Doctoral research [1983, Vol. 10, no.1]

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It is generally acknowledged that the accounting function exists to serve information needs within a particular cultural environment and that it must, therefore, reflect related social, economic, political, and legal influences. Further, that as a consequence, these influences, if identifiable, go a long way towards explaining international differences in accounting thought and practice.

This notion of cultural conditioning seems to have found more recognition by internationally-oriented accounting historians, however, than acceptance by those recommending accounting systems design features for countries which need innovational or adaptational changes. The case of developing countries provides a good illustration. Many nations which became independent after World War II inherited exogenously-imposed accounting systems which had claims to cultural relevance because the governors rather than the governed were the dominant clients. After independence, however, prospects for indigenously-selected and culturally-differentiated accounting systems dimmed for those host countries which accepted significant foreign investment projects as a strategy for economic growth. The information needs of the investee, usually from a different culture, had to affect the design of accounting systems for the investment projects and the accounting training programs for the local staff. These activities can have a swamping effect on indigenous efforts, depending on the economic importance of the investee. Integrated systems could offer a compromise but the literature on hybrid system design for culturally-differentiated clients, although highly relevant, is unfortunately sparse. It would certainly be important to have this type of perspective in China, for example, where private enterprise accounting technology is currently being imported despite institutional incongruencies. Part of the problem can be traced to the fact that cross-cultural accounting research is a relatively recent phenomenon. Also, there are remarkably few empirical studies of the impact of cultural variables on the
design of accounting information systems. This compares unfavorably with the research interest of other social sciences in historical and descriptive studies.

In the hope of stimulating this type of accounting research, the current survey of recent doctoral dissertations is devoted exclusively to studies by other social scientists which examine, over time, certain factors or relationships affecting theory and practice at home or abroad. The selection starts with two studies of railroad operations: one by Marple, a sociologist, who examines technology as a strategy for environmental survivorship; the other by Fleckles, an historian, who traces the effects of public policy changes on the development of the French national railroads. These are followed by two dissertations involving Thailand: an economist, Jumpasut, examines the structure of the natural rubber industry and the industry’s impact on the Thai economy, while Meenaphant, an agricultural economist, looks into the effects of three major factors on the rice export sector. The geographical location then shifts to Korea. Shin, an economist, analyzes the role of foreign capital inflows and their effects on the Korean economy. Yoo, from business administration, investigates the relationship between industry structure and degree of foreign direct investment, using Korea as a case study. The selection concludes with three studies, each dealing with the effects of public policy on national development: Rodriguez, an historian, on Ecuador; Bawuah, an economist, on Ghana; and Vakilifard, an agricultural economist, on Iran.

Technology and Organization: Steel Rail Innovation and Railroad Survivorship in the American Manufacturing Region, 1860-1890 (University of Cincinnati, 1981; 42/01, p. 402-A)1 by David Paul Marple. The major goal of this dissertation was to evaluate the role of technology selection as an organizational strategy for mediating environmental interdependence. To find an illustration of this relationship, Marple focused on railroad operation in the U. S. manufacturing belt during three decades in the latter half of the nineteenth century. Steel rail turned out to be a prominent candidate in his search for a technological element which could be considered as critical for successful adaptation. Two indicators were selected to measure this technological variable: the date that the steel rail was first used, and the percentage of steel track to total track in 1880. Because technology selection does not take place in isolation, it was assumed that the barriers to entry of new railroads into

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1Dissertation Abstracts International, volume and page references.
the network, which thereby permitted existing roads to adopt new technology and administrative techniques, emanated from the railroad's internal structure. These features of organizational structure were represented by railroad size in terms of total track in operation, and its age, dating from the first rail construction. It was hypothesized that those railroads which introduced steel track earliest and more extensively would be the most likely to have adapted or survived by 1890. Also, that the survivors by 1890 would be even more likely to have been the older and larger railroads.

The main sources of data were the 1880 U. S. Census of Internal Transportation and volumes included in Poor's Manual of railroad investment for the period 1868-1900. The U. S. railroads were formed into two samples: those for which dates for first rail construction were available, and those which represented the New England area of the manufacturing belt. These samples provided some evidence that a railroad's age and size contributed to its survival, as did the steel rail innovation to some extent. As for survivorship differentials, it appeared that age played a greater role than size. Further, the date of steel rail innovation had a far greater impact on survivorship than its extent. It was also noted that as railroads improved their operating efficiency, freight rates decreased significantly. Consequently, the analysis was extended to look for any relationship between these rate reductions and steel rail introduction, using a small sample of railroads located nationwide. It was found that immediately after the steel rail was introduced the greatest reductions occurred in average rates, but with respect to long run rate reductions no relationship was found.

The State and the Beginnings of the Railroad Grandes Lignes Network in France, 1820-1842 (University of California, Berkeley, 1981; 42/07, p. 3264-A) by John Robert Fleckles. In France, the concept of national planning was put forward in the seventeenth century and exemplified some two centuries later by the formation of national railroad plans. This study's chief aim was to understand how the state defined the national interests which were to be served by the long distance railroad networks. Also, how the various official bodies, which included the parliament and Department commissions, applied these interests in the planning and development process. The first such grandes lignes, Paris-Orleans and Paris-Rouen, were opened in 1843 and provide the main focus. The dissertation is organized into two parts. The first examines the philosophical background by contrasting some of the leading ideas in France.
about relationships between the state and its citizens. Colbert's successful practice of mercantilism in the mid-seventeenth century, for example, encouraged industrial growth through state subsidies and tariff protection. The prices and qualities of agricultural and industrial products were strictly regulated, the use of natural resources was restricted, and strong efforts were made to break down internal trade barriers. Alternative policies were suggested by Saint-Simon about a century and a half later. He also looked for an alliance between the state and business interests. However, in his view a better social order would result if industrial and scientific leaders, who already represented controlling forces in society, would reorganize and direct the state in such a way as to recognize explicitly the brotherhood of man. Others putting forward public/private policy choices with respect to the railroad development suggested adoption of the British approach whereby private plans were submitted to Parliament for approval.

In part two, major public policies are extracted from the official processes by which railroad development proceeded. A basic consideration was to determine the goals of the planned railroad system and it was evident from the proposed network grid that passenger transport and international trade were accorded priority over the interests of internal commerce. The latter, the state considered, would be better served by the waterways. Thus, transportation was looked at from a total system perspective, particular modes were selected for particular purposes based on particular strengths, and efforts were made to minimize the debilitating effects of competition between alternatives. In the interest of keeping down long distance rates, rail routes were designed to be as direct and short as possible. This policy aroused the opposition of local officials, as well as entrepreneurs who considered that the construction of short lines would prove unprofitable. An alternative to the reluctance of the private sector to risk its own capital would have been for the state to undertake the construction itself. Mainly for ideological reasons, however, parliament rejected the government's proposal for public works treatment. In the event, it was decided to promote a "spirit of association" which attempted to stimulate a sense of responsibility in both investment and management attitudes. Material encouragement took the form of financial assistance, granted in 1840 to the first major construction companies. At this same time, a major shift took place in public policy when the state started to support development by the private sector rather than contracting for national development projects. In 1842, public/private sector roles
in the financing and construction of the major railroads, as well as the network routes, were defined in the railroad law.

*The Natural Rubber Economy of Thailand* (The University of Michigan, 1981; 42/02, p. 796-A) by Prachaya Jumpasut. Thailand is an exotic country, blessed with natural resources. Its central plain, which lies at its heart, produces the most important export, rice. Elephants haul teak from the extensive forests of the northerly mountains. Livestock is raised in the hilly plateaus of the east. Rubber and some minerals come from the jungles of the south and important crops of tobacco and sugar are raised in the peninsula. Jumpasut chose to concentrate on the natural rubber industry and his dissertation examines both the industry's structure and its impact on the economy. He commences by emphasizing the economic importance of the industry and then goes on to discuss demographic data concerning the Thai culture, population characteristics, and the social framework. His third chapter analyzes the structure of the Thai rubber industry. Special emphasis is given to its production and distribution, the determination of costs and prices, the marketing structure and domestic consumption, public policy, and special problems of the industry. The last three chapters are devoted to assessing the industry's economic impact. In chapter four, a supply-response model is developed, building on a two-stage response variant. The relationship describing the decision to plant is the first stage, while planting is one of the independent variables of the output function which forms the second stage. The model is estimated for each of the two major producing regions as well as in the aggregate. It was found that the current real price of natural rubber seems to influence rubber production more than the long-term lagged real price. Also, although production is not affected by the real price of the substitute crop, it is influenced somewhat by rainfall and time trends. The hypothesis that rubber production depends on previous periods' income levels was not supported by the results. In chapter five, input-output tables were used to analyze the industry's interaction with other sectors in order to assess its impact on the domestic economy. These calculations were then augmented by such data as value added, imports, and earnings from foreign exchange, so as to evaluate the rubber sector's overall economic importance. The analysis was then extended to consideration, at both micro and macro levels, of instability problems and the implications of international price stabilization of the natural rubber world market. Commencing with the micro level, the results of the
input-output analysis were utilized with the supply-response model. It was found that revenues would have decreased during the periods 1957-1960 and 1973-1979, and increased during 1961-1972, had there been price stabilization. To test for possible macro effects, an export-instability index was calculated before and after price stabilization. This showed that price stabilization led to an index of smaller magnitude than lack of stabilization. Other tests indicated that rubber was a more stable export than other major alternatives. Comments on the industry’s future prospects were included in the final chapter’s summary and conclusions.

An Economic Analysis of Thailand's Rice Trade (Rice University, 1981; 42/02, p. 792-A) by Sorrayuth Meenaphant. Using a variety of techniques, Meenaphant examined three major issues affecting Thailand's rice export sector: government trade policy, trade performance, and the structure of trade preferences. Assessments of the effects of government trade policy on domestic prices and exports were based on both theoretical and empirical analyses. Trade performance was evaluated by constructing a dynamic simultaneous equation econometric model, estimated for the period 1959-1976. The relative competitiveness of Thai rice exports during this time period was measured through the quantitative decomposition of export growth into market, growth, competitiveness, and interaction effects components. The structure of trade preferences was determined by a probabilistic trade flow model. Government trade policy, it was found, reduced both export volume and domestic rice prices below equilibrium levels, given no intervention. As to the issue of whether or not domestic rice prices would be stabilized by a rice premium policy, aimed at protecting the domestic market from external price fluctuations, analysis suggested that such a policy would be relatively effective only if there were high elasticity of export price. However, this elasticity was only estimated to be 1.07. Consequently, the premium policy was not very effective. Analysis with respect to dynamic multipliers showed that export price would rise by just under 4 cents if the export premium were to increase by one unit, bringing about a fall of approximately 155 metric tons in export volume. For U. S. concessional sales, export price would fall by 9 cents per metric ton for any one thousand metric ton increase. In the short run, this would have little effect on paddy production because of the lead time required for a production response. On a long-run basis, however, the results of two policy simulation experiments suggested that farmers would gain initially
from high paddy prices and suffer expansion losses in later periods. With respect to trade performance, the significant decline in rice exports during the period studied could be attributed to two main causes: (1) the fact that rice exports were concentrated in low or no-growth markets; and (2) inability to compensate by penetrating high-growth markets. A probabilistic model of rice trade flows was constructed to simulate the trade preference structure of major rice exporters and importers. This model demonstrated the high preference accorded Thai rice in the slow-growth markets of the Far East.

**Capital Imports in Economic Development: The Korean Case** (Claremont Graduate School, 1980; 42/01, p. 319-A) by Chang Min Shin. Korea is a large, mountainous peninsula, connected with China and the U.S.S.R. by northern land boundaries. The political division of the country at the 38th parallel after World War II shut off the industrial and trading north from the agricultural south, presenting each new nation with particular economic problems. In the south, efforts to establish an industrial base were hampered by limited resources and lack of energy. These factors, combined with mass unemployment exacerbated by an influx of refugees from the north, explain the prevalence of domestic market-oriented small factories and handicrafts. During the past two decades, both the Korean economy and external debt grew very rapidly, giving rise to concern about the nature and effect of foreign capital inflows. The related questions considered in this study were whether or not capital imports had been beneficial to the Korean economy, and whether or not they had been excessive. The dissertation commences with a survey of the literature on international capital borrowing and descriptions of models used in both static and dynamic analyses. Because the empirical evidence of the effects on the growth rate of the host economy of foreign capital inflows shows no clear relationship between domestic savings and foreign capital, such analysis appears to require a specific case study. To do this, a general equilibrium model was constructed, using 26 equations with 26 jointly dependent and 17 predetermined variables. A capital series for each of three economic sectors was constructed to estimate the model's equations in real terms and using ordinary least squares. Accumulation of net capital and net consumption increase were computed and it was concluded that capital imports had had a beneficial impact on the economy. Also, the amount of capital imports had been less than adequate. Given these findings, the study concluded by directing attention to the issues of attracting in-
creased capital inflows to optimum levels as well as maximizing returns by appropriate allocations to competing industries.

*Industry Structure and Degree of Foreign Ownership: A Case Study of Foreign Direct Investment in Korea* (University of Pennsylvania, 1981; 42/03, p. 1242-A) by Young Yoo. The chief issues addressed in this study are: (1) the degree to which investors establishing foreign subsidiaries are influenced by the industry structure of the investing country; and (2) how this relates to the extent of foreign ownership equity in subsidiaries in the host country. It was hypothesized that degree of ownership is positively related to both industry structure and investment size, but negatively related to the number of subsidiaries in each industry in the host country. Subhypotheses dealt with relationships between: industry structure and number of subsidiaries; investment and number of subsidiaries; market orientation of the subsidiary and degree of foreign ownership; and nationality of the subsidiary and degree of foreign ownership.

Two approaches to the analysis of foreign direct investment (FDI) were utilized in deriving these hypotheses: the industrial organization approach put forward by the U. S. international business theorists, and the macroeconomic approach proposed by Japanese economists. Both schools of thought agree that the investing foreign firms exhibit a "bandwagon syndrome," that is: "they match each other's FDIs." The U. S. school posits that this situation results from overseas exploitation by firms in oligopolistic industries, while the Japanese school rejects the notion that such investment is voluntary. Instead, oligopolistic firms are considered to be forced into overseas operations because of macroeconomic influences. These hypotheses were tested by studying foreign direct investment in Korea by U. S. and Japanese firms, representing the chief investing countries, during the period 1962 to 1976. The statistical techniques used in the data analysis were stepwise correlation and multiple and stepwise regression. It was found that there is a higher ratio of concentration and more oligopolistic association for U. S. FDIs, regardless of their market orientation, than for Japanese. Also, that the bandwagon syndrome is more likely to be associated with firms which have higher rather than lower levels of oligopoly. With respect to the degree of foreign ownership, industry structure appeared to be the most important explanatory variable, offering U. S. FDIs a bargaining advantage over Japanese rivals when negotiating with the host government.
Ecuador’s National Development: Government Finances and the Search for Public Policy 1830-1940 (University of California, Los Angeles, 1981; 42/04, pp. 1758-9-A) by Linda Alexander Rodriguez. Ecuador, the Spanish word for equator, is dominated by the Andes mountain ranges. Their high, and frequently fertile, valleys form the sites of several major urban centers, including the capital, Quito. By contrast, the hot and humid valleys north of the Gulf of Guayaquil, in the Pacific coastal region, are the source of Ecuador’s major exports: coffee, cacao, and bananas, on which the nation’s economy depends. The shortage of materials and labor, combined with the inadequacy of transportation systems, helps to explain the underdeveloped status of manufacturing and industry. As its title indicates, this dissertation makes a long-run assessment of public policy and finance in this country which has been wracked by political turbulence. Its six chapters provide for a long introduction to contemporary problems by devoting more-or-less equal consideration to the nineteenth and twentieth centuries. The so-called “liberal” era marks the period 1830-1925, described in the first half of the study. Initially, the reader is introduced to the factors weighing against national unity: geographical, economic, and political. This is then expanded to explain the influence of regionalism as a key element in the nation’s political instability. The third chapter goes on to relate these environmental characteristics to problems of developing public policy and finance in the period 1830-1895. While the state was gradually instituting social programs in welfare, education, and public works, its financial policies were hampered by the need for huge outlays for armed participation in political warfare. The political situation, combined with weak administration and inadequate state revenues, added up to an adverse credit rating for external debt purposes. Thus the government was forced to rely on internal loans, chiefly from banks, to make up for its general revenues deficits.

The remaining three chapters form the second part of the study which examines public policy and finance during the period 1895-1925. Although social programs were under way, the Liberals were unable to make much progress with financial reform, particularly in the areas of introducing effective tax systems and improving fiscal administration. Heavy reliance continued to be placed on public funding through internal bank loans, while allocating general revenues to regional requirements. Consequently, those in the non-coastal regions, particularly the highlands, perceived the close relationship between the government and the coastal bankers as a threat to their own interests. This led to a takeover of economic and
political power by the highlanders from the coastal community at a time when the export economy was staggering from declining productivity and an international economic crisis. In chapter five, Rodriguez evaluates the role of foreign advisors and their interrelationships with local interest groups and the national government. Her particular focus is on the Kemmerer Financial Advisory Mission which spent several months in Ecuador in 1926-1927. This experience provides an illustration of the difficulties involved in implementing reforms of domestic institutions which are proposed by foreigners. The Ecuadorian government was not interested in reforms but, rather, the legitimization of particular local solutions. Thus, when the recommendations of the foreign advisors conflicted with perceived national interests, the advisors were required to leave the country. The dissertation concludes by giving brief attention to Ecuador's quest for a new public policy approach during the 1930s when it faced severe economic and political crisis brought on by the Great Depression.

Some Aspects of Political-Economy of Development: The Case of Ghana 1950-1966 (Virginia Polytechnic Institute and State University, 1980; 42/03, p. 1244-A) by Kwadwo Bawuah. Ghana, which incorporates the former British Gold Coast crown colony, British Togoland, and the inland protectorates of Northern Territories and Ashanti, has a flat and swampy coastline and a hilly forest region to the north. It is predominantly agricultural: its principal product being cacao, although it also raises coffee and rubber and cuts tropical hardwoods. Apart from gold, which is still dredged in the western section of the forest region, Ghana has plentiful reserves of diamonds, bauxite, and manganese. A hydro-electric project was commenced on the Volta river in 1962 to supply the necessary power to convert bauxite ore into aluminum. Possibilities for industrial growth are also enhanced by the road network, harbor facilities near the capital city of Accra, and limited railway services. Ghana provides the case study for this dissertation which looks into the question of how the economies of poor nations are affected through "the responses of individuals in the political apparatus, firms, investors, and households to pervasive market restrictions emerging from political-legal institutional changes."

Traditionally, competitive market conditions have been relied on by development economic theory to solve poverty problems. This theory sees development and growth as a gradual, harmonious process where development capital is accumulated according to the
intertemporal preferences of individuals, and where development benefits are distributed in accordance with marginal contributions. After 1929, however, the applicability of the marginal analysis approach to the problems of poverty in developing countries was rejected and analysis proceeded under a mainstream economic theory on development using a "vicious-circle" thesis. Problems resulted from requirements that developing countries undertake certain programs, determined exogenously, within certain time frames, for use by their governments. Theories were then put forward in response to these problems and growth-generating policies, in turn, were derived from the theories. As a result, leaders of developing nations widely accepted active participation in production exchange. However, neither the traditional nor the vicious-circle approaches have paid sufficient attention to two essential determinants of economic progress: changes in political-legal institutions, and related effects on the utility-maximizing behavior of key decision makers.

After providing this introduction to the research problem, the second chapter presents a critical analysis of various development theories, stressing the vicious-circle thesis and the dependency theory because of their important influence on political-economic policies in developing nations. Ghana's political-legal institutional changes are analyzed from an historical perspective in chapter three. How these changes affected individual decision behavior about market production and exchange is also explored. Chapter four extends the analysis to the elements of development-oriented economic policies, including economic planning, and import and price controls, and their impact on decision rules. The dissertation concludes by presenting some empirical evidence of economic performance during the period 1950-1966.

Managing Agricultural Planning in a Developing Nation: A Study of Iran Between 1962 and 1978 (United States International University, 1981; 42/02, p. 794-A) by Hamid Reza Vakilifard. Three agricultural development plans, each for five-year periods, were in effect in Iran from 1962 to 1978. This study examines each of the plans to determine the relationship of certain factors to the Gross National Product (GNP). The specific issues investigated were: (1) the extent to which the volume of agricultural production agreed with planned production; (2) the extent to which population growth related to the development of agricultural production; (3) the extent to which higher education and training improved agricultural manpower performance; and (4) the extent to which economic growth, as mea-
The GNP, was influenced by agriculture. Data were obtained for each of the five-year periods concerning the agricultural production of industrial crops, foodgrains, and vegetables. Information was then gathered on reported changes in imports and exports of the specified agricultural production, certain demographic data, and the GNP. These data were then assembled in tabular format and relationships developed within the individual five-year time frames. These were then compared with the planned objectives, which represented national priorities, thus analyzing the effects of government decisions across the selected factors. The results showed that during the first of the five-year periods specified agricultural production fell, due to a variety of reasons. Except for the production of vegetables, which enjoyed an overall increase, the downward trend continued in the two succeeding periods. The government was unable to decrease agricultural import levels and there was a significant decrease in the contribution of exports to the financing of imports. Population shifts from rural areas resulted in a 28 percent increase in urban inhabitants over the entire 15 years, with only a three percent growth rate in rural population by 1978. Technical education training programs were largely unsuccessful in attracting graduates to work in the agricultural sector. Instead, the private sector benefitted from being able to hire more technically qualified candidates. Lastly, the importance of agriculture in the makeup of the GNP declined, particularly after 1973 when national oil revenues began to increase dramatically. By 1978, oil constituted almost 50 percent of the GNP, thus increasing Iran’s dependence on agricultural imports.