americans in public accounting. Through examinations of the literature and interviews with several of the first African-Americans to obtain the CPA, this paper demonstrates that African-Americans were actively excluded from full participation in the field for most of this century.

**"An Empirical Examination of the Determinants of Audit Delay in Hong Kong,"** by P. P. H. Ng and B. Y. K. Tai, *British Accounting Review* [Vol. 26, 1994]: 43-59.

The timeliness of corporate financial reports has been an issue of paramount importance. The recognition that the length of the audit is one of the single most important determinants of the timeliness of the earnings announcement has motivated recent research on audit delay in different countries. This paper is the first-time study in Hong Kong to examine the determinants of 'audit delay', the length of time from a company's financial year-end to its audit report date. A multiple regression analysis is used, modelling audit delay as a function of ten explanatory variables. The result indicates that two variables included in the model are significant across the two years examined.

(Continued on page 6)

**"The Effects of Differential Perceptions of Formal Budgetary Procedures on Affective Employee Responses,"** by R. B. Welker and N. Magner, *British Accounting Review* [Vol. 26, 1994]: 27-41.

Prior budgeting research has established that characteristics of organizational budgeting systems are linked to affective employee responses. This work has generally assumed that variation in affective responses between employees is due to differences in the actual characteristics of the budgetary systems they face. The present study examines whether employees facing the same formal budgetary system characteristics vary in their affective responses because of differences in how they perceive the system characteristics. Data were gathered with a survey of non-supervisory production workers at a single plant and analyzed with hierarchical regression analysis. The results indicate that employees who are subject to a common set of formal budgetary procedures vary in their perceptions of the extent to which those procedures are functioning; this variation in perceptions of budgetary procedures, in turn, explains variation in perceived budget usefulness, general attitude toward the budgetary process, and organizational commitment. Implications of the results to budgetary decision makers are discussed.

**"A Comparative Study of Auditors' Attitudes to Uncertainty Qualifications: An Empirical Test of the Strong Versus Weak Uncertainty Avoidance Hypothesis,"** by F. A. Gul and J. Tsui, *The International Journal of Accounting* [Vol. 28, 1993]: 356-364.

This study empirically examines the effects of the cultural dimension, uncertainty avoidance (UA), on Hong Kong (Chinese) and Australian (Caucasian) auditors' perception of the uncertainty "subject to" audit qualification. A test is used to evaluate the proposition that, in line with the UA hypothesis, Hong Kong auditors will demonstrate a higher preference for the "subject to" qualification than Australian auditors when given information regarding uncertainty in the financial statements. The results showed that Hong Kong auditors have a higher preference to issue a "subject to" qualification than Australian auditors. This can be explained by the UA hypothesis which posits that auditors in weak UA society (i.e., Hong Kong) who feel more secure and less threatened by the risk of losing clients have a higher preference for the "subject to" qualification than auditors in strong UA society (i.e., Australia).

**"Explaining the International Supply of Auditors,"** by D. Morse, *The International Journal of Accounting* [Vol. 28, 1993]: 347-355.

The proportion of auditors in a country's population varies considerably from country to country. Economic and cultural variables are used to explain the supply of auditors in 62 different countries. Countries that have a higher percentage of workers in the financial sector and former British colonies tend to have a higher proportion of

auditors. Countries that are poorer and predominantly Moslem tend to have a lower proportion of auditors.

**"Accounting for Software Costs in the United States and Japan: Lessons from Differing Standards and Practices,"** P. Scarbrough, R. McGee and M. Sakurai, *The International Journal of Accounting* [Vol. 28, 1993]: 308-324.

Software cost may soon exceed the cost of the fixed assets for automated production facilities in all countries. This examination of the software construction and standard-setting environments in the United States and Japan demonstrates how different conceptual accounting models of a new process impact the accounting standards. The authors indicate how the cost accounting focus in Japan led to a different model of the development process (essentially a construction metaphor) than did the financial accounting focus and fairly rigid US accounting standards of the mid-1980s (which resulted in use of a manufacturing production metaphor).

**"The Association between Audit Quality, Retained Ownership, and Firm-Specific Risk in U.S. vs. Canadian IPO Markets,"** by P. M. Clarkson and D. A. Simeonic, *Journal of Accounting and Economics* [Vol. 17, 1994]: 207-228.

This paper tests the demand-side prediction of Datar, Feltham, and Hughes (1991) that new issuers of securities are more likely to choose a high-quality auditor and retain a lower level of ownership as the firm-specific riskiness of future cash flows increases. Previous tests of this hypothesis using U.S. data have generally been inconclusive, perhaps because an increase in the riskiness of client cash flows simultaneously increases an auditor's litigation risk and supply price. The results using data from a significantly different legal environment (Canada) are consistent with the predictions of Datar, Feltham, and Hughes.

**"An Empirical Examination of a Model of the Turnover Intentions of Information Systems Auditors,"** by R. Quarles, *Journal of Applied Business Research* [Vol. 10, 1994]: 73-85.

This study addresses the applicability of existing models of auditor's and accountant's turnover to information systems (IS) auditors. Excessive, unprogrammed IS auditor turnover may decrease stability and expertise in an area critical to the development, audit, and control of computerized accounting information systems. Identification of the factors affecting IS auditor turnover will better equip management to deal with that turnover. The data indicate that several factors under the direct control of management affect the turnover intentions for the sample of IS auditors examined.

**"Accounting for Employee Stock Options as Contingencies,"** by A. Y. Lew and J. F. Schirger, *Journal of Applied Business Research* [Vol. 10, 1994]: 19-24.

The accounting profession has long attempted to improve the disclosure of compensatory stock option infor

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## Have You Seen...? (Continued from page 6)

mation in financial reporting. While evidence of inconsistent practice has been publicized and acknowledged, suggestions for readjustment center largely around technicalities. The purpose of this article is to: (1) identify the inherent weakness of existing accounting principles on stock options, and (2) propose a new framework to account for employee stock options so that conflicting issues can be resolved in theory as well as in accounting practice.

**"An Empirical Analysis of Factors Affecting Cross-Border Acquisitions: U.S.-Japan,"** by R. J. Kish and G. M. Vasconcellos, *Management International Review* [Vol. 33, 1993]: 227-245.

This research examines cross-border mergers and acquisitions involving American and Japanese firms within the context of the broad movement toward the internationalization of business and finance which has taken place at an unabated pace since the end of WWII. The empirical research in the U.S. - Japan case examines cross-border mergers and acquisitions in the period 1982 - 1989. The authors identified certain variables which help explain why, during most of the last decade, Japanese companies were more likely to acquire American companies than vice-versa.

**"Market Efficiency in Developing Countries: A Case Study of the Nairobi Stock Exchange,"** by J. P. Dickinson and K. Muragu, *Journal of Business Finance and Accounting* [Vol. 21, 1994]: 133-150.

This study extends evidence on the efficiency of stock markets in developing countries using data from the Nairobi Stock Exchange (NSE), and also addresses some methodological issues which have contributed to the sparseness of similar studies. Evidence is provided that small markets such as the NSE may provide empirical results consistent with weak-form efficiency. This evidence holds for the NSE irrespective of whether bid-, ask-, or market-price series are used in conducting the study.

**"Statistical Properties of Daily Returns: Evidence from European Stock Markets,"** by A. Cornay and A. T. Rad, *Journal of Business Finance & Accounting* [Vol. 21, 1994]: 271-282.

This paper attempts to model the distributional properties of daily stock returns on several European Stock Exchanges. The empirical findings reveal the presence of non-linear dependencies that cannot be captured by the random walk model. A model of return-generating process that fit the data empirically is the Generalized Autoregressive Conditional Heteroskedastic GARCH(1,1) process with a conditional student-*t* distribution.



## CALL FOR PAPERS

### *Accounting Horizons*



As of July 1, 1994, all submissions to *Accounting Horizons* should be sent to Helen Gernon at the University of Oregon. In general, *Horizons* publishes carefully edited, articulately written, practice-based papers. The journal's focus is **applied**. Practitioners are widely used in the review process because their views as to what is relevant are invaluable. *Horizons* represents a partnership between the accounting profession and academia. This is what makes *Horizons* successful and able to fulfill its unique mission.

*Accounting Horizons* publishes articles and other items of interest to practicing accountants in industry, public accounting, and government; educators; students; and others who have a strong interest in contemporary accounting theory, practice and policy. The views of thoughtful and knowledgeable accountants from all disciplines, regarding the **application** of accounting ideas are invited. Articles shall explore a substantive research question that is practice oriented, and include methodologically supported conclusions or recommendations. Priority is given to those articles which have the most potential to make a difference—to society and to accountancy.

Commentaries from practice, policy setting and academia are invited on a regular basis. This section is used

to publish specific topical statements which are not readily available to accountants elsewhere. From time to time, a joint commentary by a practitioner and academic may be commissioned. This section of the journal is used to help bridge any gap between practice and theory. *Horizons* is also receptive to uninvited commentary submissions, which may be edited for their appropriateness and relevance to the readership.

As the incoming Managing Editor, I encourage you to submit your work to *Accounting Horizons*. I also encourage you to share your commentary ideas with me. If you have suggestions for sections covering special topics, applicable committee reports, relevant speeches or other innovative ideas, please let me know. I can be reached at the address and phone that follow.

Helen Gernon  
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## NEWS FROM AROUND THE WORLD

### UNITED STATES

Professor M. Zafar Iqbal at California Polytechnic State University - San Luis Obispo, presented a paper titled "Restructuring the Workforce in the Societal Context" at the 17th Annual meeting of the European Accounting Association held in Venice, Italy during April 6-8.

### AUSTRALIA AND NEW ZEALAND

#### 1994 AAANZ Conference News

The 1994 Conference of the Accounting Association of Australia and New Zealand (AAANZ) - **Pacioli: 500 Years On** is to be held at the University of Wollongong near Sydney from 3-6 July 1994. The plenary speakers are **Katherine Schipper**, University of Chicago and Editor of the *Journal of Accounting Research*, and **Gerhard Muller**, Director, Accounting Change Commission and International Accounting expertise. The Conference could be an exciting and stimulating event.

#### International Accounting Group of AAANZ

Prior to the AAANZ conference, the International Accounting Group (IAG) has organised a one and a half day seminar on 2-3 July 1994 at the Northbeach Hotel, Wollongong.

#### Institute of Chartered Accountants News

The Institute of Chartered Accountants in Australia (ICAA) has launched its White Paper "Chartered Accountants in the 21st Century." The ICAA believes the educa-

tional process for Chartered Accountants in the future must focus on the dual axes of skill flexibility combined with outstanding client service. The White Paper has been widely distributed to the educationalist and professionals for their discussion and comments.

#### New University's News

Southern Cross University (SCU) was established on 1st January 1994, the 38th university in Australia following the dismantling of University of New England. SCU has two campuses; i.e., Lismore and Coffs Harbour in New South Wales state.

From international perspective, Professor Phil Neck has tremendous responsibilities for International Management and Development at SCU. Professor Neck has spent 28 years with the United Nations and will use his UN director's skills and contacts in his new job. He sees possibilities for helping other countries develop business schools, and proficiency in the English language, using distance education and franchising material from Southern Cross.

### SAUDI ARABIA

#### Saudi Organization for Certified Public Accountants

The Saudi Organization for Certified Public Accountants (SOCPA) has been established by the Royal Decree No. M12 dated 13, 5, 1412H (19.11.1992). Its main objective is to promote the accounting and auditing profession and all other related matters that might lead to the profession's development in the Kingdom of Saudi Arabia.

*American Accounting Association*

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