
ABSTRACTS**1. CENTRAL BANK INDEPENDENCE AND ECONOMIC GROWTH: A LOOK AT VENEZUELA**

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ABSTRACT

Most literature addressing excessive money creation emphasizes the potentially damaging effects on economic growth. The establishment of a credible and independent central bank often solves the problem of excessive money creation; however, the link to economic growth is rarely shown empirically. This paper dissects the key issues of central bank independence (CBI) and analyzes the effect on economic growth of a substantial change in measured CBI in the case of Venezuela in 1992. Especially in the case of developing economies, measured CBI insufficiently captures the complexities of the monetary and economic climate, and thus fails to register a significant impact of real measures of economic activity.

2. ACTIVITY BASED COSTING: WHAT IS NEW IN THE BOTTLE?

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ABSTRACT

Activity based costing (ABC) system is introduced to the world as a break-through contribution that replaces the so-called conventional system of cost accounting. This paper points out that it is just a myth. In fact the ABC system of cost accounting is a next step in the natural evolution of cost determination. Costing system has evolved since its inception around the same principles and concepts that were the basis of the costing system. The applications have improved with increasing degree of details and hence accuracy with changing needs and resources availability. In today's competitive scenario and with availability of computers at affordable cost, costing system could employ greater details and achieve greater degree of accuracy. And that is advocated in the ABC system. The same old concepts though help when advocated in the different language as done in ABC system. The new language improves the chance of its acceptability breaking the monopoly of accounting personnel over the cost-related issues.

3. CREATIVE ACCOUNTING: THE INDIAN SCENARIO

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ABSTRACT

In this paper, an attempt is made to study the creative accounting phenomenon in the Indian context emphasizing on the implications thereon. An analytical review has been carried out in respect of the legal framework applicable in India encompassing the preparation of the financial statements coupled with an identification of loopholes and areas of ambiguity in the legal framework, which promotes such creative accounting practices in the Indian corporate world. An attempt has also been made to identify the key techniques, which are preferred by Indian Accountants and Finance Managers while doctoring the financials. A few real life cases have also been cited to explain the operation, functioning and implications of such creative accounting concepts in the Indian context. A model case study on creative accounting has also been drafted in order to facilitate a better overall understanding of the concepts, which forms an integral component of the paper itself. An exercise has been undertaken to zero in on the root cause of such phenomenon. A number of remedial measures in the nature of control mechanisms have also been suggested by the author, which if implemented may reduce the possibilities of such creative accounting practices prevalent in India. Finally, the paper also provides a few suggestions to the prospective investors who might be interested in investing in Indian companies. These suggestions may prove to be useful as these may aid them in making more informed and appropriate decisions.

4. CLASHING VIEWS ON THE ROLE OF BUSINESS IN SOCIETY: THE CLASSICAL AND STAKEHOLDER THEORIES OF CORPORATE RESPONSIBILITY

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ABSTRACT

Is the sole, legitimate, purpose of a corporation to maximize shareholders' value, or do companies have a greater responsibility to society at large? Is good corporate citizenship misguided virtue, or does a lack of corporate accountability create tangible (identifiable) externalities? In the current article, we present the main arguments of two opposite views on corporate responsibility and legitimacy: the classical theory and the stakeholder theory. The main goal is to shed light on some theoretical and practical issues associated with broadening the objective function of a corporation to include the concurrent welfare maximization of entities other than shareholders. The approach is strategic and follows the three evolutionary stages of problem, illustrative consequence, and derived prescription.

5. CORPORATE GOVERNANCE: A RELOOK AT THE CONCEPT AND PHILOSOPHY

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ABSTRACT

The main objective of this paper is to have a re-look at the concept and philosophy of corporate governance since the Enron Debacle and the Sarbanes Oxley Act as compared to the present legal requirements and contemporary practices in India and abroad. This paper intends to take a new look at the problem of corporate governance, not only from the legal and practical side alone, but also from the philosophical and social side. Our attempt through this paper is to establish that the concept of excessive control may be mistaken when we try to understand and manage the universally applicable root causes of bad governance namely 'fear' and 'greed'. We believe that what is needed is creation of a simple and easy to comply legal setup that leaves enough space for innovation and commercial growth, within manageable limits of law and discipline. We suggest that simplification of the regulations and laws, easily compliable set of rules, clearly defined ethical behavior norms and a policy framework based on disclosure and self-discipline rather than control and prohibition, and an extremely stiff and exemplary punishment system would be much better than the present system of excessive complexities and expensive compliances promoting much greater greed, fear and lies.

6. DOES DEVALUATION PROMOTE FOREIGN TRADE BALANCE? THE TUNISIAN CASE

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ABSTRACT

In this study we test the effectiveness of devaluation on the trade balance in Tunisia. A new framework by which one could correct the data for non-stationarity is used. The trade balance in Tunisia is not co integrated with a number of variables, including the exchange rate. Absorption, elasticity, and monetary models are compared, and the monetary model performs the better. The method is applied to detect the existence of the J-Curve and to estimate the long run effect of devaluation on the trade balance. The empirical evidence suggests that has been no J-Curve in Tunisia, and devaluation, in general, does not improve the trade balance in the long run.

7. FIRM PROFIT: THE RELATIONSHIPS AMONG THE CONSTRUCTS OF SERVICE DELIVERY, CUSTOMER SATISFACTION, AND FIRM PROFIT IN SKILLED NURSING FACILITIES

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ABSTRACT

Establishing the empirical significant and positive link between service performance and profits in high contact services has been elusive. This empirical study supports that the links from service delivery to customer satisfaction and loyalty are positive, but the proposed link from there to utilization and firm profit is explained by firm context relative to how customers of skilled nursing facilities pay their bills.

Keywords: Service management, firm profits, service performance, high contact services

8. ECONOMIC POLICY AND ATTRACTIVENESS OF FOREIGN INVESTMENTS IN UZBEKISTAN

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ABSTRACT

Uzbekistan is a country with huge investment opportunities and possessing rich natural and labor resources. Uzbekistan has focused policy towards establishment of business contacts with entrepreneurs in other countries. Strategically important objective in pursuing investment policy is diversification of sectors of the economy of Uzbekistan, development of production and scientific potential, organization of manufacturing competitive and export-oriented products. This paper presents the potential of Uzbekistan to its people and to the international markets.

9. CONSUMPTION DIFFERENCES BETWEEN BARS AND PUBS: AN EXPLORATORY STUDY OF BRITISH AND AMERICAN CULTURE**ABSTRACT**

Stephanie Slome, California State University, Chico, USA The objectives in the proceeding research explore the different cultural perceptions that are affiliated with bars and pubs. A comparative theme analysis was used to narrow down the definition and observe the usage of bars and pubs in both American and British youth today. Open-ended questionnaires were distributed, and common themes were applied to grasp a better understanding of consumer behaviour in such a flourishing market. The results concluded with both similarities and differences between to the two cultures. In brief, pubs were not such a big part of the American schema. In a culture such as Great Britain's, where pubs play a larger role, they were generally not part of the younger generation's behavioral patterns. Bars on the other hand were found to be much more desirable to both cultures even though identification and perceptions were not so similar.

10. EMPLOYEE EMPOWERMENT: IS IT REALLY WORTH THE TROUBLE?

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ABSTRACT

Employee empowerment is a concept that has been utilized by the corporations worldwide for over 20 years. Employee empowerment is a very important element of Total Quality Management (TQM). Along with employee empowerment, TQM consists of leadership and top management commitment, product/process excellence, continuous improvement, and an intense focus on the customer. Many organizations considered world class have implemented TQM strategies along with employee empowerment. Employee empowerment begins by developing a new view about an organization's employees. Employees need to be seen by management as their most important resource. For empowerment to be effective, employees need to be motivated and feel that their job is important to the organization. Employee empowerment may also be extended to employee ownership in the organization. Many form of employee ownership have been in practice to promote employee empowerment. Employee empowerment does not always work, if not implemented correctly the negative effects can be devastating to an organization. This paper presents a concise understanding of the employee empowerment and employee ownership and presents findings whether it really worth the organization effort to implement the employee empowerment and employee ownership.

11. AN EMPIRICAL STUDY OF THE U.S. CIGARETTE INDUSTRY: TRANSLOG APPROACH

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ABSTRACT

Translog function models have been well developed in economics. These models are theoretically tenable, practically amenable, and readily usable. Translog models are an important tool for analytical discussion of many practical problems. This study applies the cost function model to the annual U.S. cigarette industry data from 1963 to 1992. Four inputs included in the empirical investigation are capital, labor, energy, and material. The results show that for the U.S. cigarette industry, while labor and energy are highly complementary, capital and energy are largely substitutable. Capital and material, labor and material are quite substitutable, whereas energy and material are less substitutable. Given the fact that the annual growth rates of unit energy and labor cost were fairly high, the U.S. cigarette industry controlled the labor cost at a manageable level, and kept the energy cost minimal, with total production expenses that averaged 16.98% and 0.97%, respectively. The industry relied heavily on material which accounted for 76.82% of the total expenditures. Fortunately, the annual growth rate of unit material cost was relatively low.

12. PROBLEMS OF MARKET ACCESS FOR POVERTY ALLEVIATION, A RESEARCH STUDY OF THE SELF-HELP-GROUPS IN BIRBHUM DISTRICT IN THE STATE OF WEST BENGAL, INDIA

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ABSTRACT

Development Economics has occupied the center stage ever since the formation of the two multilateral institutions under the Breton Woods Agreement - International Bank for Reconstruction and Development (World Bank) and the International Monetary Fund (IMF). Since then, numerous studies and policy research have been published to suggest strategies and policies for removal of poverty and accelerating the economic growth of the least developed and developing nations. The latest, in this chain of exploration and prescription, has been the so called "Washington Consensus" which sought to focus on

priority of agenda for WTO negotiations between the North and the South. One strand of the thinking was focused on growth of per capita income through the external mechanism of trade and globalization while the other concentrated on domestic policy prescriptions for accelerating economic growth. The latter discussion further spawned such concepts like “high GDP growth leading to poverty removal through the “trickle down “ process and a contrary argument that high GDP growth alone would not suffice unless there are targeted poverty alleviation programs directly benefiting the most disadvantaged sections of the society. While bulk of the research, policy prescription and institution-building have happened keeping a “macro” focus, a “sub-alternist” view is also gaining prominence that it is the “micro” – grass root - level transformations in attitudes, empowerments, organizations, capacities and competencies which can effectively eradicate poverty on a sustaining basis. This growing alternative vision has found its expression in the “gramin bank” experiments so successfully implemented in Bangladesh. Organizing small self-help groups based on personal thrift and contribution of personal skills by the members has become an acceptable model to address the problems of grass root poverty particularly in the rural areas of the developing world. What started as brainchild of individual visionaries later got co-opted in the cooperative movements initiated by NGOs and Governmental agencies. This concern for seeking ‘a micro’ level solution to poverty removal has been paralleled by the tendency towards greater devolution of political power from the “center” to the “periphery” in the democratic nation states. With varying degrees of success, Panchayat Raj or local self-government has dug roots where the leaders elected by secret ballot based on adult franchise have been increasingly made responsible to manage the economic and political destiny of the local area. Thus, the “micro perspective” of the newly emerging development paradigms has meshed with the parallel growth in “grass root’ democracy. Economic uplifting of the destitute based on micro level SHGs, is based upon few premises: a) the group should be a small group comprising ideally not more than 10-12 members and not less than 5-6 members; b) people forming these groups must come together voluntarily for the formation of the group, initially catalyzed by an aware member of the group or by an NGO or by a village-level government/panchayat functionary; c) the groups are so-formed as to provide a common economic focus to the group activities-based on either commonality of skills and/or other resource access or on access of markets for products/services using locally available resources and capabilities; d) SHGs are envisioned to be voluntary and loosely structured entities with a stress on informal functioning to reflect the management capabilities at the grass root level and also to retain flexibility; e) the critical cementing factor for the rationale to succeed is to encourage personal thrift and create a common group-based fund out of the members contribution of savings; f) collection of individual savings into a common fund brings with it new responsibilities. The SHG members learn how to maintain rudimentary accounting records, deposit and track the savings in a bank by operating a bank pass book, learn how to calculate interest rates etc; g) primary thrust in forming SHGs is to target the rural women who often represent the most disadvantaged section within the rural poor. Such SHGs are often encouraged to plan and undertake micro level economic activities suited to their embedded skills or by their ability to manage certain activities in and around their homesteads like poultry or dairying.
