

Program & Abstracts (Rev. 4)
IBEC 2018
SAN FRANCISCO, CALIFORNIA, USA



**International Business and Economy
Conference XVII**

January 4-7, 2018

Host Institution:
College of Business,

San Francisco State University

<http://www.ibec-info.org/2018/>





Notes

IBEC

The International Business and Economy Conferences are administrated by an academic executive committee and an editorial team, also composed of academics. To achieve the objective of providing a platform for intellectual discussion among scholars and practitioners, IBEC relies on the collaboration of recognized scholars with institutions that voluntarily participate every year. This conference is the 17th Annual IBEC.

IBEC Timeline

2002- San Francisco State University (SFSU), San Francisco, California, US

2003- Japan Town, San Francisco, California (Sponsored by SFSU and Seoul National University)

2004- San Francisco, California (Sponsored by SFSU, Seoul National University, and Iona College, New York)

2005- University of Hawaii at Manoa

2006- Hawaii, sponsored by University of Hawaii, SFSU, Seoul National University and Iona College, NY

2007 and 2008- San Francisco State University

2009- Host: Advent Institute of Management, Udaipur, India

2010- Host: University of Economics and Management, Prague, the Czech Republic

2011- Host: Universidad Panamericana at Guadalajara, México

2012- Royal Prince Hapuna hotel, Big Island, Hawaii, US

2013- Host: University of Caen, Normandy, France

2014- Host: Tianjin Polytechnic University, China

2015- Host: Assumption University of Thailand, Suvarnabhumi Campus Bangkok, Thailand

2016- Host: Nürtingen-Geislingen University (NGU), Germany

2017- Host: Universidad Austral de Chile at Puerto Montt, Chile

2018- Host: San Francisco State University, San Francisco, CAL, USA



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México.





IBEC 2018 PROGRAM

for The 17th International Business & Economy Conference

Location: SF State University Downtown Campus (DTC),
835 Market Street, The Westfield Building, 6th floor.

January 4 [Thursday]

Noon – 8:00PM Registration–SF State Downtown Campus
(DTC)

Noon – 1:20PM Lunch for Workshop Participants
[Room 608]

1:30- 4:00PM Joint Research Process Workshop I
[Room 611]

4:05 – 5:30 Welcome Reception/Dinner
[Room 608]

5:30-7:30PM Joint Research Process Workshop II
[Room 611]

January 5 [Friday]

8:00-8:50AM Continental Breakfast [Room 608]

9:00 - 9:20 Opening ceremony [Room 609] SFSU CoB
Dean Dr. Oubre; IBEC Chair Dr. Thatch.

January 5 [Friday, continued]

- 9:20 - 10:05 Keynote address: Dr. H. Chang Moon,
Seoul National University [Room 609]
- 10:05- 10:20 Coffee Breaks [Room 608]
- 10:20 -11:30 Paper Presentation sessions
- 11:45 - 12:50 Award Luncheon [TBA]
- 1:00 - 1:40 Research Publication Panel
Dr. Moon, Dr. Thatch, Dr. Heiman,
Dr. Fang [Room 609]
- 1:40 – 1:50 Coffee Break [Room 608]
- 1:50 - 3:00 Paper Presentation sessions
- 3:10 - 4:20 Paper Presentation sessions
- 4:30 - 7:00 Dinner [TBA]

January 6 [Saturday]

- 8:00-8:50AM California Breakfast in Room 608
- 9:00 - 10:10 Paper Presentation sessions
- 10:10- 10:20 Coffee Break [Room 608]
- 10:20-11:30 Paper Presentation sessions
- 11:45 - 12:50 Lunch [TBA]
-

January 6 [Saturday, continued]

- 1:00 - 2:10 Paper Presentation sessions
- 2:10 - 2:20 Coffee Break [Room 608]
- 2:20 - 3:00 Planning for future meeting [Room 609]
- 3:00 – 4:30 China Town Cultural Tour – Walk from DTC
- 5:00 – 5:20 Transport to Dinner Location (TBA)
for Dinner & Send-off event [TBA]
- 5:20 – ~9:00 Dinner & Send-off event [TBA]

January 7 [Sunday]

SFSU Downtown campus is CLOSED.

10:00 AM: **Optional** Wine-country Tour
(meet-up location TBA).

Open hours of the SF State Downtown Campus

1/4/18 (Thurs) 8AM to 8PM

1/5/18 (Fri) - 8AM to 8PM

1/6/18 (Sat) – 8AM to 5PM

1/7/18 (Sun) Closed.



Conference Presentation Schedule

Listings are by presenting author's last name.

Numbered presentations correspond to final abstracts received before press time, and are listed in the back of this program. Additional abstracts to be provided by authors, or in addenda to this program.

Note: * denotes Session Chair

Friday, January 5

Session 1 (10:20-11:30)

Marketing 1: Room 607

*Viet

(10) Gillpatrick

(23) Thach

Special Session: Room 610

*(11) Blunck

(5) Kim

(12) Ullah

Venkatachalam



Friday, January 5 (continued)

Session 2 (1:50-3:00)

Finance 1: Room 607

*R. Agarwal

(7) ul-Haq

(27) Heavilin

(14) Manley

Economics 1: Room 610

*(20) Li

(17) Camberos

(6) Reyes-Morales

(15) Manley

Session 3 (3:10-4:20)

Management 1: Room 607

*Kaur

Jones

Gonzalez-Rosas

(21) Erazo

(26) Merrit Tapia



Friday, January 5 (continued)

Session 3 (3:10-4:20)

Law: Room 610

*(8) Espinosa

Reville

(22) Hernandez Ramirez

Saturday, January 6

Session 4(9-10:10)

Management 2: Room 607

*Kang

(13) Hidalgo

(18) Veit

(19) Haber

(4) De Feis

Education/Ethics: Room 610

*(3) De Feis

Bhargava

(2) Fang

Zurita-Erago



Saturday, January 6 (continued)

Session 5 (10:20-11:30)

Finance 2: Room 607

*Chair—R. Agarwal

Kotha

Cheng

(1) Braun

Marketing 2: Room 610

*(24) Ramme

Varma

Gijon-Cruz

(25) Strach & Kincl

Session 6 (1-2:10)

Economics 2: Room 607

*Nguyen

(16) Zong

Zheng

(9) Nyambuu



Final versions of abstracts received by press time*

*All abstracts and papers were double-blind peer-reviewed (two reviews). Some revised, accepted abstracts were not received by press time, and may be included in addenda to this program.

(1) Low Volatility Strategies in the German stock market

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ABSTRACT

In efficient markets, there should be a positive relationship between the risk and the return. However, the crisis in the last decades and some empirical papers challenge this relationship. Some economists talk about a low volatility anomaly, where low risk strategies are connected to an unexpected high return. In this paper, some low volatility strategies are tested in the German stock market by an extensive simulation study. The target was to discover if there were low volatility anomalies or if the market was efficient. The basis for the simulation study is the Portfolio Theory and the Capital Asset Pricing Model, as well as a literature review about low volatility anomalies and its empirical testing. The study compares three portfolios generated by low volatility strategies to 30.000 random generated portfolios for 269 German shares for the last 15 years. The random generated portfolios were based on liberal and restrictive conditions. The results are ambiguous but there is some evidence for low volatility anomalies in the German market. Some low volatility portfolios perform significantly better than the random generated portfolios. However, the effect is not the same during the considered period. In the period before the crisis in 2009, the low volatility portfolios perform extraordinary good. After 2009, the performance was still good but lower than in the first period. However, the results indicate that the capital market theories describe the market behaviour incompletely.

(2) Ethics-when the East Meets the West

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ABSTRACT

Both the East and the West have a very long and proud tradition of education "in" ethics. In recent years, many grand scale embezzlements by top level government officials, infamous scandals in the business world, and other infamous unethical conducts have steered the academics, business leaders, government officials and other authorities to re-focus their attention and put in more efforts and resources on ethics education. This paper will review some of the Eastern and Western ethics principles, thoughts and maxims. It will also provide enough real-world examples to help the readers learn how to appropriately apply these ethical standards.

(3) "Tone at the Top"- From the C-Suite to the D-Suite (Dean Suite)

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ABSTRACT

The term "Tone at the Top" refers to governance and risk management practices at the most senior levels of an organization, for instance the CEO, COO, CFO, COO. The term is widely considered reflective of the support by leadership for enterprise risk management (ERM / risk management) efforts and is an indicator of risk culture. In the corporate /commercial sector, this has brought the roles and responsibilities of the Board of Directors and Senior Management under further scrutiny to demonstrate that they are proactive and accountable stakeholders for other stakeholders. Additionally, The Chief Risk Officer (CRO) role has broadened that concept from "reporting after the fact" to being part of the dialogue that considers risks and their impact on all areas of the operation, including reputation. This migration to increased transparency, accountability and engagement from stakeholders is evident in the overall business marketplace, including the not-for-profit marketplace, and thus higher education is an important focus.



(4) Growth Hacking Utilizing Ansoff Matrix: A Unique Role in Accelerating Enrollment in Academia

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ABSTRACT

"Growth hacking" means hyper-experimentation across marketing channels (new and existing) and product (or service) development (new and existing) to identify the most effective, efficient ways to grow a business (service or product). The Ansoff Matrix (Ansoff, 1957) lays out the marketing channels (new and existing) and the product (or service) development (new and existing) to create four strategies for future growth: market penetration, market development, product development, and diversification. If the product is education, then it is a service, for which herein the "growth hacking" phenomenon is brought to life.

(5) The management control systems of growth stage firms and their impacts on the firms' dynamic capabilities and performance, according to life-cycle stages

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ABSTRACT

Our questions are: [1] Do small and medium-size manufacturing enterprises adopt their management control systems (less-bureaucratic versus more-bureaucratic MCS) according to their life cycle stages (growth versus maturity stages)? [2] Does the less-bureaucratic MCS in growth-stage firms favorably impact their organizational dynamic capabilities (market orientation, entrepreneurship, innovativeness, and absorptive capability) and their performances? The primary sources of data are the

questionnaire responses from TMTs of 192 KOSDAQ-listed manufacturers and their financial disclosures. Our findings are: [1] KOSDAQ-listed firms on growth-stage utilize less-bureaucratic MCS, while those on maturity-stage more-bureaucratic MCS. Our finding supports Auzair & Langfield-Smith(2005) study of Australian service firms. [2] The MCS of those firms on growth-stage exercises significantly positive impact on dynamic capabilities except entrepreneurship. In turn, all dynamic capabilities of theirs, except potential absorptive capability, impact their financial and non-financial performances positively. The MCS of growth stage firms impacts their performance indirectly. Our findings support Henri (2006b) and Widener (2007) study of North-American large firms.

Key words: MCS, Corporate life cycle, Dynamic capabilities, Performances

(6) Marketing Strategies of indigenous households in rural and semi-rural areas in Mexico

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ABSTRACT

The study area is located in the mountainous territory of state of Oaxaca, Mexico, where there are 16 pre-Columbian ethnicities besides the predominant Mexican-mestizo population. The Zapotecos and Mixtecos are the major ethnicities. A probabilistic survey was undertaken in two Mixtec villages (San Andrés and San Isidro) and two Zapotec towns (Ixtlán and Capulalpam). Thus, a database was obtained made of a sample of household economies and family businesses. The Mixtec villages have a food-staple subsistence economy and obtain cash income from tiny amounts of handicrafts or fruits, wages, government transfers and remittances. The economy of the Zapotec towns is based on forest industry and eco-tourism.

Economic environment for family businesses in Ixtlán additionally include wages from the headquarters of the state-and-federal government and financial bank services. Capulalpam's family businesses depend on the economic spillover of forest industry, tourist spending, and government assistance from the program of magic towns. This framework is taken into account to analyze market strategies through a model that considers separately Mixtec villages and Zapotec towns.

(7) Performance-chasing in Venture Capital Investments

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ABSTRACT

This paper examines how venture capital firms (VCs) in the U.S. respond to recent successful exits. We find that more money is allocated towards sectors that have experienced large exits within the last two months. This is achieved by increasing the amount invested per deal rather than investing in more companies. There seems to be no change in the risk composition of portfolio companies due to the additional investment. Furthermore, we document that such performance chasing behavior is most aggressively carried out by high-quality VCs rather than low-quality ones. We test the effectiveness of such a strategy and find that 'hot sector' firms are no more likely to undertake a successful exit than their 'cold sector' counterparts.

Keywords: venture capital; investment behavior.

(8) Ten years of implementing accusatory system redesigning of the judicial organization. A case study of State of Oaxaca, Mexico

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ABSTRACT

A case study is presented from exploratory research to address the problem of the functioning in the courts and the administrative staff of the adversarial system in Oaxaca state, that little has been investigated. Evidence from other states reveals that inadequate organizational design causes lower quality on the service to users of the justice administration. Reform in the criminal justice system in Mexico includes a transformation in the organizational scheme, which is accompanied by initiatives in equipment and software developments, in addition to infrastructure adjustments. The effectiveness of the judicial unit, primarily serves the ideal institutional design, trained personnel, and processing capacity.

In the methodological aspect, the results were obtained with the help of unstructured interviews and participant observation, as well as the secondary sources. The background to the redesign of the courts are located at the implementation stage of the criminal procedure reform, which covers the period specified in the Mexican Constitution. In this stage, the problems that had not been taken over in recent months, would have triggered the collapse of the judicial units by the backlog generated in the criminal matters, preventing administration of justice has been promptly and expeditiously as brand Article 17th of the Constitution. Hence the creation of the standing committee on monitoring and evaluation for the consolidation and operation of the adversarial system in the Oaxaca State, Mexico -CPEySOyCSA, acronym in Spanish-, which has as one of its purposes, driving strategies according to the organization that would curb inefficiency in staff functions involved in justice administration.

Keywords: ORGANIZATIONAL DESIGN, COURTS, JUDICIAL MANAGEMENT MODEL, ACCUSATORY SYSTEM.



(9) Globalization and collateralized resources: Implications for Foreign trade in the context of modern technology

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ABSTRACT

By increasing flows of goods, capital, and labor, globalization has amplified investment and trade opportunities not only to developed countries, but to emerging economies as well. This process has been catalyzed by technological advances that have eased logistical issues, enabled accurate supply-chain management, and enhanced communications. Countries have become increasingly interdependent and, consequently, exposed to changes in external supply and demand, and international financing; this is in addition to domestic resources and markets already developed. We make a distinction between those economies that rely on natural resources, and those that do not. I compare their respective production processes and economic growth and investigate how these are affected by globalization. The impact of these resource-based constraints on sustainable economic growth and the welfare of society are analyzed. In particular, resource extraction technology is discussed. Extractive industries contribute to the global economy both directly and indirectly. Since resources are used in the production of various goods, demand for them has been growing in tandem with the development and openness of nations that were, previously, relatively closed. Thus, extractive industries have expanded rapidly. Technology has contributed to an increased supply of these resources by facilitating extraction and production processes and providing better access to deposits. Numerical analysis of this paper demonstrates the fact that energy exporters are experiencing excessive debt burdens and increased default risk and borrowing costs. Furthermore, "backstop" technology is incorporated to assess its impact on the extraction processes and whether it contributes to the problem of exhaustible resources.

(10) NOVELTY INVENTION EVALUATION FRAMEWORK

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ABSTRACT

As technology continues to advance at an unprecedented pace, novel inventions are being developed, manufactured, and marketed with unprecedented speed. Business and capital investments must address the inventions' intrinsic value and industry-specific risk & return rates. There is currently no consensus on how to integrate these dimensions. Traditional valuation methods are limited in their ability to capture the all-inclusive value of novel innovations. This research will describe how our valuation model can be used in the context of a company producing and marketing highly innovative HIV testing kits for use in World Health Organization's programs around the world.

Keywords: Innovation, Real Options Valuation, Social Innovation, Healthcare

(11) BENCHMARKING DIGITAL EDUCATION PROGRAMS ON SOCIAL ENTREPRENEURSHIP:

WHAT A DIGITAL PROGRAM ON SOCIAL ENTREPRENEURSHIP CAN LEARN FROM OTHER DIGITAL SOCIAL ENTREPRENEURSHIP PROGRAMS

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ABSTRACT

Social Entrepreneurship for Local Change (SELC) is a European Union funded ERASMUS Plus blended learning program, which has been



sponsored, planned, and implemented by a consortium of five universities and three NGOs starting in the spring of 2016. The program should serve basic educational objectives of its students and teachers as well as strategic goals of the universities and the European Commission. Benchmarking is a strategic management tool that measures the practices of one organization against the best practices of leading organizations in the same area. While benchmarking was developed for competitive enterprise, it has also evolved into a mutually beneficial collaborative tool with the potential to be effective in innovative education. In this paper, the practices of SELC's digital program were benchmarked against two other more mature digital social entrepreneurship programs using qualitative methods and resulting in a comparative scorecard. By recognizing and addressing quality gaps revealed by the benchmarking process, SELC's administrators can improve their own quality and put the program in the best position to achieve its goals.

(12) Socio-Economic Determinants of State Failure: A Global Perspective

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ABSTRACT

The main focus of this study is to theoretically and empirically investigate impact of socio-economic indicators on state failure in global perspective. For this purpose, trade openness, employment in agriculture, children out of school, ICT, Urbanization and ratio of female to male in labor force participation has been used as independent variables and fragility index of fund for peace has been used as dependent variable for state failure. Data on 142 countries has been collected from world development indicators of World Bank and fragility index from fund for peace from 2006 to 2016. After collection of data, appropriate panel econometric techniques have been applied and found that panel fixed effect is the appropriate technique for dealing with above stated data followed by some diagnostics. On the basis of empirical findings of this study, gender inequality leads to state failure significantly in global perspective and in all regions of the globe. This study also concluded that trade expansion, urbanization and ICT are contributing in state performance but employment in agriculture and children out of school are causing states to weak in their working. The crux of this study is that gender inequality leads toward global disorder in the process of



sustainable development of the globe and all the regions. On the basis of findings of this study, a comprehensive plan for provision of economic opportunities for females is need of the day for sustainable development of developing regions of the globe for their prosperity. Gender inequality is one of the significant factors behind their backwardness and expansion of opportunities along with feasible working environment will put positive change is sustainability of their economies. There is need to start a debate for women economic empowerment and all stakeholders should come with some concrete policy design for the prosperity of the state and also for new generations for reaping the benefits of development projects.

(13) STRATEGIC ANALYSIS TO DEVELOP AN INTERNATIONALIZATION PLAN FOR A SMALL CONSTRUCTION COMPANY IN GUANAJUATO, MEXICO.

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ABSTRACT

Nowadays internationalization is no longer a luxury for companies and became a necessity in order to survive in the market and ensure its durability over time. This justifies the structure of a internationalization plan (IP) for a small company (SEC), in order to modify its value curve against the competition and guarantee a sustained growth development in new markets. This paper presents a strategic analysis of a small construction company dedicated to the elaboration of finishes for walls, floors and concrete architecture. A situational analysis was carried out to see what would be the most appropriate international strategy for the company. Tools such as: a. SWOT Analysis, b. Political, Economic, Social and Technological Analysis (PEST), c. Internal Factors Evaluation Matrix (IFE), and d. External Factors Evaluation Matrix (EFE Assessment Matrix), were used to identify the current standing of the SEC. The Canvas Model and the Competitive Profile Matrix (Kepner & Tregoe, 1989) were used to make the connection with the strategic position of the SEC against the desire of internationalization. Likewise, an analysis of the external factors was carried out showing a significant growth of 4.6% in



the specialized sub-sector, as well as a tense business landscape driven by the political situation between Mexico and the United States.

Keywords: Small enterprise, strategies, internationalization.

(14) Is It Too Late for Diversification to Save Social Security?

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ABSTRACT

The OASI Trust Fund has been projected by the 2016 Annual Report of the Board of Trustees to be exhausted in the year 2035. One alternative for salvaging the Trust Fund is to increase the investment return. This study examines the impact the recent 2007-2009 recession has on the 2002 forecasted diversified performance of the OASI Trust Fund. It also reports that OASI investment diversification into corporate securities will extend the financial integrity of the Trust Fund beyond the projected exhaustion in 2035. Although gains from diversification persist under various assumptions reflecting the recent *Great Recession*, the benefits are no longer as strong as would have been true using 2002 data and had the Fund been diversified at that time.

(15) An EXPLORATORY LOOK AT AN APPROACH TO COMPLETING AN IMPACT STUDY

JOHN MANLEY
Iona College

ABSTRACT

An Economic Impact Study tries to measure the amount of spending or financial benefit accomplished by a specific organization, institution or activity within a defined geographic area. Using the Economic and Service Impact Report generated for Iona College and published in 2015, the author of this study discusses the difficulties, challenges, and limitations associated with the assumptions, methods and calculations utilized during an impact study. https://issuu.com/ionacollegemagazine/docs/impact_study_2014_issu_1-15-15



(16) SUSTAINABLE SOCIALLY RESPONSIBLE ETFS PERFORMANCE

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ABSTRACT

Social Responsibility gains greater attention in recent years when business and individuals become more conscious about the sustainability and environmental protection, which in turn promotes the development of socially responsible investment concept in the financial markets, as many socially responsible mutual funds and Exchange Traded Funds (ETFs) have been created for the investors with ethical concerns. In order to survey the impact of social responsibility on the financial markets, this paper uses 36 sustainable Socially Responsible (SR) ETFs (data extracted from the website <http://www.etf.com>) to compare the returns of SR ETFs to the market on a daily and monthly basis. We find that the difference between each ETF and the market is not statistically significant. A high positive correlation coefficient is identified between the SR ETFs daily returns and the market's daily returns. A beta of 0.8220 is found for the SR ETFs based on average daily returns, indicating that SR ETFs are regarded as of lower risk than the market. We also conduct time series analysis on daily and quarterly data and find that the market return appears to be the sole driver to the returns of these SR ETFs; however, persistency in daily SR ETFs returns disappears at the quarterly data level. This study is innovative in its attempt to investigate the performance of socially responsible ETFs. The results are mostly in line with those from the empirical research on SR mutual funds.

(17) EXOGENOUS OR ENDOGENOUS ECONOMIC GROWTH: A MEXICAN STATES CONVERGENCE RESEARCH

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ABSTRACT

In this paper we study β -convergence absolute and conditional, also σ convergence. Solow's Model (1956) exogenous development and Lucas' endogenous growth Model (1988) are used as theoretic foundation. To prove convergence hypothesis in Mexico case and the 32 states that conform it, and also to answer the question: Solow or Lucas economic growth explication? an econometric OLS and panel models are taken account.

We found the β -convergence and the expected negative sign when annual data series long term is considered in a first regression, but the result is not statistically reliable; if it is estimated for decades periods, second regression, only 1960-1970 show absolute convergence, a third regression including population growth rate and physical capital investment per capita, variables as considered by Solow and estimate including human capital index (HCI), human development index (HDI 2) such as in Lucas model, it confirm no-absolute β -convergence, till outliers were eliminated. When panel heteroskedastic is considerate, convergence is observed, but 48 years path, suggesting includes proxy variables which capture the political effects and explore conditional convergence in a next research. Finally Mexican economic growth Lucas style is proved.

KEYWORDS:

CONVERGENCE, HUMAN CAPITAL, REGIONAL ECONOMICS

(18) SUSTAINABILITY AND/OR COMPETITIVENESS?

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ABSTRACT:

Sustainability and economic dynamism have been understood as a contradiction well before the 1972 report of the Club of Rome. In the late eighteenth century Thomas Malthus constructed a contradiction between economic growth and resource availability.



Neither Malthus' nor Meadows' pessimistic projections became reality. However, recent policy changes at various levels and in different regions indicate that sustainability, in particular environmental protection, is associated with high costs that hinder growth. Be it the "America-First" concept of US President Trump or the coalition agreements of the new state government in NRW/Germany - both aim at a weakening of the environmental authorities, a reduction of environmental requirements or - in the case of the USA - the withdrawal from international agreements (World Climate Agreement). Policy measures like these are based on the assumption that the competitiveness of the respective economy can be strengthened and economic growth can be accelerated through less sustainable production modes. For the businesses/industries concerned it is therefore essential to assess the impact of such a policy turnaround and to position themselves in the policy making framework.

**(19) THE OMNISCIENCE MODEL:
RECONCILING THE PROCESSING CAPABILITY WITH THE PROCESSING NEED**

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ABSTRACT

The Omniscience Model is an attempt to integrate all manner of relevant equations for predicting the future stock price with high precision. The first paper (Haber 2017a) dealt with the potential equations available from all walks of science and business, and selected those that were predictive, as opposed to evaluative or descriptive. Another paper dealt with the available computer processing power (Haber 2017b). Another important factor is the lag (or interval) time between decisions (Haber 2017c). The purpose of this paper to understand the computing power necessary to make the number of calculations required by the model and compare that need with the processing power that could reasonably be expected to be available. Reconciling the two metrics could influence the lag time (the longer the lag the more time there is for calculation), if the need was greater than the availability.

**(20) MACROECONOMIC VARIABLES' CONTROL POWER OVER METAL PRICES
VOLATILITY**

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ABSTRACT

Academic discussions on commodity prices volatility are numberless, especially on fossil energy resources and agriculture products. Metal prices volatility are gaining attention just recently, because of their increased volatility during the past decades. Although macroeconomic factors' important role to determine commodity prices volatility has long been agreed with, rare significant evidence was quantified statistically. In order to identify significant macroeconomic variables that affect metal prices volatility, the study adopts the Spline-GARCH model. The model is able to separate macro-economy led low-frequency price volatility out from total price volatility. So that can we quantify macroeconomic variables effects by using the low-frequency volatility. Specifically, the study considers nine kinds of metals prices volatility, respectively. We apply ARMA model as our mean equation, and then use Spline-GARCH model to general low frequency volatility part, finally adopt OLS regression to find significant macroeconomic variables. The study statistically proved macroeconomic variables control power over annual average metal prices volatility and explained the relations economically. It improves our understanding of the movements of metal prices volatility, and thus helps investors manage market risks.

Keywords: metal prices volatility, macroeconomic variables, Spline-Garch model

(21) ¿VENDER O NO VENDER?

TODOHOSPITAL: UN DIAGNÓSTICO FINANCIERO PENDIENTE

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ABSTRACT

This case illustrates how to analyze the financial situation of a private hospital and also how this analysis may help and individual investor to decide to sell or to keep the investment.

Keywords: financial ratios, working capital, investment return



**(22) NORTH AMERICA INTERNATIONAL BUSINESS
IN THE 21ST CENTURY:
ALTERNATIVE LEGAL STRATEGY, MEXICO CASE**

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ABSTRACT

In the last 15 years, NAFTA has been one of the legal instruments that has driven the creation and consolidation of international business in the North American region around various productive sectors of goods, services, and investment which has also led to the growth of value chains in this region. The current international business environment recognizes the need to incorporate new issues and actions that seek to continue on this path or even deepen the interdependence of economies within a region, in order to improve and maintain their economic and social development. This approach identifies international trade policy as the main way - through regional international trade agreements - to achieve these objectives but it is not the only one, there are governmental actions around the negotiation, assimilation and application of national legal frameworks that can be as or more efficient to build an efficient and safe international business environment for the North American region and other regions of the world.

Keywords: International business, North America, NAFTA, negotiation, assimilation and application.

**(23) LOCAL BRANDS AND GLOBAL BRANDS: COMPETITION IN EMERGING
MARKETS**

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ABSTRACT

This paper examines market dynamics of global and local brands in consumer packaged goods category in China, India, and Turkey. These are large markets with robust growth expectations and varying levels of retail modernization. This research analyzes trends in market shares of local and global brands in three product categories in the fast moving consumer goods space, carbonated drinks, chocolate confectionery, and detergents (laundry care). It examines responses of local brands to entry of global brands and uses the Dawar and Frost (1999) framework to provide an initial basis for local brands' responses. Similarities and differences in the three markets are discussed.

KEYWORDS: Local, Global, Emerging, Strategy

(24) THERMAL COMFORT - AN INTERCULTURAL COMPARISON

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ABSTRACT

Growing energy consumption together with increasing CO₂ emissions are current topics discussed all over the world. This study is about reducing energy consumption for heating or cooling homes without comprising people's thermal comfort, thus being a contribution to a more sustainable approach to energy use considering ecological, economic and social aspects.

KEYWORDS

Sustainability, Housing, Energy, Intercultural Comparison, Thermal Comfort

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(26) JOB AUTOMATION IN A DEVELOPING COUNTRY: A REVIEW OF POTENTIAL IMPACTS

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Abstract

The rapid adoption of Information Technologies (IT) in the workplace has affected the stability of many jobs around the world. Routine and repetitive works were the first to be distressed. Even more complex jobs, especially those catalogued as white collar jobs are now under increasing pressure from algorithms based on Artificial Intelligence technologies (AI). In the case of developing nations, AI has not yet had a noticeable impact in the labor market because cheap labor has somewhat deterred the introduction of smart machines. However, there is an ongoing trend for the introduction of specific AI applications, especially in the more advanced economic sectors, such as the finance and banking sectors. In this paper we review the potential effects of job automation for the developing world. By drawing on current typologies of jobs susceptible of computerization, we are able to analyze the structure of labor markets in Mexico in order to list those jobs in risk of being displaced by smart machines. We conclude that the main challenge for developing nations' policy-makers is to encourage native workers to acquire IT skills in order to cope with the advent of the imminent AI revolution.

(27) STOCK DISTRIBUTIONS AS A SIGNAL: SPLITS, DIVIDENDS, AND THE RETAINED EARNINGS HYPOTHESIS

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ABSTRACT

Large stock distributions may be accounted for as a stock split or as a stock dividend. The Retained Earnings Hypothesis (REH) suggests that the latter method of accounting signals improving future cash flows. However, prior evidence is mixed. We address two questions: what signal is being sent and how credible (i.e. costly) is that signal? Using a large panel of data, we find little evidence consistent with the REH. However, for a subsample of firms that are more likely to be constrained after a large stock dividend, we find substantial and statistically significant support for the REH.

JEL classification: G14

Keywords: Stock splits, Stock dividends, Retained Earnings Hypothesis



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