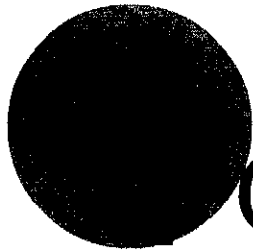


INTERNATIONAL
ACCOUNTING SECTION
of the



American
Accounting
Association



FORUM

INTERNATIONAL ACCOUNTING

NO. 73

SUMMER 2001

EDITOR: Don Herrmann
Oregon State University

Chairperson's Message

As I conclude my term as Section chair, I would like to bring you up to date on the Section's activities for the year and give you a preview of events that will take place at the 2001 AAA Annual Meeting in Atlanta. First, however, I would like to thank the individuals who served the Section this year, as Section officers, committee members and chairs, and regional program coordinators. Thank you for your dedication to the Section and for making this a great year!

As reported in the Spring issue of *Forum*, the Section held a very successful seventh midyear meeting in Phoenix, Arizona. Attendance was very good. I am certain that you will want to attend the eighth midyear meeting that will be held in Fort Lauderdale Florida on January 11-12, 2002. Thanks are due to Donna Street and Nancy Nichols for organizing the 2001 meeting and for agreeing to work with Rick Niswander to organize the 2002 meeting. See you at the meeting!

The Section's new journal, *Journal of International Accounting Research*, is up and running. The Editor, R. S. O. (Segun) Wallace has issued a call for papers and several high-quality papers are currently in review. Segun and Ed Swanson, chair



Teresa Conover

of the Publications Committee, have drafted an editorial policy for the new journal.

The Section's regional coordinators were successful in organizing international accounting research and panel sessions at the AAA regional meetings. I would like to thank each of the regional coordinators for their part in organizing

the international accounting sessions and to also thank Marilyn Zarzeski, chair of the Regional Programs Committee, for her hard work.

The Teaching Resources Committee, chaired by Ross Tondkar, recommends that the Section consider giving an award at the Section's annual meeting to individual(s) for developing and implementing an innovative classroom activity, concept, or set of materials used to integrate international accounting topics into the accounting curriculum. The primary objective of the award is to encourage faculty to incorporate international accounting topics into accounting curricula, and enhance the visibility of the Section. The criteria for selecting this award will be developed by the Committee and will be based upon the criteria developed by the American Accounting Association,

the American Taxation Association, and the Academy of Accounting Historians, organizations that grant awards for innovative teaching. I think that this award is a great idea, and one that will encourage us to share successful teaching ideas and inspire examination of important international accounting topics by a larger audience.

Tim Sale continues to do a fine job as webmaster for the Section. There is extensive useful information available on the Section's web site, not only about Section activities but also other items that should be of general interest to Section members. There is also a great deal of Section history on Norlin Rueschhoff's web site. Bookmark both web sites for Section information and updates.

Special thanks are also due to Don Herrmann who did an outstanding job in his first year as editor of the *Forum*. Just a reminder, if you are willing to forgo receiving a hard copy of the *Forum* newsletter in favor of the electronic version available on the Section's web site, please contact Tim Sale. We hope to make an eventual move exclusively to an electronic version, thereby decreasing operating costs for the Section.

The Nominations Committee, chaired by Hans Dykxhoorn, worked hard this year to put together an

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International Accounting Forum
Published Triannually
American Accounting Association
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Sarasota, FL 34233-2399

Chairperson's Message (continued from page 1)

outstanding slate of nominees for next year's officers. Once the slate has been approved at the Section's business meeting in August, Chair-Elect David Sharp will have an effective Executive Board to help him oversee the Section's activities.

Both Ed Douthett and Mohan Venkatachalam have been busy working on membership issues. Ed Douthett, chair of the Membership Committee, is conducting a membership survey for the Section. Mohan Venkatachalam, chair of the International Relations Committee, reports that the response from donors to the gift membership program continues to be strong and that the Section will be able to provide gift memberships to about 25 institutions this year.

Jenice Prather, chair of the Continuing Education Committee, has arranged for two international CPE sessions in conjunction with the AAA Annual Meeting. Paul Pacter, who has recently left the IASB (new name, International Accounting Standards Board), will provide a session, "IASC Update and U.S. GAAP Comparison." Fred Choi will present a seminar on international accounting research.

Susan Borkowski and the "Outstanding International Accounting Dissertation Award Committee" report that they have selected a winner to receive this year's award. John Wild and his committee have also worked hard to select the recipient of the Outstanding International Accounting Educator Award. A good reason to attend the Section's luncheon at the AAA Annual Meeting is to learn who are the recipients of these

two prestigious awards.

Another good reason to attend the Section's luncheon is to hear the remarks of Thomas (Tom) J. Falk, President and Chief Operating Officer of Kimberly-Clark Corporation. Also, don't miss the outstanding program of international sessions organized by Bruce Behn and the Annual Meeting Program Committee. The Section will have seven concurrent paper sessions and one panel session. Several international papers will also be represented at the research forum.

Ajay Adhikari and I had the honor of representing the International Section at the AAA Council Meeting on March 24 in Miami, Florida. One of the items discussed at the meeting, which affects Section members, was the AAA Quality of Earnings Project. The AAA will be publishing special editions of both *Issues in Accounting Education* and *The Accounting Review* related to earnings quality. The AAA will also host a special conference related to the Quality of Earnings Project. Please see the AAA Quality of Earnings information on the AAA web site. Web addresses that have further information include <http://accounting.rutgers.edu/raw/aaa/calls/calls121.htm> and <http://www.aaahq.org/qoe/tarcall.htm>.

Thank you again to everyone who helped make this another successful year for the Section. It has been an honor and privilege to serve as your Chair. I look forward to seeing many of you in Atlanta.

Teri Conover

INTERNATIONAL ACCOUNTING SECTION FORUM DEADLINES FOR 2001

Fall 2001 Issue—September 1, 2001

Spring 2002 Issue—January 1, 2002

Summer 2002 Issue—May 1, 2002

Please submit items via email using a Word format file as an attachment. Submit to herrmann@bus.orst.edu.

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SCHEDULE OF ACTIVITIES
INTERNATIONAL ACCOUNTING SECTION
AAA Annual Meeting
Atlanta, Georgia • August 12–15, 2001

Monday, August 13 (2:00 pm–3:30 pm)

Session Title: Financial Instruments—International Joint Group Proposals

Moderator: Donna L. Street, James Madison University

Panelists: Ian P. N. Hague, Canadian Institute of Chartered Accountants and Canadian Representative to International Financial Instruments Joint Working Group of Standard Setters

J. Alex Milburn, Chair and IASC Representative to International Financial Instruments Joint Working Group of Standard Setters

Michael Bradbury, UNITEC, New Zealand and New Zealand Representative to International Financial Instruments Joint Working Group of Standard Setters

Guenther Gebhardt, Johanne Wolfgang Goethe Universitat and German Representative to International Financial Instruments Joint Working Group of Standard Setters

Monday, August 13 (4:00 pm–5:30 pm)

Session Title: Accounting Disclosures, Valuation Models, and Analysts' Forecast Errors: Multi-Country Investigations

Moderator: Hollis Ashbaugh, University of Wisconsin–Madison

Paper 1. *Accounting Policy Disclosures and Analysts Forecast Dispersion: A Multi-Country Study.* Ole-Kristian Hope, University of Toronto/Northwestern University

Paper 2. *An International Comparison of Valuation Models and the Role of Country-Specific Factors, Accounting Conservatism, and Financial Analysts.* Ran Barniv, Kent State University; and Mark Myring, Ball State University

Paper 3. *Analysts' Forecast Errors and Earnings Components: The Case of U.S. Multinational Firms.* Wayne B. Thomas, University of Oklahoma

Discussant: Edward Swanson, Texas A&M University

Tuesday, August 14 (10:15 am–11:45 am)

Session Title: Audit Quality—International Evidence

Moderator: Don Herrmann, Oregon State University

Paper 1. *Informativeness of Affiliates' Earnings in Chaebols: Using Combined Financial Statements in Korea.* Soo Young Kwon, Korea University; and Youngsoon Cheon, Chungong University

Paper 2. *Audit Quality and the Shanghai Stock Market Reaction to Initial Modified Audit Opinions.* Yongjing Sun, Ferdinand A. Gul, and Judy S. L. Tsui, all at City University of Hong Kong

Paper 3. *Auditor-Government Association and Auditor Independence: Evidence from China.* Qingliang Tang, University of Western Sydney; Alan Kilgore, Macquarie University; Lloyd Yang, Chinese University of Hong Kong; Jiang Yi Hong, Shanghai University of Finance and Economics; and Zhou Qin Ye, Shanghai Stock Exchange

Discussant: John Eichenseher, University of Wisconsin–Madison

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Schedule Of Activities International Accounting Section (continued from page 3)

Tuesday, August 14 (2:00 pm–3:30 pm)

Session Title: Empirical Evidence on International Accounting Issues

Moderator: R. S. Olusegun Wallace, King Fahd University of Petroleum & Minerals

- Paper 1. *Incentives vs. Standards: Properties of Accounting Income in Four East Asian Countries, and Implications for Acceptance of IAS.* Joanna Shuang Wu, University of Rochester; Ray Ball, University of Chicago; and Ashok Robin, Rochester Institute of Technology
- Paper 2. *Expansion of Investor Base and Accounting Disclosure.* Harri J. Seppänen, Helsinki School of Economics and Business Administration
- Paper 3. *Empirical Evidence on the Evolution of Global Accounting.* Judy Land and Mark H. Lang, both at The University of North Carolina at Chapel Hill

Discussant: Ervin Black, Brigham Young University

Tuesday, August 14 (4:00 pm–5:30 pm)

Session Title: Economic Influences of Taxes/Political Uncertainty

Moderator: Robert K. Larson, University of Dayton

- Paper 1. *Estimating the Impact of Formula Apportionment on the Allocation of Worldwide Income and the Potential for Double Taxation.* Lloyd “Pat” Seaton, University of Nebraska at Kearney; and Kevin Devine and Priscilla O’Clock, both at Xavier University
- Paper 2. *Political Uncertainty and Firm Valuation: Evidence of a Discount Related to the Quebec Independence Movement.* Cameron K. J. Morrill and Janet B. Morrill, both at University of Manitoba; and Roger C. Graham, Jr., Oregon State University
- Paper 3. *Effectiveness of Minimum Tax Legislation and Its Effect on Corporate Financial Reporting: A Comparative Analysis Between the U.S. and India.* Mahendra Gujarathi, Bentley College; and Samir Kumar Barua, Indian Institute of Management, Ahmedabad

Discussant: Noel D. Addy, Mississippi State University

Session Title: East Asia Disclosure Issues

Moderator: Nancy B. Nichols, James Madison University

- Paper 1. *Valuations of Discretionary Accruals: Japanese Evidence.* Sandra W. M. Ho, Richard Chung and Jeong-Bon Kim, all at The Hong Kong Polytechnic University
- Paper 2. *Determinants of Voluntary Non-Financial Disclosures—Some Singapore Evidence.* Asheq Razur Rahman, Julia Chew, and Teoh Yap, all at Nanyang Technological University
- Paper 3. *Earnings Management and Capital Resource Allocation: Evidence from China’s Accounting-Based Regulation of Rights Issue.* Kevin C. Chen, Hong Kong University of Science and Technology; and Hong-Qi Yuan, Shanghai University of Finance and Economics

Discussant: Susan Parker, Santa Clara University

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Schedule Of Activities International Accounting Section (continued from page 4)

Wednesday, August 15 (10:15 am–11:45 am)

Session Title: Informativeness of International Accounting Disclosures

Moderator: Thomas “Mitch” McGhee, The University of Tennessee at Martin

- Paper 1. *Disclosure Rules, Manager Discretion, and the Relative Informativeness of Earnings Components.* Alan Teixeira, The University of Auckland
- Paper 2. *On The Asymmetric Recognition of Good and Bad News in France, Germany, and the United Kingdom.* William P. Rees, University of Glasgow; and Begona Giner, University of Valencia
- Paper 3. *Discretionary Accruals and the Distribution of Earnings Relative to Targets.* Pelham Gore, Peter F. Pope, and Ashni K. Singh, all at Lancaster University

Discussant: Heibatollah Sami, Temple University

Wednesday, August 15 (2:00 pm–3:30 pm)

Session Title: Environmental Influences on International Reporting

Moderator: Abdel M. Agami, Old Dominion University

- Paper 1. *An Empirical Investigation of the Relationship between Accounting Development and Environmental Factors: A Longitudinal Intra-Country Analysis.* Ruth W. Epps and Amal A. Said, both at Virginia Commonwealth University; and Hassan R. HassabElnaby, Virginia State University
- Paper 2. *Financial Reporting Environments and International Capital Mobility.* Danqing Young, Chinese University of Hong Kong; and David A. Guenther, University of Colorado at Boulder
- Paper 3. *Cultural Considerations for Implementation of Western Accounting Standards in the Russian Federation.* Cherie O’Neil and Karen Vasko, both at Colorado State University

Discussant: Dennis H. Patz, Oklahoma State University

HAVE YOU SEEN...?

Wayne B. Thomas, University of Oklahoma

Ahmad, Zamri, and Simon Hussain, "KLSE Long Run Overreaction and the Chinese New Year Effect," *Journal of Business Finance & Accounting* (Vol. 28 No. 1-2, 2001): 63-105.

This study investigates long-run overreaction and seasonal effects for Malaysian stocks quoted on the Kuala Lumpur Stock Exchange, for the period 1986-1996. Stocks exhibiting extreme returns relative to the market over a 3-year period experience a reversal of fortunes during the following 3 years. There is also evidence that employing a contrarian trading strategy may yield excess returns. Of particular interest is the apparent existence of a Chinese New Year effect in both the level of market returns and the overreaction profile of KLSE stocks. These seasonalities mirror the January-effect observed in U.S. markets.

Bandyopadhyay, Sati P., and Jennifer L. Kao, "Competition and Big 6 Brand Name Reputation: Evidence from the Ontario Municipal Audit Market," *Contemporary Accounting Research* (Vol. 18 No. 1, 2001): 27-64.

The 1991 amendment to the auditor appointment requirement of Section 86 of the Ontario Municipal Act removes certain barriers to entry into the Ontario municipal audit market. The purpose of this study is to provide evidence that the amendment has enhanced competition in this market. The results indicate that there is a general reduction in the real municipal audit fees compared with the pre-amendment levels, and that the market has become more contestable following the amendment. Notwithstanding the heightened competition, the Big 6 audit firms continue to command audit fee premiums over the non-Big 6 audit firms. This suggests that Big 6 audit fee premiums possibly reflect brand-name reputation rather than monopoly/oligopoly rents.

Briner, Russell F., and Cheryl Linthicum Fulkerson, "Will Elimination of Pooling Accounting Reduce Mergers and Acquisitions?" *Multinational Business Review* (Vol. 9 No. 1, 2001): 9-14.

The value of international cross-border merger and acquisition (M&A) activity rose by 47% from 1998 to 1999, up from \$541 billion to a record \$798 billion. The U.S. Generally Accepted Accounting Principles currently permit 2 mutually exclusive alternatives in accounting for business combinations: (1) purchase accounting, and (2) pooling of interests, which is the subject of proposed elimination. The purchase and pooling methods are examined. Further, the potential impacts of the likely elimination of the pooling alternative are discussed, both in terms of standard-setting implications and in terms of potential impacts on M&A activity.

Cetorelli, Nicola, and Michele Gambera, "Banking Market Structure, Financial Dependence and Growth: International Evidence from Industry Data," *The Journal of Finance* (Vol. 56 No. 2, 2001): 617-648.

This paper explores the empirical relevance of banking market structure on growth. There is substantial evidence of a positive relationship between the level of development of the banking sector of an economy and its long-run output growth. Little is known, however, about the role played by the market structure of the banking sector on the dynamics of capital accumulation. This paper provides evidence that bank concentration promotes the growth of those industrial sectors that are more in need of external finance by facilitating credit access to younger firms. However, evidence is also found of a general depressing effect on growth associated with a concentrated banking industry, which impacts all sectors and all firms indiscriminately.

Colquitt, L. Lee, Norman H. Godwin, and Steven B. Caudill, "Testing Efficiency across Markets: Evidence from the NCAA Basketball Betting Market," *Journal of Business Finance & Accounting* (Vol. 28 No. 1-2, 2001): 231-248.

This study utilizes the National Collegiate Athletic Association basketball point-spread-betting market to investigate whether differences in information availability across markets result in different relative efficiencies of price formation within those markets. Using intra-conference games of various conferences as clearly defined markets, it is shown that these markets are efficient given the information available in those markets. However, it is also shown that regression error variances are significantly smaller for those conferences with greater information availability. This evidence supports previous stock market research suggesting that differential fundamental information availability across stock markets results in differential departures from equilibrium values.

Dahlquist, Magnus, and Goran Robertsson, "Direct Foreign Ownership, Institutional Investors, and Firm Characteristics," *Journal of Financial Economics* (Vol. 59 No. 3, 2001): 413-440.

A paper characterizes foreign ownership using a dataset of ownership and attributes of Swedish firms. The analysis reveals that foreigners show a preference for large firms, firms paying low dividends, and firms with large cash positions on their balance sheets. It is demonstrated that most of the features associated with foreign ownership are driven by the fact that foreign investors typically are mutual funds or other institutional investors. Hence, an institutional investor bias is identified rather than a foreign investor bias. Finally,

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Have You Seen...? (continued from page 6)

using ownership data on a country level, it is concluded that the results are particularly strong among U.S. investors, who comprise the largest institutions among foreign investors.

Daniel, Kent, Sheridan Titman, and K. C. John Wei, "Explaining the Cross-section of Stock Returns in Japan: Factors or Characteristics?" *The Journal of Finance* (Vol. 56 No. 2, 2001): 743-766.

Financial economists have extensively studied the cross-sectional determinants of U.S. stock returns, and contrary to theoretical predictions, find very little cross-sectional relation between average stock returns and systematic risk measured either by market betas or consumption betas. Japanese stock returns are even more closely related to their book-to-market ratios than are their U.S. counterparts, and thus provide a good setting for testing whether the return premia associated with these characteristics arise because the characteristics are proxies for covariance with priced factors. The tests, which replicate the Daniel and Titman (1997) tests on a Japanese sample, reject the Fama and French (1993) three-factor model, but fail to reject the characteristic model.

Dietrich, J. Richard, Mary S. Harris, and Karl A. Muller III, "The Reliability of Investment Property Fair Value Estimates" *Journal of Accounting & Economics* (Vol 30 No. 2, 2000): 125-158.

We investigate the reliability of mandatory annual fair value estimates for U.K. investment property. We find that appraisal estimates understate actual selling prices and are considerably less biased and more accurate measures of selling price than respective historical costs. Investigations of managerial discretion over fair-value reporting reveal that managers select among permissible accounting methods to report higher earnings, time asset sales to smooth reported earnings changes, smooth reported net asset changes and boost fair values prior to raising new debt. Finally, we find that the reliability of appraisal estimates increases when monitored by external appraisers and Big 6 auditors.

Eden, Lorrain, M. Tina Dacin, and William P. Wan, "Standards across Borders: Crossborder Diffusion of the Arm's Length Standard in North America," *Accounting, Organizations and Society* (Vol. 26 No. 1, 2001): 1-23.

The arm's length standard is used by corporate income tax authorities to price international intracorporate transactions and allocate intracorporate income and expenses of multinational enterprises. In this paper, the socio-historical evolution of transfer pricing regulation in North America is examined. We develop a model of crossborder diffusion of standards, using institutional theory and the logic of embeddedness, that focuses on 3 component of cross-border diffusion: timing, motivation,

and form. The model is then applied to the evolution and diffusion of the arm's length standard within North America from 1917 to the present.

Gornik-Tomaszewski, Sylwia, and Eva K. Jermakowicz, "Accounting-based Valuation of Polish Listed Companies," *Journal of International Financial Management & Accounting* (Vol. 12 No. 1, 2001).

This study examines the value relevance of the new accounting system in Poland. Using a model derived from the Edwards-Bell-Ohlson valuation framework, the relation of current earnings and lagged book values with the stock prices of Polish listed companies is tested. The accounting data are derived from the financial statements prepared under The Act on Accounting of 1994, which assured a full compliance of the Polish accounting standards with the European Union directives. Results show that both current earnings and lagged book values are positively and significantly related to prices, and the magnitude of this relation is comparable to that reported in more advanced markets. The incremental information content of lagged book value is greater than that of current earnings.

Hung, Mingyi, "Information and Trading Risks in Global Investing: An Empirical Analysis of Research Location and Pacific Rim Mutual Fund Performance," *Journal of International Financial Management & Accounting* (Vol. 12 No. 1, 2001): 1-23.

With the rapid growth of international investment, information, and trading, risk management has become increasingly important. Evidence suggests that investment companies use local offices as an effective way to manage both information and trading risks. This paper examines the evidence and asks what the characteristics are of investment companies that establish local research offices in foreign markets, and if companies that use local research offices show superior investment performance. Findings suggest that investment companies that manage large funds and use more company-specific information are more likely to have Pacific Rim research offices. However, results provide no evidence of superior investment performance by companies with local research offices.

In, Francis, Sangbae Kim, Jai Hyung, and Christopher Viney, "Dynamic Interdependence and Volatility Transmission of Asian Stock Markets: Evidence from the Asian Crisis," *International Review of Financial Analysis* (Vol. 10 No. 1, 2001): 87-96.

This paper examines dynamic interdependence, volatility transmission, and market integration across selected stock markets during the Asian financial crisis periods 1997 and 1998. Using a vector

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autoregressive-exponential generalized autoregressive conditional heteroskedasticity model, it is found that reciprocal volatility transmission existed between Hong Kong and Korea, and unidirectional volatility transmission from Korea to Thailand. This suggests that Hong Kong played a significant role in volatility transmission to the other Asian markets. The data also indicate market integration in that each market reacted to both local news and news originating in the other markets, particularly adverse news.

Li, Ji, Kevin Lam, and Gongming Qian, "Does Culture Affect Behavior and Performance of Firms? The Case of Joint Ventures in China," *Journal of International Business Studies* (Vol. 32 No. 1, 2001): 115-131.

This study applies a resource-based view of the firm to analyze data from a sample of 898 joint venture firms in China, including both joint ventures established by overseas Chinese and by firms from Western cultures. It is hypothesized that culture could influence the timing of entry of joint ventures, their investment preferences, and performance. ANOVAs and regressions were conducted, and the results suggest the impact of cultural as well as technological resources. This paper concludes with a discussion on the implications of the findings.

Pantzalis, Christos, "Does Location Matter? An Empirical Analysis of Geographic Scope and MNC Market Valuation," *Journal of International Business Studies* (Vol. 32 No. 1, 2001): 133-155.

This study examines the relationship between market valuation and the geographic scope of U.S. multinational corporations' foreign operations by focusing on the importance of the location of MNC operations. The location factors utilized capture the degree of segmentation/integration between the U.S. and the foreign regions where the MNC operates. The results indicate that MNCs with presence in countries with developing economies have significantly higher market values than MNCs that operate only in countries

with advanced economies. Furthermore, the market value impact of intangible assets increases with the degree of an MNC's expansion into developing locations only. This result is consistent with the notion that internalizing markets for the cross-border transfer of intangibles leads to competitive advantages.

Quinn, Thomas F., Karen Garre, and Wendi Hangebrauck, "Foreign Partnerships: Rules, Issues, and Planning Opportunities Regarding U.S. Filing Requirements," *The International Tax Journal* (Vol. 27 No. 2, 2001): 1-46.

Significant reporting requirements have been implemented by the IRS to monitor the large number of "check the box" foreign entities and to identify taxable transactions between U.S. persons and such flow-through entities that would otherwise remain unreported. These new reporting requirements will increase the U.S. compliance costs related to investments in foreign partnerships. This article explores the background, certain issues and possible planning ideas stemming from the rules relating to the U.S. filing requirements for foreign partnerships.

Williamson, Rohan, "Exchange Rate Exposure and Competition: Evidence from the Automotive Industry," *Journal of Financial Economics* (Vol. 59 No. 3, 2001): 441-475.

A study examines the effect of real exchange rate changes on multinational firms and incorporates the effect of intra-industry competition on the relation between exchange rates and firm value. To test the relation more effectively, tests are conducted using a sample of automotive firms from the U.S. and Japan. Consistent with theoretical predictions, there is significant exposure to exchange rate shocks. Moreover, there is evidence of time variation in exchange rate exposure, which is consistent with changes in the competitive environment within the industry. Finally, evidence is presented that is consistent with foreign sales being a major determinant of exposure and the effectiveness of operational hedging.

JOURNAL OF INTERNATIONAL ACCOUNTING RESEARCH

Call for Papers

Editor:	R. S. Olusegun Wallace	King Fahd University of Petroleum & Minerals, Dhahran, Saudi Arabia
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	Donna L. Street	James Madison University, USA
Book Review Editor:	Wayne Thomas	University of Oklahoma, USA

Editorial Policy

The *Journal of International Accounting Research* publishes articles that increase our understanding of the development and use of international accounting and reporting practices or attempt to improve extant practices. International accounting is broadly interpreted to include the reporting of international economic transactions; the study of differences among practices across countries; the study of interesting institutional and cultural factors that shape practices in a single country but have international implications; and the effect of international accounting practices on users. The *Journal* has a diverse readership and is interested in articles in auditing, financial accounting, managerial accounting, systems, tax, and other specialties within the field of accounting. The *Journal* is open to research using a wide variety of research methods, including empirical-archival, experimental, field studies, and theoretical. The importance of the findings and the rigor of the analysis are the factors that determine acceptability. The *Journal* may include sections for Notes (shorter articles) and Commentaries. Education articles should be sent to a journal such as *Issues in Accounting Education*.

All manuscripts are sent to two reviewers, although one or more additional reviewers may be consulted in some instances. Reviews will be double-blind (i.e., to both the author and reviewer). A strong effort will be made to complete the initial review within two to three months. The review process is intended to provide constructive comments that improve the quality of manuscripts by focusing on critical issues. The editorial team recognizes that the nuances of a paper are better left to the authors.

Submission of Manuscripts

1. Manuscripts currently under consideration by another journal or other publisher should not be submitted. At the time of submission, the author must state that the work is not submitted or published elsewhere.
2. To expedite the process, an electronic submission and review process can be employed. To preserve anonymity, place the cover page and the remainder of the document in separate Word or PDF files. In the case of manuscripts reporting on field surveys or experiments, the instrument (e.g., questionnaire, case, interview plan) should also be submitted in a separate file, with identify of the author(s) deleted. Email the cover page, manuscript, and, if applicable, the instrument as attached files to R. S. Olusegun Wallace, Editor, at wallace@kfupm.edu.sa. The submission fee is \$25.00 in U.S. funds for members of the AAA International Section, or \$50.00 for others, made payable to the American Accounting Association. The submission fee is nonrefundable. To charge the fee, access the AAA web site at:

<https://rarc.rutgers.edu/aaa/jiarsubmit.htm>

Please indicate in the email that you have charged the fee. Alternatively, the submission fee may be paid by check, payable to the American Accounting Association, and mailed to

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Dhahran 31261, Saudi Arabia

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3. If electing to submit hard copies, four copies of manuscripts should be mailed to R. S. Olusegun Wallace at the address above. In the case of manuscripts reporting on field surveys or experiments, four copies of the instrument (e.g., questionnaire, case, interview plan) should be submitted. Information that might identify the author(s) must be deleted from the instrument. The submission fee should be enclosed or charged at the AAA web site (per above).
4. Revised manuscripts must be submitted within 12 months from request; otherwise they will be considered new submissions.

Books for review should be sent to the Book Review Editor:

Dr. Wayne Thomas
School of Accounting
Price College of Business
University of Oklahoma
307 W. Brooks # 200
Norman, OK 73019-4004

Scholars interested in reviewing books are requested to forward their names and particular interests to the Book Review Editor.

Manuscript Preparation and Style

These practices are based on *The Accounting Review*. The primary difference is the acceptability of international standard size A4 paper and a 150-word abstract. For initial submission, any widely used style is acceptable.

ANNOUNCEMENT TO THE MEMBERS OF THE INTERNATIONAL SECTION OF THE AAA

Dr. Fouad K. AlNajjar has been promoted to the position of Dean of the Sneden Graduate School at Davenport University (DU). DU has 25 campuses in Michigan and two in Indiana and offers a variety of accounting degrees and several M.B.A. specialties at many of its campuses. Dr. AlNajjar is in the process of revising and updating the M.B.A. programs at DU. He is also considering offering new specialties in the M.B.A. program including international/global accounting, e-commerce, technology, and project management. If you have written textbooks, monographs, supplemental materials and/or articles in accounting and/or the other business disciplines that you would like Dr. AlNajjar to consider for adoption in offering these specialties, please feel free to send them to him or email him at:

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THIRTEENTH ASIAN-PACIFIC CONFERENCE ON INTERNATIONAL ACCOUNTING ISSUES

Co-Sponsored by

Faculdade de Economia Administracao e Contabilidade

The Sid Craig School of Business

Universidade de Sao Paulo and California State University, Fresno

Sao Paulo, Brazil

Fresno, California, U.S.A.

October 28–30, 2001

Rio de Janeiro, Brazil

The Thirteenth Asian-Pacific Conference on International Accounting Issues will be held on October 28–30, 2001 in Rio de Janeiro, Brazil. The main theme of the conference is “Emergence of the New Economy: Challenges for Accounting Education and Practice.” The conference will provide an important forum for the interaction of different ideas and information between academicians and practitioners, in order to enhance the understanding of International Accounting issues in various Asian-Pacific countries. During the past 12 years, our conference has been held in Fresno, California (1989); Vancouver, Canada (1990); Honolulu, Hawaii (1991); Dunedin, New Zealand (1992); Mexico City, Mexico (1993); Taipei, Taiwan (1994); Seoul, Korea (1995); Vancouver, Canada (1996); Bangkok, Thailand (1997); Maui, Hawaii (1998); Melbourne, Australia (1999); and Beijing, China (2000). Over 350 participants from 35 countries attended our Beijing conference.

Papers may be submitted in English, Portuguese, or Spanish. Detailed information regarding the upcoming conference (Thirteenth Asian Pacific Conference) is as follows.

Conference Registration Fee

Registration fee of U.S.\$300 per delegate includes a reception, 2 breakfasts, 2 luncheons, 1 dinner (banquet and entertainment), a copy of the proceedings, and a one-day tour.

CPE Credits

Participants in past conferences have earned up to 20 hours of CPE credits.

Conference Hotel

The Conference will be held at the Inter-Continental in Rio de Janeiro, a 5-star hotel.

Rate for single/double occupancy is U.S.\$130.

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