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(英文影印版)

THE IEBM HANDBOOK OF
INTERNATIONAL BUSINESS

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序 言

人类即将进入 21 世纪,随着信息技术的高速发展和全球经济一体化的进程,知识经济已初露端倪。管理知识,作为运用各种可利用资源实现组织目标的经验的结晶,在经济发展中起着越来越重要的作用。目前,管理学科和管理实务发展的重要特点是国际化与本地化同步进行,新理论与新规则层出不穷。面对快速变化的世界,从事工商管理的企业家、管理人员、研究管理的学者、关注经济活动的政府官员及公众都迫切需要方便、快捷地掌握管理的基本理论、一般规律和运行机制,对常用的术语有一个统一的理解,以达到交流的目的。《工商管理大百科全书》就是应时代发展的要求而编纂的大型工具书,全书 500 多条目由世界各地的 500 多位知名学者在多年研究的基础上分别撰写,再经专家的编辑与努力于 1996 年出版了这套全书的英文版。全书共分 13 个领域,它们是:管理一般、管理教育、国际工商管理、企业战略、组织行为、人力资源管理、会计、财务与金融、市场营销、运筹学、制造管理与运作管理、信息管理与工商经济。在工商管理领域,这部百科全书的内容覆盖范围之广,查阅检索之方便,以及参与撰写的作者的国际性与权威性都是空前的。《国际工商管理手册》就是从这套百科全书中精选相关内容单独成册,全面介绍国际工商管理各个方面,反映了全球经济一体化的趋势。

在中国,社会主义市场经济体制的确立,为中国的管理与科学开辟了广泛的发展空间。朱镕基总理指出“管理科学,兴国之道”。这既为我国管理学科的发展明确了目标与要求,也是对从事管理工作与管理科学的同志的巨大鼓励和鞭策,体现了党和国家对管理及科学的高度重视。为了进一步促进我国经济的发展,管理工作应该掌握市场经济的一般规律,熟悉其运行规则,紧密结合我国实际,使我国的管理学科水平及管理水平赶超世界水平。这就要求我们应该大胆引进和借鉴世界各国先进的管理理论和方法,坚持以我为主、博采众长、融合提炼、自成一家的原则,使我国的管理水平及管理学科水平上一个新台阶。

我们出版这本书的英文影印版,旨在向我国从事管理理论和管理实务工作的广大管理人员、专家学者、教师及学生推出一本方便实用的工具书,并且期望这本原汁原味的国外管理科学工具书能提高读者的专业外语水平,有利于国际交流。

清华大学经济管理学院第一副院长 赵纯均

1998 年 8 月 18 日

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General principles, issues and concepts

Accounting, international

- 1 The development of accounting around the world**
- 2 Harmonization of differences**
- 3 Transactions in foreign currency**
- 4 Translation of foreign-currency financial statements**
- 5 Performance evaluation and control**
- 6 Conclusion**

Overview

Managers cannot make good decisions without the availability of adequate and timely financial information. Although accounting and information systems specialists provide this information, all managers need to understand which data are needed and the problems specialists face in gathering those data from around the world. The accounting and finance functions are very closely related. Each relies on the other in fulfilling its own responsibilities. The financial manager of any company, whether domestic or international, is responsible for procuring and managing the company's financial resources. That manager relies on the accountant to provide the information necessary to manage financial resources.

The actual and potential flow of assets across national boundaries complicates the finance and accounting functions. The multinational corporation (MNC) must learn to cope with differing inflation rates, exchange rate changes, currency controls, expropriation risks, customs duties, levels of sophistication and local requirements.

A company's accounting or controllership function is responsible for collecting and analysing data for internal and external users. Foreign managers and subsidiaries are usually evaluated based on data provided by the controller's office. Reports must be generated for internal consideration, local governmental needs, creditors, employees, shareholders and prospective investors. The controller must be concerned about the impact of many different

currencies and inflation rates on the statements as well as being familiar with different countries' accounting systems.

I The development of accounting around the world

One problem which a multinational corporation (MNC) faces is that accounting standards and practices vary around the world; for example, financial statements in Germany do not look the same as those in the USA (see MULTINATIONAL CORPORATIONS). Some observers argue that this is a minor matter, a problem of form rather than substance. In fact, however, the substance also differs, in that assets are measured differently and income is determined differently in different countries.

A good example of this situation involves SmithKline Beecham plc, a UK firm that is the product of a merger between a US firm (SmithKline) and a UK firm (Beecham). When the new merged company tried to raise funds in the United States, it had to disclose its income according to both UK and US accounting standards and also to reconcile the difference. Because of differences in accounting policies, SmithKline Beecham reported a net income of £130 million according to UK standards but a net income of only £87 million according to US standards. There were several reasons for this difference; the major one was the different ways in which UK and US companies are allowed to account for mergers.

These variations put the MNC in a difficult position because it needs to prepare and understand reports generated according to the local accounting standards as well as prepare financial statements consistent with generally accepted accounting principles (GAAP) in the home country in order to provide information for home country users of financial statements. Each country develops its own GAAP,

which are the accounting standards recognized by the profession as being required in the preparation of financial statements for external users. Each country's GAAP is a function of the factors discussed in the following sections. The more the GAAP differs from country to country, the more costly and difficult it is for an MNC to generate financial statements.

Accounting objectives

Accounting is basically a process of identifying, recording and interpreting economic events, and its goals and purposes should be clearly stated in the objectives of any accounting system. According to the Financial Accounting Standards Board (FASB), the private sector body that establishes accounting standards in the USA, financial reporting should provide information useful in the following areas:

- investment and credit decisions
- assessments of cash-flow prospects
- evaluation of enterprise resources, claims to those resources, and changes in them

The users of these data identified by the board are primarily investors and creditors, although other users might be considered important. The International Accounting Standards Committee (IASC), a standard-setting organization composed of

professional accounting organizations from over eighty countries, includes employees as well as investors and creditors as the critical users. Also named as users of this information are suppliers, customers, regulatory and taxing authorities, and many others.

Although the question of whether there should be a uniform set of accounting standards and practices for all classes of users worldwide, or even for one class of users, has been discussed widely, no consensus has been reached. To understand the different accounting principles and how they affect the MNC's operations, one must be aware of some of the forces leading to the development of accounting principles internationally (see Figure 1).

Similar to business in general, corporate accounting and information disclosure practices are influenced by a variety of economic, social and political factors. A model of the environmental factors involved is presented in Figure 1 from which we can see many influences at work. These include the nature of enterprise ownership, the business activities of the enterprise, sources of finance and the stage of development of capital markets, the nature of the taxation system, the existence and significance of the accounting profession, the state of accounting education and research, the nature of the political system, the social climate, the rate of inflation, the nature of the legal system, the nature of the accounting regulation, the nature of the culture, and the nature of the international factors.



Figure 1 Environmental influences on accounting
Source: Radebaugh and Gray (1993: 44)

regulation. The nature of accounting systems at the country level will vary according to the relative influence of these environmental factors and such systems will, in turn, tend to reinforce established patterns of behaviour.

Relative to enterprise ownership, the need for public accountability and disclosure will be greater where there is a broad ownership of shares compared to family ownership. Where there is state ownership, the influence of centralized control on the nature of accounting systems will tend to be overriding in terms of serving macroeconomic objectives. The activities of enterprises will also be influential on the nature of the accounting system depending on whether the business is agricultural, extractive, manufacturing, and so on; whether it is diversified; whether it is multinational; and whether it is a large group of companies or a small business.

The source of finance is another important influence. Clearly, there will be more pressure for public accountability and information disclosure where finance is raised from external shareholders as opposed to banks or family sources when information will be available more directly.

Taxation is a very important factor in situations where accounting systems are strongly influenced by state objectives; that is, public accounting reports are used as a basis for determining tax liabilities such as in France and Germany, in contrast to the USA and UK, where the published accounts are adjusted for tax purposes and submitted separately from the reports to shareholders.

Where there is a more developed accounting profession there are likely to be more developed, judgmentally based public accounting systems as opposed to more centralized and uniform systems. Furthermore, the development of professional accounting will depend on the existence of a sound infrastructure of accounting education and research which is often lacking, for example, in developing countries.

The political system is obviously a very important influence on accounting in that the nature of the accounting system will reflect political philosophies and objectives (for example, central planning versus private

enterprise). The social climate in terms of attitudes to informing and consulting employees and with respect to environmental concerns will also be influential. In Europe, for example, there is a much more positive approach to information disclosure relating to such matters than in the USA.

The nature and extent of economic growth and development will also be influential in so far as change from an agricultural to a manufacturing economy will pose new accounting problems such as the depreciation of machinery, leasing, and so on. In many countries, services are now becoming more important and thus the problems of how to account for intangible assets such as brand names, goodwill and human resources have become significant. Inflation is often associated with economic growth and is a major influence on accounting where hyperinflation is rife (for example, in South America) to the extent that alternative systems to the traditional historic cost approach are preferred.

The legal system is also important in determining the extent to which company law governs the regulation of accounting (see INTERNATIONAL BUSINESS, LEGAL DIMENSIONS OF). In countries with a tradition of codified Roman law (or civil codes) – as in France and Germany, compared to common law as in the UK and USA – accounting regulations tend to be detailed and comprehensive. Furthermore, the influence of the accounting profession in setting accounting standards tends to be much less in such countries compared to situations where company law is supplemented by professional regulation as in the UK and USA.

In addition, the influence of culture (societal or national values) needs to be taken into account in terms of its underlying impact on accounting traditions and practices. International factors are also bringing about changes in the environment and to some extent providing forces for international accounting harmonization as opposed to the constraining influences operating at national levels.

Naturally, the influence of these factors is dynamic and will vary both between and within countries over time. Moreover, it

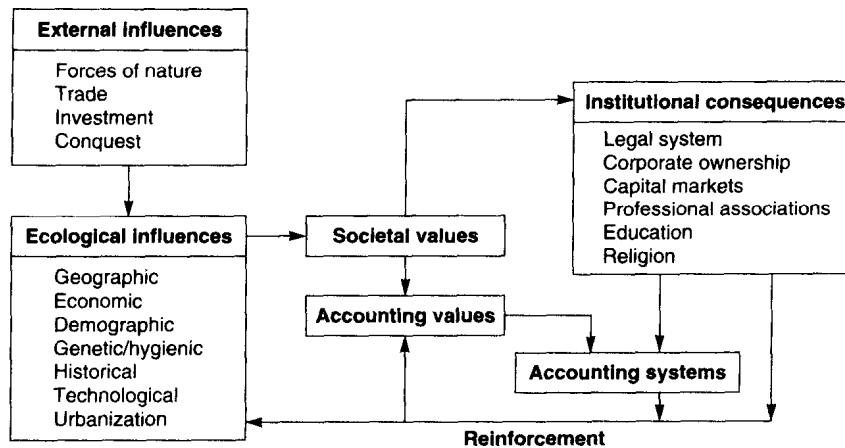


Figure 2 Culture, societal values and the accounting subculture
Source: Gray (1988: 7)

appears that there is an evolutionary process of some complexity at work with special reference to the growing number of international and regional influences such as those arising from the activities of MNCs and intergovernmental organizations such as the United Nations (UN), the Organization for Economic Cooperation and Development (OECD), and the European Union (EU; see EUROPEAN UNION). In the European context, the EU is an especially significant influence in that any agreement on the harmonization of accounting and information disclosure eventually becomes legally enforceable through a process of implementation in the national laws of the member countries.

Cultural differences

A major source of influence on accounting standards and practices is culture. National differences in culture have emerged over long periods of time and have often maintained their stability over many generations (see CULTURE, CROSS-NATIONAL). How does this happen and how does change occur?

The origins of culture, or societal values, can be found in a variety of factors affecting the ecological or physical environment. Societal values lead to the development and maintenance of institutions in society, which include family systems, social class

structures, the political system, the legal system, the financial system, the nature of business ownership, the education system, and so on. These institutions, once developed, tend to reinforce societal values and the factors giving rise to such values. However, when change at the national level occurs, it is mainly as a result of external forces, through the forces of nature or the forces of people. Such external forces affect societal values via the physical environment and may impact on the functioning of institutions. Culture, or societal values, at the national level may be expected to permeate through to organizational and occupational subcultures, though with varying degrees of integration. Accounting and accountants thus can be incorporated in this framework with accounting systems and practices influenced and reinforcing societal values. In this way we can obtain possibly more fundamental insights into why there are differences between national systems of accounting and reporting, both internal and external. Figure 2 provides a model of the process whereby societal values are expressed at the level of the accounting subculture. Accordingly, the value system or attitudes of accountants are shown as being related to and derived from societal values with special reference to work-related values. Accounting 'values' will, in time, impact on accounting

systems including public reporting and disclosure.

Of special interest to international investors are the differences in measurement and disclosure practices from among countries. Measurement refers to such issues as how to value assets, including inventory and fixed assets. Disclosure refers to the presentation of information and discussion of results in documents that are prepared for external users of financial data, such as the annual report. Figure 3 depicts the possible locations of the accounting practices of various groupings of countries in a matrix of the cultural values of secrecy/transparency and optimism/conservatism. With respect to accounting, secrecy and transparency refer to the degree to which corporations disclose information to the public. Countries such as Germany, Switzerland and Japan tend to have less disclosure (illustrating the cultural value of secrecy) than the USA and the UK – the Anglo-Saxon countries – which are more transparent or open with respect to disclosure. This is illustrated in more extensive footnotes in reports of the Anglo-Saxon countries than is the case elsewhere.

Optimism and conservatism (in an accounting, not a political, sense) refer to the degree of caution companies exhibit in

valuing assets and recognizing income – an illustration of the measurement issues mentioned above. More conservative countries from an accounting point of view tend to understate assets and income, whereas optimistic countries tend to be more liberal in their recognition of income. The problem with comparing this cultural value is that accounting is inherently conservative, so we are really looking at the degree of conservatism. For example, German companies are funded largely by banks, and banks are concerned with liquidity. Therefore, German companies tend to be very conservative in recording profits – which keeps them from paying taxes and declaring dividends – while piling up cash reserves that can be used to service their bank debt. In contrast, US companies want to show optimistic earnings in order to attract investors. Generally, UK companies tend to be more optimistic in earnings recognition than US companies, but US companies are significantly more optimistic than other European companies and Japanese ones. Thus there are significant differences in accounting standards and practices worldwide that affect earnings measures (see *MANAGEMENT IN GERMANY*; *MANAGEMENT IN THE UNITED KINGDOM*).

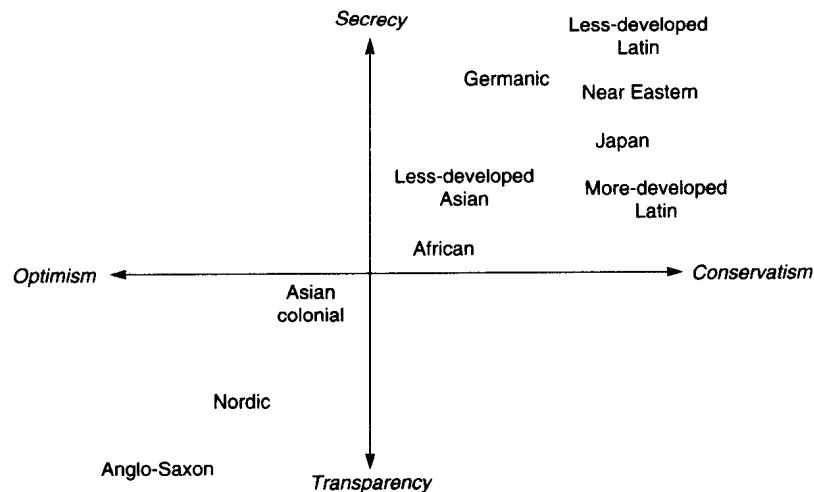


Figure 3 Accounting systems: measurement and disclosure
Source: Radebaugh and Gray (1993: 76)

Classification of accounting systems

While there are many differences in national environments, with corresponding different effects on accounting systems, there are also many similarities. Attempts to classify countries and identify patterns or groupings are still very much at the early stages, but such efforts would seem to be useful in gaining a better understanding of the key factors influencing the development of accounting systems with consequent benefit in terms of predicting likely changes and their impact.

Accounting systems in socialist economies such as The People's Republic of China are, of course, quite different from those in developed market economies such as the USA, Japan and the EU countries (see MANAGEMENT IN CHINA). In the former socialist economies of Russia and eastern Europe, for example, accounting is in a state of transition to a market approach. As far as public accounting and reporting in the market economies are

concerned, however, it seems that a number of distinct models of accounting may be identified including, at the very least, the Anglo-American and continental European traditions. But given the change factors at work, it is not an easy task to make accurate assessments or predictions of future evolution. The current situation is highly dynamic in the context of the activities of a wide range of national and international organizations, as well as the changing nature of business and especially multinational operations. It may well be that new models or patterns of accounting and reporting are in the process of being formed. The UK and continental European traditions, for example, are now in the process of coordination and some fusion following EU developments in accounting harmonization.

Although accounting standards and practices differ worldwide, systems used in various countries can be grouped according to common characteristics. Figure 4 illustrates one approach to classifying accounting systems. This scheme does not attempt to classify

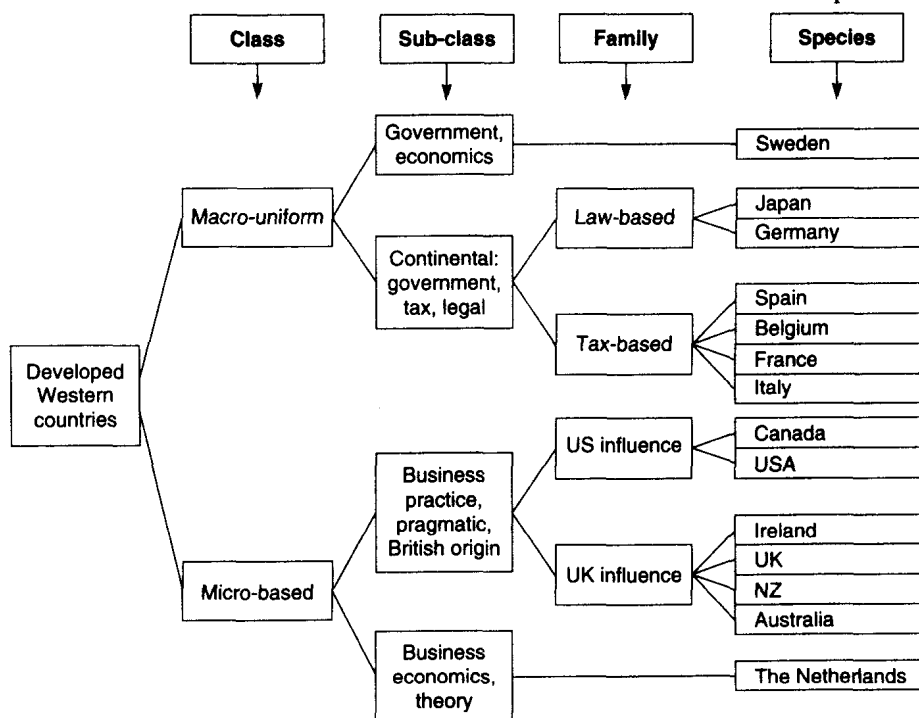


Figure 4 A hypothetical classification of financial reporting measurement practices in developed Western countries

Source: Nobes (1983: 7)

all countries but simply illustrates the concept using several developed Western countries.

In Figure 4, accounting systems are initially divided into macro-uniform and micro-based systems. Macro-uniform systems are shaped more by governmental influence than are microsystems. Except for Sweden's system, macro-uniform systems are influenced by tax law or just a strong legal system. These systems also tend to be more conservative and secretive about disclosure. Micro-based systems, except for that of The Netherlands, include features that support pragmatic business practice and have evolved from the UK system. The US system is closer to the macro-uniform systems, however, because of the strong influence of the Securities and Exchange Commission (SEC), a federal government agency that regulates securities offerings within the USA.

The bottom line is that MNCs need to adjust to different accounting systems around the world. Thus the accounting function is made more complex and costly to perform. An MNC's parent company must gather data from far-flung subsidiaries and affiliates and convert those data into a format consistent with the home country's preferred accounting system.

An MNC expected to provide its annual report or at least its financial statements to foreign users has five major alternatives regarding presentation of financial data:

- 1 Provide accounting information according to home country GAAP and hope that foreign investors are willing to accept those numbers. This is known as the principle of mutual recognition. In other words, if a German company provides financial information according to German GAAP and a US company provides financial information according to US GAAP, mutual recognition requires that the USA accept the German statements and Germany accept the US statements.
- 2 Provide accounting information according to international GAAP (IASC standards) and hope that the host country accepts those numbers.
- 3 Provide accounting information according to host country GAAP, which is what Japanese companies tend to do when they list securities in the USA. They provide financial information according to US GAAP rather than Japanese GAAP.
- 4 Provide accounting information according to home country GAAP that is reconciled to host-country GAAP. This is how most foreign companies that list on the US exchanges provide financial information. The US SEC requires that foreign companies provide information according to US GAAP or reconciled to US GAAP.

An example of the reconciliation approach is found in Table 1, which is the reconciliation of consolidated net income and shareholders' equity from German GAAP to US GAAP for Daimler-Benz in 1993 and 1994. The reconciliation highlights significant differences in results and the major sources of difference. Similar reconciliation statements can be found in Form 20-F of most foreign corporations who list or trade securities on any of the US stock exchanges. These reconciliations spotlight the significant differences between US and foreign GAAP.

2 Harmonization of differences

Despite the many differences in accounting standards and practices, a number of forces are leading to harmonization:

- 1 a movement to provide information compatible with the needs of investors;
- 2 the global integration of capital markets, which means that investors have easier and faster access to investment opportunities around the world and therefore need financial information that is more comparable;
- 3 the need of MNCs to raise capital outside their own national capital markets while generating as few different financial statements as possible;
- 4 regional political and economic harmonization, such as the efforts of the EU, which affects accounting as well as trade and investment issues;
- 5 pressure from MNCs for more uniform standards to allow greater ease and reduced

General principles, issues and concepts

Table 1 Daimler-Benz reconciliation of consolidated net income and stockholders' equity to US GAAP
– in millions of DM –

	1994	1993
Consolidated net income in accordance with German HGB (Commercial Code)	895	615
+/- Minority interest	159	(13)
Adjusted net income under German GAAP	1,054	602
+/- Changes in appropriated retained earnings: provisions, reserves and valuation differences	409	(4,262)
	1,463	(3,660)
Additional adjustments		
+/- Long-term contracts	53	78
Goodwill and business acquisitions	(350)	(287)
Deconsolidation of MBL Fahrzeug-Leasing GmbH & company KG, effective 30 June 1994	(652)	–
Pensions and other post-retirement benefits	(432)	(624)
Foreign-currency translation	(22)	(40)
Financial instruments	633	(225)
Securities	(388)	–
Other valuation differences	73	292
Deferred taxes	496	2,627
Consolidated net income/loss in accordance with US GAAP before cumulative effect of a change in accounting principle	874	(1,839)
Cumulative effect of change in accounting for certain investments in debt and equity securities as of 1 January 1994, net of tax of DM 235 million	178	–
Consolidated net income/loss in accordance with US GAAP	1,052	(1,839)
Earnings/loss per share in accordance with US GAAP	DM 21.53	DM (39.47)
Earnings/loss per American Depositary Share ¹ in accordance with US GAAP	DM 2.15	DM (3.95)
Stockholders' equity in accordance with German HGB	20,251	18,145
./- Minority interest	(151)	(561)
Adjusted stockholders' equity under German GAAP	20,100	17,584
+ Appropriated retained earnings: provisions, reserves and valuation differences	6,205	5,770
	26,305	23,354
Additional adjustments		
+/- Long-term contracts	262	207
Goodwill and business acquisition	1,978	2,284
Deconsolidation of MBL Fahrzeug-Leasing GmbH & company KG, effective 30 June 1994	(652)	–
Pensions and other post-retirement benefits	(2,250)	(1,821)
Foreign-currency translation	63	85
Financial instruments	1,013	381
Securities	27	–
Other valuation differences	(185)	(698)
Deferred taxes	2,874	2,489
Stockholders' equity in accordance with US GAAP	29,435	26,281

1 Corresponds to one-tenth of a share of stock of DM50 par value

Source: Daimler-Benz (1994: 67)

costs in general reporting in each country and in reporting to be used by investors in the parent company's country.

Impelled by these developments, some countries and organizations are working to harmonize accounting standards on a regional as well as an international level. Regionally, the most ambitious and potentially most effective efforts are taking place in the EU. The European Commission is empowered to set directives, which are orders to member countries to bring their laws into line with EU requirements within a certain transition period. The initial accounting directives addressed the type and format of financial statements, the measurement bases on which the financial statements should be prepared, the importance of consolidated financial statements, and the requirement that auditors must ensure that the financial statements reflect a true and fair view of the operations of the company being audited.

The EU's influence is being felt beyond the borders of its members. The European Free Trade Association (EFTA) and eastern European countries are attempting to adopt EU accounting directives in preparation for becoming members. In addition, eastern European countries and those of the former Soviet Union are moving from centrally planned to market economies, and they need an accounting system that will aid in the transition. The EU directives provide some guidance in this area.

The International Accounting Standards Committee (IASC), organized in 1973 by the professional accounting bodies of Mexico and several primarily industrial countries, has worked towards harmonizing accounting standards. The organization comprises over a hundred professional accounting organizations representing more than eighty countries and 900,000 accountants. Initially, the IASC wanted to develop standards that would have rapid and broad acceptance; thus it seemed to focus mostly on improved disclosure. More recently, it has been interested in tackling some more substantive issues.

The IASC has no legislative mandate like that of the EU, so it must rely on goodwill for

acceptance of its standards. However, a number of countries have used the standards as models for their own. For example, Singapore has successfully adopted IASC standards. Other countries have modified the standards as appropriate for their own national settings. In addition, the International Organization of Securities Commissions (IOSCO) is working with the IASC to ensure that the standards being developed can be adopted by companies that want to list securities on a variety of national stock exchanges.

3 Transactions in foreign currency

A major accounting problem for international business arises from operating in different currencies (see FOREIGN EXCHANGE RISK, MANAGEMENT OF). In addition to eliminating or minimizing foreign-exchange risk, a company must concern itself with the proper recording and subsequent accounting of assets, liabilities, revenues and expenses that are measured or denominated in foreign currencies. These transactions can result from the purchase and sale of goods and services as well as the borrowing and lending of foreign currency. Accounting for foreign currency transactions and the translation of foreign currency financial statements varies from country to country, but we will use IAS 21 of the IASC for the basic discussion here, and then present major differences that exist from country to country.

Recording of transactions

Any time an importer is required to pay for equipment or merchandise in a foreign currency, it must trade its own currency for that of the exporter in order to make the payment. Likewise, an exporter that denominates its sale in the currency of the importer must convert the receipts into its own currency. Assume that a US company sells inventory to a UK importer with the sale denominated in pounds sterling rather than in dollars. According to IAS 21, the foreign currency transaction should be recorded at the spot rate on the date of the transaction. At subsequent balance