Global and Regional Crises:
Implications, Recommendations and Solutions
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Analyzing the role of organization resilience in business transformation

The concept of the positive organization behavior (POB) explores the dimensions of average person’s potentialities (Sheldon and King, 2001). The prevailing concern before POB’s acceptability is its potential to offer radical outcome. The four factors of PsyCap are self-efficacy, hope, optimism and resilience. Psychological capital as a source of generating competitive advantage and self-renewal capability is the emerging research paradigm. Resilience as a factor of PsyCap has been explored lesser. Like other elements of PsyCap, resilience is also a ‘state like’ rather than ‘trait like’. An entrepreneur perseveres to realize upward variation in the level to resilience to be able to cope with the situation at micro level. During this process, the effect of the change state percolates beyond individual psyche. So this element of positive psychology appears to transit beyond individual level. Chandler (1997) also indicates that the transition from individual level to organizational level is natural for entrepreneurial or growth oriented firms. A study by Lindsey, Brass and Thomas (1995) suggests that group and organization also acquire efficacy. So this can be explored for resilience also. Organizational resilience incorporates adaptive, proactive and reactive strategies thereby developing procedures and processes that reduce the risk in the business environment in which they operate. Resilience for organizations is found to have three principal attributes. It is a function of an organization’s overall situation awareness, management of keystone vulnerabilities, and adaptive capacity in a complex, dynamic, and interconnected environment (MacManus et al. 2008). Situation awareness: Situation awareness is generally referred as a measure of an organization’s understanding and perception of its entire operating environment. This includes the ability to look forward to opportunities as well as potential crises and the ability to identify crises and their consequences accurately. Further, situation awareness includes an enhanced understanding of the trigger factors for crises, an increased awareness of the resources available both internally and externally, and a better understanding of minimum operating requirements. Critically, situation awareness also incorporates an enhanced awareness of expectations, obligations, and limitations in relation to the community of stakeholders (Endsley et al. 2003, Oomes, 2004). Management of keystone vulnerabilities: The management of keystone vulnerabilities relates to those aspects of an organization, operational and managerial, that have the potential to have significant negative impacts in a crisis situation. There are two aspects to identifying keystone vulnerabilities. The first is the speed at which a component failure has a negative impact (rapid or insidious), and the second is the number of component failures required to have a significant negative impact on an organization (discrete or cascading) (Klein et al. 2003, Villagrán De León 2006, & Füssel 2005). Adaptive capacity: Adaptive capacity is defined as the ability of an enterprise to alter its strategy, operations, management systems, governance structure, and decision-support capabilities to withstand perturbations and disruptions (Starr et al. 2004). Organizations that focus on their resilience in the face of disruption generally adopt adaptive qualities and proactive responses. Furthermore, they emphasize positive behavior within the enterprise and within employees, and look at disruptions as being opportunities for advancement (Gallopin 2006, Smit & Wandel, 2006). The present study focuses on the transformational potential of resilience. The current study picks a microfinance company whose performance remained par excellence despite recessionary and other adversities. The company X is a fastest growing public limited microfinance company of India. The company operates in 336 districts across 19 states of India. As Govt. of India envisions bringing out half of people from below line of poverty by 2014, the Govt. has provided a special fund of 4000 crore as Rural Infrastructure Development Fund (RIDF). In 2008-09,
Indian microfinance has reached to 86.2 million clients. Reserve Bank of India (RBI) prescribes minimum liquidity norms for Non Banking Financial Companies (NBFCs). The minimum Capital Adequacy Ratio (CAR) should be around 10-12% as stipulated. The company X has maintained this ratio at the level of 39.04% in 2009 and 24.77% in 2008. The credit rating agency CARE awarded PR1+ rating which is the highest possible safety rating. Keeping in view the market risk, RBI increased CAR from 10 % to 12% by 2009, and now from 12% to 15% by March 31, 2010. Operating expenses increased by 171%, financial expenses 271% and personnel expenses 188%. Despite the profitability, company decided not to give dividends to shareholders to pump in company growth. CEO of the company who was instrumental in the up rise of the company suddenly passed away in 2009. In the year ended on March 31, 2009; the company registered 226 percent growth in the gross income. Net profit after tax has increased by 382%. And that too during worsening recessionary time. Company has seen 76% increases in total number of branches within a year. The loan disbursement has increased 162%. The company has immensely attracted the private equity investors especially during the global melt down. The company raised Rs. 366 crores (USD 75 million) in one financial year that is the largest ever private equity investment in any microfinance institution in India. Company has registered inclusiveness in her employee portfolio. Over 25% belong to other backward class and 20% are from scheduled class. The present research explores the research question, how organization level factors of resilience manifest transformational potential in reforming corporate level goals. During the period of significant environmental turbulence, the company stretched the strategic goals and pursued successful global expansion. It combined the paradox of stability and agility. The study uses critical incident method to synthesize the factors critical to develop and strengthen organizational resilience. These factors are broadly derived from the organizational adaptive, proactive and reactive capacities to manage the adverse situations. The authors draw resiliency matrices, and describe the implications of each factor in maintaining business continuity during upheaval.

Neeti Rana  
Sharadindu Pandey  
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Changing Consumers of the World: An Opportunity or Challenge for Globalization

In the post-globalization world, consumers are very different than those of two or three decades ago. The diffusion of information and communication technologies (ICT) has improved information flow among consumers and businesses. Today’s global businesses have to operate in the information abundance environment, contrasting information scarcity environment a few decades ago (Shapiro and Varian, 1999). As a result, consumers are more informed about products and services that are offered both in their own countries and abroad. Parallel to the diffusion of ICT, in the past two decades, many countries have also adopted market economies. These countries include consumers in China, India, and the former Soviet Union. Market economies opened up avenues for businesses to reach these consumers who once were deprived of free product choices under command economies. In other words, in many emerging economies, consumers have access to a much wider choice set of products and services than previously experienced. The market economy also propelled the establishment of financial infrastructure which allowed consumers in emerging economies to establish credits for purchases. For example, in 2003 there were 3 million credit cards in China, by 2008 Chinese banks have issued more than 300 million credit cards (China sees 57.7% annual growth in New Credit Cards). This is an example to illustrate consumers in recent decades having more ability to buy. With the majority of countries in the world operating in free markets, more intensive worldwide business competition resulted in more quality products for consumers. Today’s consumers have access to better quality products. With the diffusion of ICT and more open competition worldwide, consumers are also experiencing better pricing structures. One example will be eBay setting new rules of pricing between buyers and sellers worldwide for many products. Alongside the conversion from command to market economies, many countries also went through market reforms in deregulating state-owned industries for the last three decades (Roland, 2008). Reforms included the privatization of seaport industry, air transport industry, and many more. Privatization of transportation infrastructure enables supply chain of goods to be more efficient, and hence consumers are more able to receive delivery of purchases in a shorter time as compared to the past. Because of the diffusion of ICT, market economies, deregulations, and increased credit availability, today’s consumers’ consumption patterns have changed. Are these changes going to further enhance globalization or threaten its future? What are the challenges for global businesses?

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International Stock Market Integration: A Study of the US and the BRIC Markets

A complete understanding of various stock markets of the world is important in the present global era of financial uncertainty. International investors should track their markets of interest to understand the forces behind the integration of stock markets in order to realize the possible risks and returns of global diversification. In this paper an attempt is made to understand the integration of BRIC emerging markets, which are gaining prominence in the investment community with the United States. The data for the study is considered from 01/04/2000 to 31/01/2010. The results indicate that there is a varying degree of cointegration among the BRIC and US nations which is mainly due to the trade relations between these countries.

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Skill gap as crisis: A myth or reality

According to the report by NASSCOM and McKinsey in 2005, only 25% of the engineering education graduates are employable by multinational companies. The aspect that needs attention is that our college graduates “do school.” The skills desired to do school do not necessarily connect well with the skill requirements of the 21st century workplace (Willard R. Daggett). Skill shortage, skill gap, inadequate skills are the different terms used invariably replacing each other for the phenomenon which describes the lack of a competent resource person who can create superior performance when placed in a job position. This research paper is an attempt to explore the real situation of skill gap in the global industrial scenario. In order to understand the concept of skill shortage the researcher attempts to explore whether in general skill shortage exist in our country India or not? As per the positivist there is no skill shortage as parents in India are highly career conscious from childbirth onwards, our culture is futuristic, we have fertile brain to understand but yes there are no doubt certain aspects that hinder the proper utilization of our brain resource which are as follows - Lack of proper career guidance and opportunity, lack of information & opportunity, lack of respect & facilities causing Brain Drain, Lack of opportunity, political Instability, Theory based Education System, Caste system & Reservation, Corruption, Better Life style in foreign. As per a prediction done in past by NASSCOM, 10 million jobs will be available by 2009 to the Indians in service sector including IT enabled sectors. This will involve opening of the service sector under WTO. However, there were serious doubts whether India incorporation will be able to supply the skilled manpower for the potential 10 million jobs (A. Blom & H. Saeki April 2011). Due to the downturn of global economy jobs are drying up around the world. “From lawyers in Paris to factory workers in China and bodyguards in Columbia, the ranks of the jobless are swelling rapidly” (Schwartz, N. 2009: 1). How can both these above facts be true is a mystery that needs to be unfolded? The Council resolution on new skills for new jobs highlighted the need to anticipate the skill needs and gaps emerging in European labour markets (Council of the EU, 2007). Though skill mismatch lacks sound theoretical frameworks addressing it comprehensively but different strands of literature on, overeducation (Büchel et al., 2002), skill shortages (Green et al., 1998) and skill obsolescence (De Grip et al., 2002) have emerged. A research in hotel industry came up with its findings collected through focus groups that recruitment for most of the positions, managerial or operational, is difficult specially in F & B attendant, room attendant, porter and guest service agent. A study by Bersin & Associates based on more than 720 global organizations, found that overall spending levels, organization structure, and team size have far less impact on business performance than the skills of the HR professionals. In a developing country such as South Africa where the jobless rate is 23.1% of the labour force (4.1 million) (Mail & Guardian, 2008), it is expected that university graduates should be able to find employment but there are many who do not (Ntuli, 2007). As per an article in Bloomberg BusinessWeek about L & T in construction business the findings are as though it has seen its sales jump by 35% in the past year but still they find it really hard enough to hire the required mechanical engineers to keep up with all the work. Despite boosting wages for rookie engineers by 25% -- to roughly $5,700 per year .They still losing potential recruits to the software industry, multinational competitors in India, or rivals in the Persian Gulf that pay twice his current rate. Says Naik: “Everyone is growing fast, and India is facing a talent shortage.” As per World Bank. "Insufficient supply of quality skills is one of the major impediment to further economic growth in India."Also a vital news in ET bureau made a big dent in the image of India as a skilled manpower country titled as “1 million vacant government posts due to skill shortage to hurt India’s growth” (Devika Banerji & Smriti 2011). Skill shortage is found at various levels blue collar levels, middle management & leadership too. Laments Hari Bhartia. President of
A clerk in the office considers his job better than a welder.” Thus causing rural youth to migrate in cities for office jobs, As per the L.E.A.D survey too: “That’s two in every three workplaces operating with a workforce that does not have the right mix of skills to function effectively!”. Disturbingly, beyond the expected shortage in technical skills related to specific industries and sectors, two of the top six areas of skills shortage relate to leadership and management. An exploration at global scenario revealed similar results, in UAE, Qatar, Kuwait and Saudi Arabia, the supply of engineering and managerial talent is not keeping up with demand, leading to acute shortages in some areas. Owing to all the protesting in major cities across America, it seems that employers aren’t hiring. With respect to a country like America with more than 14 million unemployed, a recent Manpower survey found that 52 percent of U.S. employers are having difficulty filling critical positions. The obvious disconnect is that employers are struggling to find a) qualified applicants who b) possess a decent work ethic. (Pragya Kothari Construction-Heavy, DLF 2010). The most recent LINE report from SHRM mentions recruiting difficulty in the manufacturing area is up 11.2 points over a year ago. In the service sector, recruiting difficulty rose a more modest 2.7 points. According to CNN Money: “Skilled developers are Silicon Valley’s scarcest resource.” All the above information manifest that the problem undoubtedly exists, one can keep exploring the problem which extends at different functional areas, geographic regions, level of skills etc. but it wouldn’t be conclusive till one identifies the solution to a disease such as skill shortage that is getting contingent day by day.

As per a research finding out of the 4 factors of the failure of any projects one of the significant most is Skills shortage and competency gap (Vanessa-Delloit). In the South African context most chaos report shows that two out of three projects fail to deliver fully, due to lack of project management skills. Hence researcher will like to throw light on whether the above problem is due to candidate’s entitlement mentality, lack of jobs, new or enhanced skill requirements for newly created high-level jobs or lack of competency based HR practice. The researcher will attempt to explore competency management & integrated talent management, as one of the major solution to the above problems, where competent individual is defined as, “one who has skills and attributes relevant to tasks undertaken

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The Comparison of Social Media and Marketing Relationships in the East and the West

The advancement of social media has created many consumer groups around the world, and at the same time has strengthened many existing consumer groups. However, there is little research that addresses the possible differences of social media and consumer relationships across cultural groups. This paper addresses this gap by proposing that social media-based relationships between and among businesses and consumers will differ across culture. We are interested in the comparison between consumers in the U.S. and in China. We propose that the role Guanxi plays will continue to exhibit its dominant presence in social media in China. Guanxi, based on Confucius teaching, is defined as connections among people that are reciprocal, intangible, utilitarian rather than emotional, transferable, and personal (Luo, 1997). Guanxi thus has a nuanced difference than the Western concept of networking (Luo, 1997). Based on this difference, this paper proposes that the relationship of business-to-business (b2b), business-to-customer (b2c), and customer-to-customer (c2c) exhibited in social media will vary between the two cultures. We speculate that in the b2b context, since China already has a long history of solid business relationship infrastructure that is based on Guanxi (Lee, Pae and Wong, 2001), social media will enhance and strengthen it. Contrarily, Western business has not had any similar informal infrastructure that is near Guanxi to bind b2b relationship, social media will then be used to initiate b2b relationship. For b2c relationship, since companies in the West are much more advanced in communicating with their customers, social media-based b2c relationship in the U.S. will be used more often and more effectively for companies to provide information, solicit feedback from customers when compared to companies in China. In the U.S., many companies have their Facebook pages. Finally for c2c relationship, social media has enhanced the proliferation of brand communities in the West. It is not clear how strong virtual brand communities are in China. In particular we are not sure whether the ties are formed before or after meeting virtually. We speculate that c2c brand communities are more likely formed from pre-existing Guanxi. In exploring the different marketing relationships that exhibit in social media in different cultures, this paper thus informs global marketers on how to enter various market places using social media.

Building Strategy Map of Central Bank of Iran; Using Balanced Scorecard (BSC) Approach

This article reports a research with the goal of designing the strategy map for Central Bank of Iran (CBI). Since there was no documented strategy map for bank, the strategic goals were found through studying mission, goals, and mandates of CBI, the forth and the fifth Socio-Economic Development Plans of Islamic Republic of Iran, and the fifth Development Plan of CBI which was prepared by the Bank's managers and experts. A list of strategic goals was found by Delphi method and data was gathered using a questionnaire. The measures of financial, customer, internal processes, and learning and growth perspective were studied by factor analysis; therefore, the research method was descriptive-exploratory method. The statistical population of our survey was consisted of 750 managers and experts of whom 102 ones were selected through stratified random sampling method. According to the results of the study, the strategy map containing strategic goals and strategic measures in customers, internal processes, and learning and growth perspectives were designed.

M. Rajab-Baigy
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Can a Technopark project really help Uzbekistan to strengthen its economy? Is its Strategy to adopt a Western model Sufficient Enough?

This paper reviews the development of a new Technopark in Uzbekistan which is supported by Oxford and Cambridge Universities in 2011-2015. In other words, it seeks out why Uzbekistan is trying to adopt a Western model of technopark? It might be because Science Park flows knowledge based atmosphere accompanied by universities, governments and industries. Of course, a technopark plays an important role in economic development in developing countries. The problem of regional development is an actual issue as never before for modern Uzbekistan, including the Tashkent area, as it is one of the largest regions of the country on a population and industrial potential. Technopark facilitates the creation and growth of innovation-based companies through incubation and spin-off processes and provides other value-added services together with high quality space and amenities. Accordingly, it will open a vast panorama of employment and creation of new jobs both in scientific organizations and in ancillary services at the same time and will persuade the research activities. Last but not least, only Science parks may lead developing countries to strengthening of the national economic competitiveness and to an increased attractiveness of the regional science bases to foreign investments. In this paper we analyzes the role that Private sector plays in the economy of the Republic of Uzbekistan in the light of recent developments of Small and Medium Enterprises (SME). The first part of the work investigates motives that force governments around the world and, particularly, in Uzbekistan to show an interest in this promising, but once forgotten, source of economic growth and development. Thereafter, the discussion of weak and strong sides of business environment of the country is followed. We demonstrate the new program for improving SMEs in Uzbekistan which was created in 2011. We attempted to find out what kind of model of technopark (Western ( or American model); Eastern ( e.g. Japanese model); and Hybrid (e.g. Korean model)) will go with culture and economy of Uzbekistan. Also government can take Hybrid Model (or Korean Model) of Science park as an example and develop Uzbekistan Science Park following by this Model. Why do we suppose Korean Model? Firstly, because Korea and Uzbekistan are Asian countries. Secondly both of these countries have similarities in its economy development. Thirdly, nowadays Korea and Uzbekistan have a very good relationships in different scopes of economy. And last but not least, Korea has a “fresh” experience in establishing and development Science Park. This paper analyze the role that Private sector plays in the economy of the Republic of Uzbekistan in the light of recent developments of Small and Medium Enterprises (SME). The first part of the work investigates motives that force governments around the world and, particularly, in Uzbekistan to show an interest in this promising, but once forgotten, source of economic growth and development. Thereafter, the discussion of weak and strong sides of business environment of the country is followed. In conclusion, the importance of SME sector in Uzbekistan acquires the increasingly vivid forms. It already constitutes more than 38% of the country’s GDP, employs two thirds of the labour force and most importantly, shapes the new country’s middle-class, proving its reliability and enormous potentiality. Being aware of that, the Government of Uzbekistan is perpetually trying to facilitate the development of SMEs. Nevertheless, many problems continue to exist, putting considerable pressure on local businesses and their likely growth. However, New Technopark will be an important element of modern economies. Technopark can be viewed from several perspectives.
Firstly, the technopark can be viewed as a special kind of free economic zones on the territory of which strongly develops the development of high technology products, forms new groups of professionals, and in turn these will help to globalize Uzbekistan economy as well as to attract international investors. Second, science gives impetus to businesses, mostly small, which suggests the industrial park, as a form of support to small business development which allows to reach a qualitatively new level of social reproduction. Thirdly, it is in Technopark science receives financial and other additional capabilities for conducting basic and applied research, thereby science gets more independence from the state. In this regard, industrial parks are an attractive form of support to domestic science.

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Global Branding Constructs: Opportunities for Cross Disciplinary Research Collaboration

Global branding engenders a number of constructs such: strategy, structure, management, and performance. All these constructs, without exception, are constellations of concepts embedded in separate but interrelated fields of inquiry. For example, the Performance Construct is a constellation of marketing and financial constructs powered by internal accounting data systems. In this paper the author presents frameworks of a number of constructs, define concepts imbedded in these constructs, and articulate their relationships in terms of sequences of independent, mediating, and dependent variables. The author suggests a number of research collaboration opportunities imbedded in these intra- and inter-construct relationships. Perhaps the richest illustrative construct is Performance. Related concepts include marketing metrics independent variables -- customer satisfaction, customer loyalty, market share, business share) branding metrics (mediating variables -- customer equity, customer-based brand equity, brand equity) and financial metrics (dependent variables -- value of the firm and stock value).

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The Influence of Uncertainty Avoidance on Dynamic Business Decision Making Across Cultures: A Growth Mixture Modeling Approach

Dynamic decision making can follow various strategic patterns, one of them being stability versus flexibility. This paper explores the influence of uncertainty avoidance and expertise on stable versus flexible dynamic decision making. Participants were 40 German business students, 51 U.S. business students, and 66 U.S. psychology students. Based on previous cross-cultural psychological research, German students have a higher level of uncertainty avoidance (Hofstede, 2001), are more intolerant of ambiguities and less flexible in their decision-making when compared to their U.S. counterparts. Based on research on expertise and the deliberate practice theory (Ericsson, Krampe, & Tesch-Römer, 1993), we also expect German and U.S. business students to show more dynamic strategies compared to the U.S. psychology student novices. Every participant took the role of a manager in a computer-simulated company called CHOCO FINE and worked on the simulation individually over a period 24 simulated months. Participants’ decisions were saved automatically in computer files and analysed using growth mixture modelling in MPlus (GMM, Muthén & Muthén, 2006) which controls for interdependence of longitudinal data. Surprisingly, the German sample was more tolerant of ambiguity than the two U.S. samples. Uncertainty avoidance and intolerance of ambiguity did not predict DDM intensity and flexibility. In sum, results showed these unexpected cross-cultural differences but no differences between novices and experts.

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A Comparative Study on International Cultural Trade Development in China and the USA

From the American inferior debt crisis eruption, the global economy continuously is dispirited until now, and the cargo trade falls into the trough. Kinds of theories innovate seasonable. A transformation of economic growth method by changing the" A" will be used as the theme -- the international cultural trade. It and the traditional cargo trade both have the similarity, and also the difference. This paper was for the purpose of the international cultural trade development data of recent years carries on regression through introducing the new classified method of international cultural trade to China, UK and USA, and through the analysis result which obtained makes the comparison, found the new economic growth point of China, and put forward the correlation proposals. This paper focuses on three points. The first one is introducing the new classified method of international cultural trade; second, analyze the international cultural trade development data of three countries; third, sort out the analysis result and the correlation proposals.

Key words: International Cultural Trade; Regression; Economic Growth

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European Debt Crisis - How Long Will It Last?

Since 2010, some euro area countries, namely Greece, Ireland, and Portugal, have been facing problems servicing their debts albeit for different reasons. As the euro area members are closely interrelated economically and financially, the European leaders put together support programs to provide financial aid to these members. In addition, in summer 2011, Italy and Spain came under pressure. This is a clear signal that despite the relatively large volume of the financial rescue package, politicians and international investors remained nervous. The European leaders raised the volume of financial support in fall 2011. However, for almost two years now, the Euro area has been operating in an “emergency mode”. Discussions about default and contagion do not subside. Will this continue? Why do the politicians not succeed in creating an adequate framework to calm down international financial markets? This paper analyses the European fiscal policy framework using a simple political economy approach. Comparing the current proposals for permanent crisis resolution with the theoretical findings, it attempts to explain the continuing uncertainty and evaluates the different policy proposals. On the one hand side, when poorer countries receive financial transfers from the richer EU members, this might lead to fading support for the euro area in the latter countries. This risk becomes increasingly relevant when a growing number of member states take recourse to a safety net that has to be funded by a declining number of financially strong countries. Surveys indicate an increasing dissatisfaction among the electorate of the latter with the European leaders’ approach to solving the debt crisis. On the other side, in the recipient country, the policy-makers’ commitment to a strict conditionality and the public support for the reform program will also be limited. The paper uses policy objective functions for the creditor and the debtor country to demonstrate that both countries’ willingness to provide financial assistance for the former) or to adhere to the fiscal and structural reform package (for the latter) will be bound by the parameters of their policy objective functions. The current European policy approach increases the costs in both governments’ loss functions. The success of the rescue packages will depend on which group of countries reaches its threshold for a policy change first. However, if this is an inevitable outcome, the current policy approach is inherently unsustainable and will have to be changed to solve the debt crisis.

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The Correlation Analysis on International Volatility Indices during Financial Crisis

This study uses the threshold cointegration test to investigate the asymmetric long-run relationship and applies the TDCC model to examine the causal relationship between the VIX and other volatility indices from January 2, 2003 to January 31, 2010. The empirical results show that there exists a relationship between VIX and other volatility indices that may be adjusted asymmetrically back to the long-run equilibrium spread. In addition, the speed of adjustment when the spread is widening is faster than when the spread is narrowing. Furthermore, the causal relationship shows that VIX plays a dominant role, implying that the finding could prove valuable to individual investors and financial institutions. The differences in the variance of the correlation coefficients between the pre- and post-crisis periods and the correlation coefficients during the post-crisis period are larger than those during the pre-crisis period.

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The Turkish Economy and the Global Crisis

Turkish economy frequently faced economic crises since 1990s and undergone three major crises between 1990 and 2001. The causes of these crises were based on similar macroeconomic instability. In this period, the inflation soared to 60% while economic growth followed a fluctuating line. Another characteristic of this period was the effect of short-term capital inflow on the economic growth and recession periods. During the period in question, financial discipline was low in Turkey; the ratio of public debt stock compared to gross national product was 29% in 1990 but reached 61% by the end of 1999. The national debt ratio was even more dramatic. It escalated to 42% in 1999. Another important feature of this period was the high assignment deficits of public banks and the fact that private banks became the major fund providers of public instead of transferring funds to real sector. Due to the liberalization of capital flow in 1989 and high real interest rates, the inflow of “hot money” increased, causing the banks to fund public sectors by providing open interest. Consequently, the banks were faced with exchange rate, liquidity and interest risks. This was one of the main reasons triggering the latest economic crisis (2001 crisis) between 1990 and 2001. Following the 2001 crisis, Turkey implemented the Transition to Strong Economy Program within the framework of the agreement with IMF, entering a period of stability in macro-economic indicators through tight monetary and fiscal policies. The aforementioned period saw privatizations in public sector, and Turkey attained a strong and transparent banking system prior to the global economic crisis thanks to the reforms in banking sector. Turkey’s annual average growth rate between 2000 and 2007 was 7%; an important progress was achieved in controlling public deficits and inflation rate. However, this growth did not create employment and Turkey’s current account deficit issue turned into a chronic disease. The problems experienced by the financial markets of the United States of America in 2007 spread on a global scale and evolved into a global crisis. Turkey was significantly affected from this global crisis as well. In 2008, the rate of growth was 0.7% while in 2009 Turkey recessed by 4.7%. Although the solid monetary and fiscal policies as well as reformation of banking and public finance sectors implemented after the crisis in 2001 allowed the country to regain a growth trend after 2010, they were unable to prevent a recession of 4.7% in 2009. On the other hand, the crisis had a negative effect on the budget due to the economic recession and the precautions against the crisis. The rate of unemployment, which did not see any significant development even during the 2002-2007 growth, (the average rate in 2002-2007 period was 10.5%) soared due to the global crisis. While the ratio of current account deficit to gross national product was 4.6% in 2003-2007, this rate was 5.7% in 2008 but declined to 2.3% in 2009 under the effect of the global crisis. During the period of recovery in 2010, the current account deficit rose to 6.5%. According to the projection of IMF, the ratio of current account deficit is 8% in 2011 and estimated to be 8.2% in 2012. This current account deficit, added with the fact that it is majorly financed by short-term foreign investments, constitutes a significant risk factor for Turkey. While initially, Turkey was deeply affected by the global crisis, the fact that Turkey had a better growth trend compared to many other countries in 2010 points to the success of reforms after 2001 crisis, although chronic-natured unemployment and current account deficit issues indicate the necessity of addressing structural problems while assessing this economic growth. Turkey needs to rapidly implement reforms, particularly in industry sector, to cope with these issues. In this context, the first chapter of this study briefly evaluates the period of instability in Turkey during 1990 and 2001, while the second chapter addresses the reforms implemented after the 2001 crisis and the third chapter assesses the global financial crisis and its implications on Turkey. The last chapter of this study evaluates the proposed solutions for the structural problems in Turkey.

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Economic Crisis and the Future Vitality of the Port Economy

The rise and future prospects of maritime port economies in the United States is closely linked to the condition of the global and national economy. Globalization, and the geographic separation of production and consumption, has contributed directly to the expansion of port economies and the rise to prominence of the logistics and supply chain management industry. The current status of the very factors and conditions responsible for the global economic expansion must now be considered in assessing the future prospects of global transport and logistics. This paper will present a neo-Marxist theory of economic crisis based on the inevitable imbalance between the “capacity to produce” and the “capacity to consume” that explains the emergence of the current demand-side economic crisis. The extended phase of debt-driven demand and consumption -- that fueled globalization, the expansion of port economies, and the larger logistics industry -- led directly to the global financial crisis and the current state of stagnation and decline in the logistics sector. The character of the ongoing crisis in comparison to past crises, and the factors responsible its extended severity, will likely ensure the continuing depressed state of the logistics industry, supply chains, and maritime ports. As a representative case of this dynamic, the paper examines the Jacksonville Florida port economy and the challenges facing the Jacksonville Port Authority (Jaxport).

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Green Drivers and Green Purchasing Practices: An Indian Perspective

Aims: This paper analyses the drivers behind various green purchasing practices in Indian manufacturing sector. Rationale: Last two decades have seen the growing concern for environmental issues and the green purchasing has emerged as the most significant environmental strategy to address these issues. According to Min and Galle (1997), the most effective way to tackle environmental problem is to focus at the point of procurement i.e. through green purchasing. Several studies have reported various factors that help in adoption of green purchasing practices. These studies are in the context of developed nations where awareness level is high and stringent environmental legislations are in place. India, being an emerging economy, is also under pressure to monitor its environmental footprint. There is a rise in awareness about green purchasing practices in India, but there is a lack of significant research of this nature in local context. This has motivated us to undertake this empirical study. The effect of green drivers on green purchasing practices has been examined through this research and results are compared with similar studies in other countries. Methods: Extensive literature review is carried out to identify the drivers and green purchasing practices. A structured questionnaire is developed for survey among Indian manufacturing firms. Total 119 valid responses are used for statistical analysis. A total of 19 drivers and 15 green purchasing practices are identified and exploratory factor analysis is done to reduce the large number of variables into few. This analysis provides five factors for drivers and three factors for green purchasing practices. Based on reviewed literature and discussion with purchasing professionals, three hypotheses are developed to examine the effect of these five drivers on three green purchasing practices. Multiple regression analysis is then used to test the hypotheses. Results: Exploratory factor analysis produces five factors viz. Regulation, Market, Cost, Internal and Social factors as drivers for Green supply chain. Green purchasing practices are identified as Monitoring of suppliers, Promoting green awareness among suppliers and Participation in design. It is found that Regulation and Market drivers have significant effect on monitoring of suppliers. Promoting green awareness among suppliers is driven by the Social and Internal factors, whereas Participation in design is influenced by Market and Cost drivers. Main Conclusions: This research identifies the green drivers and green purchasing practices and examines their interaction in Indian context. All identified drivers have significant effect on one or the other green purchasing practices. Regulatory pressure is found to be the most important driver whereas an internal driver is ranked lowest among all the drivers. The Indian firms, except for the large ones having the wherewithal to adopt proactive green measures, are reactive in their approach towards greening their supply chain. The results of this study will help Indian managers and practitioners in understanding the relative importance of green drivers and their role in green purchasing practices. This understanding will also help in resource allocation to specific drivers according to their effect on individual green purchasing practice. For example, the firms that are in initial stage of implementing green purchasing practices must monitor their suppliers’ environmental practices and therefore need to focus more on Regulations and Market drivers. Whereas, the proactive firms that wish to participate with their suppliers for design activities, need to address Market and Cost drivers. Promoting green awareness among suppliers is driven by Social and Internal drivers. Future research need to explore the effect of various drivers on other supply chain practices like, green design, green production, green marketing, green logistics and green management in Indian context. Also the mechanism through which these pressures can help in implementation of environment friendly practices need to be investigated. Moreover future research should also investigate the effect of these drivers and practices on environmental performance of firms to help the manager and
practitioner of Indian industry in understanding the importance of these practices and will motivate them to adopt green practices throughout their supply chain. One of the limitations of this study is that the size of the sample surveyed is very small and samples are drawn from national capital region of India only. Future studies should take varied sample to include different industrial zone of India to gain better understanding and portray a true picture of various green supply chain practices.

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The global e-waste crisis and the healthcare sector: issues, challenges add extended producer responsibility

The healthcare sector contributes significantly to the global e-waste crisis. It is estimated that the healthcare industry is responsible for the consumption and disposal of millions of electronic devices every year. This paper focuses on the e-waste generated by the healthcare sector, more specifically on the potential of the extended producer responsibility (EPR) approach to decrease the waste problems generated by electronic medical equipment (e-medical equipment). The central premise of the paper is that EPR represents a worthwhile alternative to the piecemeal and end-of-pipe approach advocated by many methods and current legislation. With no uniform and systematic federal legislation, the manufacturers of e-medical equipment based in the U.S. and Canada step forward with voluntary environmentally friendly initiatives. This paper attempts to analyze the efforts made by these manufacturers to green their products and to assess the benefits they derive from their proactive initiatives.

Field: sustainable development, e-waste, extended producer responsibility, healthcare, medical e-equipment

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Transportation performance on Electronic Logistics Marketplaces: A simulation study

Electronic Logistics Marketplaces (ELMs) are the state of the art in transportation management. It has been argued that they have a great potential to improve the transportation performance of the participants. However, literature on ELMs is very scarce at best. This article, using a simulation model based on real world shipment data from an actual shipper and business rules of ELMs, demonstrates the benefits that may be obtained by a shipper participating on such an ELM. Results show that benefits obtained by a shipper by participating on such an ELM may be substantial, even in the most adverse configuration of an ELM where the rules of participation may be ignorant of shipper interests.

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An Empirical Examination of Efficiency Theory of Mergers in India

Efficiency theory of mergers, which views mergers as effective tools to reap benefits of synergy, is still the basis of many merger studies. Though the efficiency theory of mergers is dominating the field of research on merger motives since many years but empirical validity of it is very limited. There are two ways to examine the efficiency theory of mergers; event studies and long term horizon studies/operating studies. Since event studies are speculative in nature and do not reflect the actual merger performance, in this paper we study the long-term operating performance of firms to empirically examine the efficiency theory of mergers. The ‘inconclusive’ existing literature on long term horizon studies is the motivation of this paper to reexamine the post merger performance and find out the reasons of unsatisfactory performance. The sample consists of all the mergers which took place in India from April 1, 1995 to March 31, 2003. The sample period is selected to focus on the mergers which took place after the economic reforms of 1991 and to have sufficient post-merger operating performance data. In order to minimize the potential confounding of extraneous variables, we exclude merger of financial and services firms from the sample and this led to the sample size of 52 mergers. First objective of the paper is to analyze the impact of mergers on the operating performance of the acquiring companies. Using industry and matched firms both as control, we evaluate the operating performance in two event windows: (-3,+3) years and (-5,+5) years. In order to analyze the operating performance, we use three performance parameters: Return on Assets (ROA), Return on Equity (ROE) and Cash flow from operations to Total Assets (CFO/TA). By using matched pair t test and regression, we do not find significant change in these measures in the post-merger period. These results are consistent with results of the previous studies. However, regression results for three year event window show that there is improvement in the cash flow returns after merger. This result is consistent with Healy, Palepu and Ruback (1992). On an average, we find that mergers do not improve the operating performance of firms or put differently, mergers do not create synergy at the end level (ROA, ROE and CFO/TA). However, merger activity is still on its rise every year. To justify this statement, after analyzing the sample carefully, we find that there exist two categories of firms in the sample: one, for which merger event proved to be successful and other, for which merger event proved to be unsuccessful. Combination of these two kinds of firms makes the results of overall sample insignificant. We also conjecture that the reason of no significant change in the operating performance of firms is the possibility of merger creating synergy at one stage of operation and destructing synergy at other stage of operation. So, our second objective is to identify the sources of operating synergy created on merger and to find out synergy creation at each stage of operation. For this, we use decomposed framework and decompose ROA in to six constituents: Material/Sales, Labour/Sales, Overheads/Sales, Tax/Sales, Interest/Sales and Sales/Total Assets. First, we carry out our analysis of sources of economic gain/synergy on merger for the overall sample. For the overall sample, we find synergy creation at two stages of operation: material level and tax level and also synergy destruction at other two stages of operation: labour and overheads. The synergy destruction at two of the stages nullifies synergy creation at other two stages, making the results insignificant at the end level for the overall sample. The study does not find significant change in the financing cost and asset utilization in the post-merger period after merger. So, with this we have found the reason for insignificant improvement/ decline in the performance of firms after merger. The third objective is to study the pattern of synergy creation/destruction at each stage of operation in those firms for which merger was a favorable event and the pattern of synergy destruction at each stage of operation for which merger was an unfavorable event. When we decompose the sample in two categories
and carry out the analysis (which earlier conducted for overall sample) for these two different category of firms, we observe significant change in the all the performance measures in both types of firms. The analysis show significant rise in ROA, ROE, CFO/TA and Sales/TA and significant decline in the cost ratios which are Mat/Sales, Lab/Sales, Oh/Sales, Tax/Sales and Int/Sales after the merger in one category of firms and so we call these firms as firms on which merger had a positive/favorable impact or the firms in which synergy created due to merger. Also, significant decline is observed in the ratios such as ROA, ROE, CFO/TA and Sales/TA and significant rise is observed in the cost ratios such as Mat/Sales, Lab/Sales, Oh/Sales, Tax/Sales and Int/Sales after merger in the other category of firms and so we call these firms as firms on which merger had a negative/unfavorable impact or the firms in which merger led to synergy/efficiency destruction. So, in this way we analyze the pattern of synergy creation/destruction at each stage of operation in two categories of firms. All the results are validated through regression analysis. Fourth and the last objective of the paper, is to examine the differences in the motives of mergers in two categories of mergers which are related/unrelated mergers and group/non-group mergers. This can be very helpful for the deal makers. The results reveal that in most of cases, the motives of group/non-group mergers are to increase return to shareholders, cash flow returns, and better utilization of assets and also to reduce the financing costs. On the other hand, in most of the cases the motives of related/unrelated mergers are to increase return on assets and to reduce the various types of costs such as material, labor, and overheads cost. With regard to tax aspect, both categories of mergers are indifferent. In a nutshell, we can say that group/non-group mergers emphasize on returns whereas related/unrelated mergers emphasize on cost.

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Analyses on the Determinant Factors of Higher Interest Rate Spread of the Banking Sector in China

The paper mainly analyzes the determinant factors that can result in higher interest rate spread of the banking sectors in China which started from three interesting economic phenomena. It discusses there are two main factors that can produce higher interest rate spread. The first is market access restriction on the banking sector; the second is monopolistic market structure dilemma of big banks and small businesses between supply and demand. Furthermore, it also demonstrates how higher interest rate spread can have negative impact on polarization of income distribution, bank performance and efficiency of enterprise. Finally, it points out three directions on policy making.

Key words : Interest Rate Spread; Market Access Restriction; Market Structure

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Capitalization, Amortization, and the Value-relevance of R&D: A comparison of GAAP and IFRS

This study examines whether the informativeness of financial statements prepared according to US GAAP differs from those prepared according to IFRS. We employ a sample of EU firms, cross listed in the United States, that adopted IFRS in 2005 and stopped reconciling to US GAAP in 2007. We find a decrease in the informational content of R&D disclosures, specifically regarding the effect of R&D on operating income. The quality of earnings - using R&D amortization rates - decreases under IFRS, even when operating income and research and development expense are adjusted for the effects of capitalized internally generated development costs. These results are significant and should be considered when evaluating the adoption of IFRS for US firms.

Keywords: Accounting Quality; Research & Development; U.S. GAAP; IFRS

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International and U.S. Considerations of Expanded Audit Reporting

A recent study found that investors are not satisfied with what they perceive to be the limited information provided by an auditor's pass-fail communication on the fairness of the financial statements. It seems that this dissatisfaction finds its source from a view that better signaling (of some sort) by auditors during and after the 2008 financial crises would have helped investors. The study also found that investor dissatisfaction with audit reporting goes back many years. Any decision to enhance or expand audit reporting would include specification of the “new” information to be shared with investors. Such information could include:

- information that management failed to report,
- discussion and analysis by the auditor about company performance and future prospects, and
- how the auditor reached conclusions about the most challenging audit areas.

Two Auditing Organizations, Two Discussion Documents The Public Company Accounting Oversight Board (PCAOB) is a private-sector, non-profit corporation created by the Sarbanes–Oxley Act to regulate the auditors of public companies in the U.S. The International Auditing and Assurance Standards Board (IAASB) is an independent standard-setting body whose purpose is to set high-quality international standards for auditing services and to facilitate the convergence of international and national standards. Both of these organizations published documents in 2011 that sought comment from interested parties regarding possible changes in auditor reporting on company financial statements. The PCAOB issued its Concept Release No. 2011-003 on “Possible Revisions to PCAOB Standards Related to Reports on Audited Financial Statements” in June of 2011 and requested comments by September 30, 2011. The IAASB issued its Consultation Paper on “Enhancing the Value of Auditor Reporting: Exploring Options for Change” in May 2011 and requested comments by September 16, 2011. The PCAOB document does note that the IAASB has been working on a similar project; however, it is referred to as an example of global efforts with no implication of a joint effort. The IAASB document includes no explicit mention of the PCAOB publication. However, there are sections in this document that refer to information obtained from meetings held by the PCAOB Standing Advisory Group. IAASB members may have attended these meetings but again there is no acknowledgment of a joint effort. This paper is has two primary purposes: 1) to carefully compare and contrast the form and content of the above-described documents in order to identify important similarities and differences, and 2) to assess whether these documents are indeed the results of two independent processes or if they are, in reality (and perhaps for political reasons), the result of a joint effort by the two organizations.

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Analysis to China present inflation

China’s current inflation has a close relationship with the rising price of raw materials, which is a kind of inflation pushed by the mixed supply and demand. Excess liquidity promoted by the investment demand imported inflation triggered by the rising price of staple commodities, the inflow of hot money and the labor wage rising and other factors are all considered the possible reasons for the inflation. According to the quantitative analyses of China's recent 5 years' CPI(consumer price index), C（total retail sales of consumer goods）, RMPI（raw material price index）, W(nominal wage) and other economic indicators, this paper finds out the major factors of the current inflation in China and puts forward the main countermeasures to control the inflation.

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Economic Growth and Inequality in India: An Inter State Analysis

Indian economy has been growing at a striking rate of more than seven percent annually during last few years; it has doubled its per capita income (at 1999-2000 base) in the last decade. But this is only half of the tale, next half indicates a rise in suicide by farmers, low literacy rate, high level of unemployment and still one third of the population below poverty line (BPL) in many states. In the post economic reform era, southern and western states of India are performing much better than northern and eastern states of the country. It indicates an economic divide and disparity among states of India. Many attempts have been made to study the economic growth and disparity among different states of India but a comparative inter-state study on the data taken before and after economic liberalization to the recent years is uncommon. Present study stretches its scope from pre-liberalization (1981) to the recent years (2007-08) and tests the convergence or divergence among states of India through a regression model. We have compared data from fifteen major states. The study is based on economic indicators like: Net State Domestic Product, Human Development Index (HDI), Per Capita Consumption Expenditure and Population below Poverty Line. It further goes to establish relationship between per capita expenditure in five year plans and four indicators mentioned here. Findings are sensitive to various indicators of economic growth. In the post economic reform period we find significant divergence among states on the basis of all economic indicators except HDI. The study indicates that states that were performing better have further strengthened their position on the other hand poor performing states have lost in the hands of better performing states. Further this study concludes that states with high per capita expenditure in Five Year Plans have performed better.

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Peer effect and School Dropout in Rural China

School education is important not only for a child’s own future development, but also for a country’s social and economic development. In this paper, we examine the within-village peer effect of school dropout in rural China. The estimation of peer effect, however, is complicated by the problem of endogeniety caused by selection. By taking the advantage of son preference phenomenon in rural China, we construct the firstborn boy peers rate as an instrument for peers’ dropout rate. Intuitively, the more boy peers, because of son preference, the lower the peers’ dropout rate; and then the lower child dropout probability because of peer effect. Moreover, previous literature and our data support that the gender of the firstborn child is exogenous. Using the China Health and Nutrition Survey data (CHNS), we find that as peers’ dropout rate increase by one percentage point, the child dropout rate would increase by 0.48 percentage points, other things being equal. Knowing peer effect and its magnitude would help us to win the battle fighting poverty and to accumulate human capital for future development.

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The Impact of the Universal Child Allowance on Argentina's Children Schooling Gap

"Despite the economic recovery that followed the monumental crisis that Argentina underwent in 2001-2002, poverty was still present for a significant percentage of the population seven years after. Worst of all, the group most affected by poverty were children and youth who can do little to get rid of it and from the consequences that will drag throughout their life (Gasparini and Cruces, 2010). Aware of the seriousness of the problem and strongly pressed by the opposition, at the end of 2009 the government decided to implement by decree a conditional cash transfer program for up to seventeen years old children of unemployed and informal workers called the "Universal Child Allowance" (henceforth UCA). By assisting the most vulnerable children whose parents work in precarious jobs, the UCA also aims to equate their situation regarding those children whose parents work in the formal economy. In this sense, the program emphasis is also placed on social inclusion. Apparently, the effects of UCA have been favorable in the short term. There are some empirical evidence that poverty rates and especially children poverty rates, fall down after the implementation of the UCA (Gasparini and Cruces, 2010; Gonzalez Rozada, 2010; D’Elia et al., 2010). Beyond diminish poverty rates; the allowance is designed to augment children’s vaccination and school attendance, two fundamental constituents of human capital. Even though there are not empirical studies that measure these effects yet, data from the Ministry of Education confirms the favorable incidence of the subsidy on children schooling attendance. This is the expected effect and is similar to the effect of main conditional cash transfer programs in Latin America; however, although there is vast evidence that those programs have led poor households to make more use of health and education services, there is little evidence that those programs have improved child nutrition or educational outcomes (Fiszbein and Schady, 2009). The condition of school attendance for receiving the social assistance naturally increases the school retention of children that do not attend regularly and eventually could drop it out. The condition also encourages the reentry of many children who have dropped out of school. It is reasonable to think the latter are further behind in school than those who regularly attend school. And it is also likely these students to lack motivation and study habits necessary for pass grade. Moreover, students who now remain at school because of the subsidy may be low-achieving students who without this economic incentive have left school, but they can also be high-achieving students who do not attend regularly the school and would probably leave it because of the shortcomings and problems associated with household poverty. These latter certainly will take advantage of having the UCA. Nevertheless, low-achieving students who stay at school because of the subsidy will be unlikely to pass grade. Especially since the decree requires the child to attend school beyond passing grade or not. Therefore, it is likely that the impact of the UCA on the educational attainment of children is favorable in the sense of ensuring the child attends to it. It is expected more student retention and less drop outs, but this alone would not entail an improvement in children’s educational achievement. Hence, in this sense, the subsidy could not be enough for improving the future opportunities for many kids that today get the help. The main subject of this paper is the impact of poverty alleviation program on children's future prospects. The aim of this study is to investigate the effect of the Argentinean program called Asignación Universal por Hijo (Universal Child Allowance), on the school delay of the beneficiary children, and consequently on these children’s capacity to overcome poverty as adults. This is the first study that analyses the UCA effect on the backwardness of children in school. Based on a standard methodology (Behrman, Birdsall and Székely, 1998; Andersen, 2001; Dahan and Gaviria, 2001) for estimating educational mobility between parents and children, and using the approach of Crump, Hotz, Imbens, and Mitnik (2006) for preselecting comparable groups, this study
measures the schooling gap effect of a child being raised in a family enrolled in this social assistance program. The analysis is based on the Argentinean survey Encuesta Permanente de Hogares (EPH), collected by the Instituto Nacional de Estadística y Censos (INDEC) and data from the Administración Nacional de la Seguridad Social (ANSES), the government agency that funds and manages the program.

Ana Inés Navarro

Austral
Cultural Nuances of Acceptable IS Use

Defining use of Information Systems (IS) has been an important topic of discussion in the field. Various types of use, such as faithful use (DeSanctis and Poole, 1994), exploitative and explorative use (Subramani, 2004), applied and adapted use (Barki et al., 2007), effective use (Pavlou and El-Sawy, 2006), quality use (Boudreau and Seligman, 2005), deep use (Burton-Jones and Straub, 2006), and accepted use (Allen et al., 2006) have been identified in IS research. In recent years, research focus has moved from the “study of use” to the “study of effective use” (Burton-Jones and Grange, 2008). It is indeed important, at least from an organizational perspective, to look at improving how systems are used and how to get people to use information systems effectively (Jasperson et al., 2005). However, research on effective use is guided by the assumption that the concept of information system use is objective and stable (Orlikowski and Baroudi, 1991); while the intentionality to use varies in degrees that are ascribed to individual human traits and states. What if use itself is subjective? We know there are grey areas in certain kinds of systems use. In these situations, actions are often guided by applied ethical perceptions, rather than absolutes of what can or should be done (Cohen, 2005; LaFollette, 2002; Frey, 2004; Singer, 1986). For example, Porter (2006) identified ethical domains to guide organizational actions that balance the pursuit of profit with social considerations. We define the construct “Acceptable IS Use” as an individual perception of usage behaviors that are appropriate from an applied ethical standpoint. Applied ethics is a branch of ethics, which examines specific controversial issues within certain domains, such as euthanasia or abortion in medical ethics, or social responsibility in business ethics (Cohen, 2005; Frey, 2004). With such issues, there are groups of people both for and against the issue at hand, and there is a distinctly moral component associated with the issue. Normative principles can be applied to argue for and against the issue. The field of business ethics examines moral controversies relating to the social responsibilities of capitalist business practices, the moral status of corporate entities, deceptive advertising, insider trading, basic employee rights, job discrimination, affirmative action, drug testing, and whistle blowing. While business ethics are not frequently applied to the study of IS Use, we believe that such application may become increasingly important as organizations have to frequently rely on voluntary ethical behavior of employees in lieu of monitoring or imposing legal actions. Seemingly innocuous IS use behaviors, such as frequenting social media sites, browsing for leisure, or using one’s own hardware devices are becoming increasingly common in the workplace. In the absence of clear legal guidelines, or entrenched organizational practices, it is frequently up to the best judgment of the employee to engage in, or refrain from. Cultural dimensions such as individuality, uncertainty avoidance, power distance, and long-term orientation (Hofstede, 2001) have been found to influence factors such as risk tolerance, dealing with change, social behavior (Triandis, 1989), and ethical decision making (Lu et al., 2010). Based on the prior research, which shows that culture can play an important role in shaping social and ethical considerations, we expect to find cultural factors as important to Acceptable IS Use. Based on these ideas, our objective is two-fold. First, we wish to define and develop the concept of Acceptable IS Use rooted in theory of applied ethics. Next, we examine the influence of cultural dimensions on Acceptable IS Use. Results of this study will enable practitioners better understand IS Use decisions made that are beyond the realm of mandated use. This study is also intended as a starting point for discourse in IS Use within the domain of ethics.

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Evaluation of retail store alternatives for investment decision via Delphi Technique and Geographic Information Systems

Economic crisis periods are rough times to give an investment decision respect to regular periods; thus, the best investment alternative should be selected from location alternatives to minimize the total risks on the establishing a new retail store. Maximizing covering total population, locating new retail store close to the attractive places and taking establishment cost are taken into account to evaluate existing store alternatives. It is focused on a methodological approach for locating a new retail store in this paper and two techniques are combined to compare investment alternatives. Delphi technique is used to weight criteria which are effect on the problem structure and Geographic Information System (GIS) is used to find attractiveness level of the separated grids of the focused area for retail location. The study can be expressed in five steps which are as follows: 1. Determining the retail store alternatives for investment 2. Literature review and gathering the criteria which have influence on problem structure 3. Creating a questionnaire form to measure the weights of the criteria with Delphi technique 4. Creating a geodb and making analysis with spatial analysis which is a tool of GIS 5. Reaching the attractiveness of each retail store and giving the investment decision. Location selection is a popular topic for academic studies that makes researchers interested different profession which are economists, civil engineers, industrial engineers, marketing researchers and so on [1]. Retail location problem is one of the hardest problems in location problems since conflicting expectation of customers and decision makers of the retail store. On the other hand other hardness of retail location problem is its micro focus. The decision makers should consider every detail which has influence on the problem. At the first step for proposing a solution methodology for retail location, the criteria which are effect problem structure should be gathered and after that step these criteria should be weighted according to decision makers’ opinion. The criteria should be weighted for GIS analysis, thus the criteria are evaluated with the Delphi technique. Delphi technique is important technique since its ability to measure every participant opinion independent from their title. The questionnaire form of Delphi is designed to measure weight of criteria and these forms are sent with an e-mail to participants. After taking first results, the second questionnaire form is designed according to the feedback and new forms are sent to participants. The weights of criteria are gathered from the second questionnaire. At the last step of the study is based on GIS which measures the differences of the alternatives attractiveness according to customers and the output of this step helps decision makers to give the investment decision. Decision criteria are gathered from existing studies in the literature. A criteria tree is formed according to gathered criteria and these criteria separated two main topics which are criteria about retail store and criteria about customers. Population [2;3;4;5] and competitive [2; 3] are formed the criteria about retail store and public transportation availability [2, 6], road network [7], close facilities which are hospitals, schools, and etc. [2] are formed the criteria about customers. Spatial analyst is a tool which provides to make distance and density based analyses which give an opportunity to compare different alternatives analytically. Before the analysis, geographic data should be created and a geographic database (geodb) should be formed based on these data. A geodb is created for the analysis which includes the data which are criteria. Kadikoy discrete which has high population density is a discrete of Istanbul in Turkey selected for the analyzing area for evaluation of investment alternatives. It is necessary to separate small squares which named as grids the studying area for analyzing to find attractiveness of these grids. A model is created for measuring the attractiveness of each grid which can take attractiveness level 1 to 10 in GIS software according to weights which are gathered from Delphi technique. Soil formation is taken into account for protecting negative impacts of the natural disaster and some of the roads are restricted because
of the traffic congestion. Spatial analysis is done according to these weights, assumption and restrictions and the results of the analysis shows the suitability for retailing. The proposed methodology gives a chance to support decision makers’ investment decision analytically. The methodology is proper to integrate different techniques and it is also gives chance to analyze on different techniques and the methodology is also proper to create a decision support system for regular retail store selection.
Mobile Marketing Applications of Non-Profit Organizations: A Study of Mobile Donation Campaigns in Turkey

The purpose of this study is to investigate the factors that affect the attitudes of university students towards mobile donation campaigns of non-profit organizations and the relationships between students’ attitudes and their intentions to participate in such campaigns. Given the highly innovative technological advances, mobile marketing, being one of the most important integrated marketing communications channel, is not only used by companies. Recently it is being observed that, in addition to professional companies, non-profit organizations have also been demonstrating an increased awareness and usage of mobile systems. One main usage of mobile technologies by those non-profit organizations is the practice of mobile donation. The efficiency and effectiveness of mobile donation campaigns in Turkey have been highly noticed by broader audience especially after the global and national natural disasters, for instance after the one took place in China in March 2011 and in Van, Turkey in October 2011. The process of mobile donation consists of individuals’ sending predetermined type of text messages to the numbers provided by a variety of mobile service operators. The major purpose is to support non-profit organizations that serve a specific social purpose. As per the aim of this study, it is intended to determine whether there is a statistically significant impact on the attitude towards mobile donation campaigns and the intention to participate depending on the individuals’ altruistic values, their demographic characteristics, the ease participating in the campaign and trust in non-profit organizations. The study is designed to be conclusive and formulated as a descriptive research, specifically a single cross-sectional study. The research universe is composed of the students of Okan University, the Faculty of Economics and Administrative Sciences. Stratified sampling method will be used to determine the sample size. Data collection will be realized as a field survey. All of the measures are adapted from prior literature. At the beginning, subjects will be a brief explanation of the mobile donation campaign construct and an anonymous example, without drawing attention to any specific recent or prior campaign, intending to eliminate any probable biases. The research problem is identified as understanding if the attitudes towards mobile donation campaigns have an impact on the intention to participate in these campaigns. The research model and hypothesis are as indicated below. H1: The attitudes of the students toward mobile donation campaigns vary according to their altruistic values. H2: The attitudes of the students toward mobile donation campaigns vary according to the ease of participating in the campaign. H3: The attitudes of the students toward mobile donation campaigns vary according to whether they trust the campaign organizing non-profit organization. H4: The attitudes of the students toward mobile donation campaigns vary according to their demographic characteristics. H4a: The attitudes of the students toward mobile donation campaigns vary according to their age. H4b: The attitudes of the students toward mobile donation campaigns vary according to their gender. H4c: The attitudes of the students toward mobile donation campaigns vary according to their education level. H5: There is a relationship between the attitudes of the students toward mobile donation campaigns and their intentions to participate. In literature review, it is observed that there is a lack of specific research concerning individuals’ attitudes toward mobile donation campaigns, especially in the case of Turkey. Therefore by the research it will be a contribution to mobile marketing literature. Moreover, the authors believe that this research will prove to be a guiding feedback for non-profit organization, both for those which do and intent to organize mobile donation campaigns.

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Senior acceptance of a digital leisure and entertainment: An application of the Technology Acceptance Model

Aging is a worldwide issue, the fact that elderly people are more susceptible to contracting chronic diseases, coupled with aging-induced deterioration of physical functions, and has led to seniors suffering from the physiological and psychological impact of limited mobility, physical dysfunction, social segregation, depression and so forth. The health promotion plan has becoming a key issue in the world. While exercise helps to restore physiological and psychological calm, delay premature-aging and accelerate interpersonal interaction. With updating development of modern technology, all kinds of digital products came out and the internet emerged. These digital products have not only facilitated the convenience in daily life, but they have changed the elders’ concept and habits about leisure. The elders were able to enjoy and make a good use of these digital products, which would bring enrichment and convenience in daily life. For this reason, this study applying Davis’ (1989) Technology Acceptance Model (TAM) and Pender’ (1996) Health Promotion Model (HPM) for explains and forecasts the senior’s adoption trend for new technology products of digital leisure and entertainment. For experimental design and survey need. The questionnaire has four parts as follows: personal information, health promotion information, technology acceptance, and digital leisure and entertainment product intention to use. In this study, groups of aging people over the age of 65 the main object of study. The investigation is based on random sampling method to collect a total of 63 elderly in Wufeng District and Tali District, Taichung, Taiwan. Applying descriptive statistical analysis, paired T-test, ANOVA analysis, and Factor analysis to examine the relationship between variables. The results present that the elderly change willing to use and attitudes for digital leisure and entertainment product in health promotion. Secondly, the degree of difficulty the game will become effective on the participants perceived. Thirdly, perceived ease of use on perceived usefulness has significant predictive power for seniors in easy to use level and validity level for the product. Finally, result provide to development the digital leisure and entertainment products mix and new product design strategies, and to propose an integral marketing strategy in digital leisure and recreation entertainment.

Keyword: digital leisure and recreational, technology acceptance, older adult, health promotion

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Existing Product in a New Market: Artificial Insemination
Introduction and Acceptability among Farmers in a Developing Market

The dynamics of product-life cycle represent a birth of a product in a market and its total death in the list of consumers’ choice, which is tagged as introductory stage to decline stage in marketing parlance. The cycle is beset with uncertainty that surrounds the product performance, either as a new product in a new market, an existing product in a new market or a product that is new in its entirety. Dibbs et al. (2001) further that a product becomes a new product in market as a result of undergoing change of modification, which subjects it to a new developmental process in the market that organisation perceive with risk and uncertainty. The expectation of organisation after the laborious inputs that form the final product is to see its excellent performance, in all measurements, in the market. However, certain factors are alluded to the success or failure of a new product in market. Day (1981) retrospectively emphasised the influence and rate of diffusion process, relationship with substitutes in the market and competitive entry strategies as among the factors that are quite fundamental in determining new product performance and uncertainty reduction in a market. Equally, Karlsson and Nystrom (2003) stress the trajectory of knowledge-intensity and number of firms in industry. Artificial Insemination is a great biotechnology applied to improve reproduction and genetics of farm animals (Foote, 2001). The popularity of and accessibility to the technology is gradually gaining ground in many developing countries e.g. Sub-Saharan Africa. Nonetheless, the present situation is not unconnected to dearth of knowledge, low awareness and farmers’ unpredictable perception towards non-traditional practices in many Sub-Sahara African economies. Thus, AI becomes a new product and technology among farmers and the marketing of the technology is received with mixed reactions among farmers and government agencies across the region due to interplay of certain factors, ranging from government policies, cultural factors and economic factors. Importantly, the benefits of AI among animals have been found immeasurably great in reproductive process. Particularly, in the developing economies, like Sub Saharan Africa, it is an act of revolution that changes traditional and ancient practice to a contemporary and modern practice with global acceptability and approval. Inherently, the benefits of AI ranges from increased efficiency of male usage; increased potential for genetic selection; low cost; reduced transmission of diseases; high safety for both farmers and animals (FAO/IAEA, 2004). By and large the advantages would tremendously eliminate the inefficiency and shortcomings associated with the ancient practice of natural mating among animal farmers. The empirical study examines the roles of different institutions and the exogenous factors that pre-determine the introductory stage of genetic technology in Agric marketing, especially, a new technology like Artificial Insemination with potentials to improve reproduction and breeding performance but foreign technology. Qualitative method based on random selection of farmers and experts for interview is employed in the study, and it is based on Nigerian market experience. Thus, the study will provide clarity and answers to questions of: what will be the farmers’, government agencies’ and consumers’ reactions and posture to a paradigm shift in animal breeding that violate natural mating? Equally, what will ultimately be the focal factors that influence AI introduction and subsequently market demand for farmers’ products in the economies?

InfoResource Management Consulting, UK works as an agent and representative to UK firms that specialise in animal genetic (cattle, pigs and goats) for African market.

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Nanotechnology as an Economic Market Driver, With Educational Policy Implications Necessary for International Competitiveness

As with many nascent technologies as they first come to commercial viability, the initial impetus to overcome numerous business hurdles to achieve a modest level of sustainability and then a longer horizon path to profitability depends predominantly on advances and refinements of technological aspects. Efforts to solidify an emerging technology as a key driver to economic prosperity often relegate non-technical considerations to a secondary or tertiary level of initiative. This paper investigates the end result significance of evaluating economic impacts and estimating business opportunities based on multidisciplinary factors using graduation statistics and employment data provided by U.S. educational institutions offering 56 graduate, undergraduate, and certificate-level programs preparing future workers in the newly emerging fields of nanosciences and nanotechnology.

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The Effects of the Use of Female Nudity in Automobile Print-Ads as a Sexual Appeal Object On Perceived Specifications Of The Product

Nowadays, nudity is used in public media in many purposes since it is attention-getting and catchy by its nature. The existence of female nudity in media is so familiar that it is nearly impossible to imagine how the popular culture would be without it and now it is hard to believe that it was not like that once. Display of woman sexuality is not only the result of pornography and the rise of the popular culture in the last 50 years, but also a part of the art movement ongoing for centuries. The only thing that has changed in the last century is evolving technology that allows these images to surround us (Kilbourne, 2003). Nudity, especially woman nudity, is commonly used in advertising and it is believed that it affects the ads’ success in a positive way. But really does it? Even in daily life we are exposed to tens of print-ads in which woman body is used as a sexual appeal object. There are many academic researches examining the effects of the use of woman body as a sexual appeal object but unfortunately there has been no consensus on it. While some studies assert that the use of sexual appeals in print-ads increases brand recall (Steadman, 1969); (Alexander & Judd, 1978); (Chestnut, LaChance, & Lubitz, 1977); (Richmond & Hartman, 1982); (Weller, Roberts, & Neuhaus, 1979); (Scigliampiglia, Belch, & Cain, 1978), some claim the opposite (Lombardot, 2007). In addition to these, recent studies indicate that the existence of nude or partially nude models in print-ads affects attention-getting positively and brand recognition negatively (Lombardot, 2007); (Belch, Holgerson, Belch, & J., 1982); (LaTour, 1990) (Dudley). As in most categories of products, female nudity is also used in automobile advertisements as a sexual appeal object causing a difference between the real situation and the perceived specifications of the product. This study aims to determine if the presence of female nudity in automobile print-ads causes a significant difference between the perceived characteristics of the products and if so, to find out the direction of the diversity. During the study, the subjects were divided into two groups and one of these groups was exposed to automobile print-ads with woman nudity while the other was exposed to the ones without any sexual appeal object. Each respondent evaluated each of the automobiles in the ads by its value, speed, desirability and quality. The analyses focused on perceived specifications of the automobile between these two types of ads. Hypothesis H1: Presence of partially nude female model in automobile ads causes a difference in perceived speed of the product. H2: Presence of partially nude female model in automobile ads causes a difference in perceived value of the product. H3: Presence of partially nude female model in automobile ads causes a difference in perceived quality of the product. H4: Presence of partially nude female model in automobile ads causes a difference in perceived desirability of the product. H5: Male respondents tend to perceive the speed of the automobiles higher than females if partially nude model exists in the ad. H6: Male respondents tend to perceive the value of the automobiles higher than females if partially nude model exists in the ad. H7: Male respondents tend to perceive the quality of the automobiles higher than females if partially nude model exists in the ad. H8: Male respondents tend to perceive the desirability of the automobiles higher than females if partially nude model exists in the ad.
Modeling land-cover change in oilscapes using spatially explicit data: the case of eastern Ecuador

Oil exploration and production (E&P) activities in remote areas are often viewed as drivers of deforestation due to the direct effects created by infrastructure features, as well as by the new access created to formerly isolated zones. In Eastern Ecuador, E&P activities that began in the late 1960’s were coupled with government settlement programs that deeded land to colonists and provided incentives for land clearing and agricultural conversion. This paper explores the location and type of land disturbances through a spatially-explicit model that considers the role of E&P roads and other roads, controlled access, soils, protected areas, and colonization zones to help explain land-use and land-cover patterns for the year 2000. Findings suggest that the location of fertile soils best explains the greater amounts of land conversion (deforestation) and that oil E&P activities do not necessarily lead to large-scale surface disturbance. Instead, the type of road access available is a secondary predictor of land-cover change. The geospatial and statistical methods employed can serve operators to better plan expansion phases or establish new concessions in order to minimize their physical footprint and peripheral land disturbances.

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Occupational Prestige and Wealth Distribution in the Renaissance: A Reexamination of the Tuscan Catasto of 1427

The balance between private wealth and the need of governing bodies to collect tax revenues to support public functions is particularly tense in the modern, post 2008 financial crisis, era. This tension, however, is not a new phenomenon; there were important lessons to have been learned in the Renaissance that might have provided guidance for contemporary private-public sector tensions. The underlying relevance theme of this paper is that there are still lessons to be learned through the examination of tax roll data from 15th century Florence Italy. Faced with a major shortfall in tax revenues in 1427, the governing body of the Tuscany region of Italy (the “Signoria”) elected to raise tax rates on household wealth. Two obstacles stood in their way. The first obstacle was an anticipated protest by the population against having to pay higher taxes. The second obstacle was not having accurate information concerning the number, and wealth, of households in the region. Until the second obstacle could be removed the first loomed as a major problem. Once the Signoria had the necessary population and wealth data in hand, however, they could fine tune their tax rate increase strategy so as to minimize the protests and maximize tax revenues. The resulting data collection effort became one of the most comprehensive tax surveys to be conducted in pre-modern Western Europe. This survey was referred to as the “Catasto of 1427” owing to the year in which it was initially administered. Conducting the Catasto was a major undertaking. There would be approximately 65,000 household units accounting for more than 200,000 persons – essentially the population of renaissance Tuscany. The survey was administered over two years and the data included 29 household characteristics. The most relevant variable for the purpose of the survey was household wealth in the form of property – government services were funded through taxes levied against household assets. The survey was concluded with remarkable thoroughness although it was never successfully used as the basis for setting tax policy or collecting taxes. The data were stored in the archives of the library of Florence and accessed occasionally through the years for very limited purposes. The principal difficulty with using the data was its enormity: 65,000 observations of 29 variables or almost two million data points were simply too many to submit to manual analyses. In the mid 1960s, however, with the advent of high speed electronic data recording and analysis machines the data were coded and submitted to computerized analysis. This coding and initial analysis occurred during the period of 1966 to 1976. In recent years, the data have been made publically available through the University of Wisconsin and Brown University and permission has been given for academic researchers to analyze the data giving proper citations (“The Catasto of 1427, Version 1.3 Edited by David Herlihy, Christiane Klapisch-Zuber, R. Burr Litchfield and Anthony Molho [Machine readable data file based on D. Herlihy and C. Klapisch-Zuber, Census and Property Survey of Florentine Domains in the Province of Tuscany, 1427-1480.] Florentine Renaissance Resources/STG: Brown University, Providence, RI, 2001”). The first set of analyses of the Catasto data was conducted and reported by David Herlihy and Christiane Klapisch-Zuber in Les Toscans et leur familles: Une etude du Catasto florentin de 1427 (Presses de la Fondation Nationale des Sciences Politiques, 1978) which was later translated into English (David Herlihy and Christiane Klapisch-Zuber, Tuscanans and Their Households, Yale University Press, 1985). A second set of analyses was conducted by John Padgett and Paul McLean and examined interfirm and intrafamilial relations (“Organizational Invention and Elite Transformation”, American journal of Sociology, 111:5, 2006, 1463-1568; “Was Florence a perfectly competitive market?” Theory and Society, 26, 1997, 209-244). Additional analyses have focused on sharecropping, land tenure, marriage and forms of contracts through, typically, single variable description and bivariate correlational analyses. The analysis reported here is the first in a series of analyses which have the general purpose of developing further understandings of the determinants of household
wealth through the use of multivariate analysis techniques. Hopefully the result will add to, and provide a more thorough understanding of, the relationships discussed in the earlier sets of analyses. The specific purpose of the analysis of the Catasto data reported in this paper, as an initial effort, then, was to reexamine a general assumption underlying the determinants of wealth in renaissance Florence, namely that there were three means of creating wealth: ownership of tools, ownership of animals and ownership of residences. Wealth is defined in general terms as ownership (and other relationships) to land and products derived from land. The expected strong relationships between tool/animal/residence ownership and wealth as documented in earlier bivariate analyses are demonstrated in the multivariate analysis and findings of this paper to be, essentially, spurious. That is, the widely believed connections between the means of wealth creation and wealth itself do not seem to exist. Possible explanations for this finding are discussed; chief among them being that the population underreported or, more likely, misreported (often with clever use of deductions) their assets as a means of avoiding increased tax assessments. This explanation would also, in part, account for the nonuse of the data by the Signoria. Additional implications of the findings are drawn for small business firms and modern difficulties of accurately estimating wealth for taxation purposes. Inasmuch as most 15th century Tuscan business firms were households, and vice versa, the analysis of these household data may also be considered to be an analysis of business activity as reflected in asset based wealth. Likewise, implications are drawn for modern difficulties of estimating wealth (and income) for taxation purposes which still seem to present major problems for governing bodies.

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The Role of the Financial Wellbeing, Political Orientation, Health Status, and Lifestyle in One’s Attitude toward Social Health Insurance

This paper aims to better understand how strongly college students’ attitude toward a social health care system relates to ideological orientation and self-interest. Based on a sample of college students in the People’s Republic of China, Germany, and the U.S. we extract factors measuring the “attitude toward social health insurance” as well as “financial wellbeing”, “political orientation”, “health status”, and “lifestyle choice”. The results of the regression analysis show that progressivism is positively related to the attitude toward health insurance. We also find that an individual’s health is the only significant self-interest determinant of his/her attitude toward social health insurance for college students. Our findings based on college student samples confirm the patterns found in previous literature based on adult samples.

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In the 1990’s China’s governing authority initiated major labor market reforms that included privatizing the state-owned enterprises and enacting the Labor Law, culminating in massive layoffs and labor market restructuring. This study provides a dynamic view of how labor market outcomes (participation, wage, hours of work) have changed during the transition from a system dominated by state-owned enterprises to a more market-oriented labor structure that is in place today, an area which is lacking in the current literature. Utilizing five waves of the China Health and Nutrition Survey (CHNS), this study estimates a labor supply model using a longitudinal sample in urban China during the reform between 1993 and 2006. Heckman’s three stage procedure is used to control for the sample selection, and fixed effect and random effect estimations are utilized to control for possible unobserved individual heterogeneity. Subpanels are analyzed to better understand whether labor supply behavior changed over this time period. Substantial differences are found in the elasticity of hours of work relative to wage with different education levels. Also, the estimates are sensitive to the subpanel time frames in a way that coincides with the considerable transition in the labor market as a result of the many reforms.

Keywords: Labor Supply; China; Labor Market Reform

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