

Accounting and Cultural Values: The 3G Index Runner-up Countries

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The eleven Global Growth Generator (3G) countries are the latest candidates for strong economic growth through 2050. (Buitter and Rahbari 2011) This paper considers six countries that have 3G Runner-up status: Brazil, Iran, Mexico, North Korea, Thailand and Turkey. It combines two separate methods into a cultural approach to economic and accounting value analysis. (Borker 2013b) (Borker 2013a) The purpose is to provide comparative cultural and accounting perspectives reflecting economic growth potential in the six Runner-up countries. Each country is examined for Hofstede's six cultural value dimensions. An accounting profile is constructed based on Gray accounting values and compared to an independent IFRS favourable profile. This profile and other factors suggest the long-term success of IFRS implementation. Cultural accounting value profiling is shown to complement economic factors in evaluating a country's growth potential. An important finding of the study was that current antiWestern political extremism need not correlate with a less favourable cultural profile for IFRS. The two countries with the most extreme political regimes and lowest official recognition of IFRS were identified as ranking highest culturally for IFRS potential.

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