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TABLE OF CONTENTS

NETWORK EFFECTS IN AFRICAN COUNTRIES' ADOPTION OF INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

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ABSTRACT

The main objective of this study is to expand understanding of the network effects in African countries' adoption of IFRS. The study used cross sectional data obtained for the 46 African countries sampled in this study. These data were obtained from Deloitte's IASplus.com website and World Bank's country reports on observance of standards and codes. The ordered logistic regression analysis was used to regress decision to adopt IFRS in relation to synchronization value of network effects. From the results of the study, it was discovered that there is no significant relationship between Network effect (NEW) and adoption of IFRS. Based on this result, some recommendations were made prominent amongst which was that African countries should improve on economic global integration if IFRS is to be adopted with greater beneficial effects in Africa.

Key words: Network Effects, Africa, IFRS Adoption, *Network Externality,* Synchronization Value

INTRODUCTION

IFRS is an acronym for International Financial Reporting Standards. It is a series of accounting pronouncements' published by the International Accounting Standards Board (IASB) to help preparers of financial statements, throughout the World, produce and present high quality, transparent and comparable financial information. The term 'IFRS' has both broad and narrow meaning; narrowly, IFRS refers to the new number series of pronouncements that the IASB is issuing as distinct from the International Accounting Standards (IASs) series issued by International Accounting Standards Committee (IASC). More broadly, IFRS refers to the entire body of IASB pronouncements, including standards and interpretations approved by the IASB and IASs and Standard Interpretation Committees (SIC) interpretations approved by IASC (Chamissa, 2000; Ball, 2006; Mwaura & Nyaboga, 2009, Epstein, 2009).

Before the inception of IASB in 2001, international accounting standards were issued by IASC a body established in 1973 by professional accounting bodies from Australia, Canada, France, Germany, Japan, Mexico, Netherlands, U.K., Ireland and U.S.A. after nearly 25 years (in 1997), IASC recognised that to continue to perform its role effectively, it must find a way to bring about

convergence between Domestic Accounting Standards (DAS) and global accounting standards. The IASB recognized its rules under the new label IFRS, though it continues to recognize the prior rules – IASs (Ajibade, 2011).

The IASB objective is to require like transactions and events to be accounted for and reported similarly and unlike transactions differently. Under IASB the choices in accounting treatment are continuously being reduced. In pursuance of its objective, the IASB cooperates with IAS setters to achieve convergence in accounting standards. Despite this effort on the part of IASB, there is still heterogeneity in country's decision to adopt IFRS. The reason for this heterogeneity is varied in extant literature.

According to Ramanna & Sletten (2009) IFRS adoption for a given country increases with the number of IFRS adopters in its geographical region. This is what is referred to as the network effect in IFRS adoption. IFRS are used in many parts of the world, including the European Union, Hong Kong, Australia, Malaysia, Pakistan, Russia, Turkey and some African countries (Mwaura & Nyaboga, 2009). As at today, African countries that have adopted the IFRS product includes amongst others Angola, Botswana, Cameroon, Southern Africa, Kenya, Malawi, Morocco and Nigeria. Others which are yet to adopt the IFRS product include, amongst others, Benin, Cote D'Ivoire, Cape Verde, Burkina Faso, Niger and Togo. The concern at this point is why is there heterogeneity in IFRS adoption decisions amongst countries with particular reference to African countries? Based on this concern, the objective of this study, therefore, is to ascertain the relationship between adoption of IFRS in Africa and synchronization value of network effects.

Many studies (Ramanna & Sletten,2009; Cai & Wong, 2010; Latridis, 2010) have been conducted in developed countries with respect to network effects in IFRS adoption. Compared to the developed economies, not much study on IFRS adoption has been conducted in Africa. Some findings of these studies that network effect has significant effect on IFRS adoption are consistent with one another and what have been found in developed markets, while others are inconsistent. The point is that, the results are mixed which makes the issue inconclusive. This serves as a motivation for this study.

The remainder of the paper is organized as follows. The second section reviewed literature on network effect of IFRS adoption and the development of hypotheses, while taking into cognizance the theory underpinning the study. The third and fourth sections present the steps followed in this paper for data collection, the description of the variables used in this study, and the results of the empirical model. The fifth section contains a discussion of findings, conclusion and recommendation.

LITERATURE ON NETWORK EFFECT

On network effects, Ramanna & Sletten (2009) collected data using a sample of 102 countries and found out that there is a regional trend in IFRS adoption, i.e. a country is more likely to use IFRS straight away without amendments if other countries in its geographical region are IFRS adopters. This result is significant for two reasons: (1) it suggests countries internalize the network effects of IFRS in their adoption decisions; and (2) it suggests that as the network benefits from IFRS get large, countries may adopt the international standard (IFRS) even if the direct benefit from IFRS are inferior to those from locally developed standards.

Similarly, in a study of global capital markets, Cai & Wong (2010) demonstrated that capital markets of countries that had adopted IFRS recorded high degree of integration among them after their IFRS adoption compared with the period before adoption. This suggests a regional trend in IFRS adoption. Also, in a study on financial data of public listed companies in 15 member states of the European Union before and after full adoption of IFRS in 2005, Latridis (2010) concluded that IFRS implementation by countries has affected their financial performance and more countries are keying into the IFRS product, thereby supporting a significant relationship between IFRS adoption and the growing value of the IFRS network.

The above three studies suffer from sample partiality because (1) Ramanna & Sletten (2009) took a sample size of 102 non-EU countries which is grossly inadequate to make a universal conclusion on the subject of IFRS adoption and network effects, (2) Cai & Wong (2010), on the other hand, took only a sample of G8 countries to draw their conclusion, while (3) Latridis (2010) covered only 15 European countries in his study on IFRS adoption. However, Ramanna & Sletten (2013) in their study on network effects in countries' adoption of IFRS, confirmed their earlier finding in 2009 by observing that perceived network benefits increase the degree of IFRS harmonization among countries and smaller countries have a differential higher response to these perceived network benefits.

Isomorphism
In extant literature, the decision to adopt IFRS can be analyzed as either (1) the constraining process that forces one unit in a population to resemble other units that face the same set of environmental conditions (Gyasi, 2010), or (2) a decision to adopt a product with network effects (Ramanna and Sletten, 2009). According to Gyasi, the theory of isomorphism defines the constraining process that forces one unit in a population to resemble other units that face the same set of environmental conditions.

Isomorphism in practice implies that, the adoption of an accounting standards in this case IFRS by an entity can be tuned to some extent by the surrounding environment of the entity, hereafter referred to as institutional factors – network effect. According to DiMaggio and Powell (1983), the theory of isomorphism can be institutional – coercive, mimetic and normative. Coercive isomorphism takes the shape of a formal or an information pressure exerted on an organization o the cultural environment within which the organisation operates. In most instances, such pressures might be perceived by the organisation as force, persuasion or an invitation to adopt a particular accounting rule. A very clear case of coercive isomorphism in Africa is the case of Egypt, where during the developing stages of the Egyptian international accounting, the government passed several administrative laws to set financial disclosures under statutory control. The government laws adjusted all major systems, including accounting, to correspond to the state central planning philosophy (Hassan, 2008).

Mimetic isomorphism, unlike coercive isomorphism, stems from standard responses to uncertainty. The degree of uncertainty is a powerful force that encourages imitation (Gyasi, 2010). An organisation would mimic another organisation when it is certain about the effects that their current accounting rule might have on the organisation's return on investment in the future. To remedy this situation, a solution in the form of adopting or not adopting the IFRS product becomes necessary.

17

On the other hand, normative isomorphism is attributable to professionalization. According to DiMaggio and Powell (1983), professionalization is the collective struggle of members to define the conditions and methods of their work, and to come up with norms binding all its units together – common interest and aspirations. In Nigeria, for example, such accounting professional bodies as the Institute of Chartered Accountants of Nigeria (ICAN) and Association of Certified Chartered Accountants (ACCA) positively influence each other as to adoption of uniform accounting standards.

Hypothesis Development

The main objective of this study is to ascertain the relationship between adoption of IFRS in Africa and synchronization value of network effects. In addressing this objective, this study relies on the economic theory of networks to build a framework able to capture a broad range of factors, to explain the network effect in African countries' decision to adopt IFRS (see Figure 1).

According to Ramanna & Sletten (2009: 1) "adopting a set of standards like IFRS can be more appealing to a country if other countries have adopted it as well". In this sense, IFRS can be a product with network effect.In life at times, one finds himself in a situation where choice has to be made between two things that are desirable; for example a country having to choose between its domestic accounting standards and IFRS. When making such choices, one consideration is inevitable, and that is, how our participation will affect others and how the participation of others will affect us. Most of us naturally considered what the people around us were choosing or were likely to choose. Since so many choices seem to have some network dimension, it is not surprising that economists have taken up these ideas and that they have coined a term to connote these network elements. This term is *network effect* or *network externality* (Liebowitz & Margolis, 1994).

Among the most influential statements on network effects are those by Katz & Shapiro (1985). According to them, there are many products (e.g, IFRS) for which the utility that a user derives from consumption of the good increases with the number of other agents consuming the good. They add, the utility that a given user derives from a good depends upon the number of other users who are in the same network. According to Katz & Shapiro (1985), there are two types of network effects viz: (1) direct network effect, and (2) indirect network effect. Direct network effects are those generated through a direct physical effect of the number of adopters of the product on the quality of the product. Indirect network effect, on the other hand, involves instances that lack that direct physical effect. That is, indirect network effect is any situation where complementary goods become more plentiful and lower in prices as the number of users of the goods increases.

Therefore, according to Katz & Shapiro (1985), the economic theory of networks predicts that in addition to network benefits (synchronization value), a product with network effects can be adopted for its direct benefits. In the case of the IFRS adoption decision by a country, Ramanna & Sletten (2009) posits that the direct benefits of network effects are represented by some variables, otherwise referred to as control variables in this study. These control variables are the: (1) net economic benefit (FDI) and (2) net political benefit (IPP) of IFRS over local standards.

18

Figure 1: Network theory
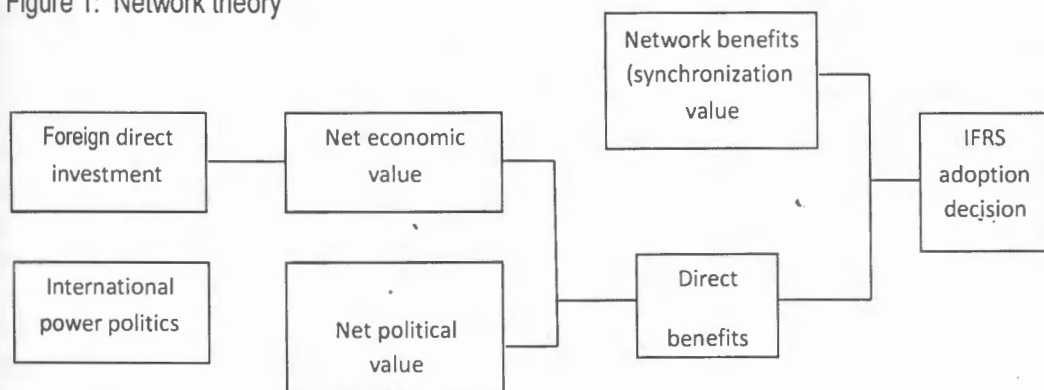
Source: Ramanna & Sletten, 2009:5-12 adapted

Figure 1 shows that besides the network effect of IFRS adoption being studied, there are some other variables (control variables) which might impact IFRS adoption by an African country. That is, foreign direct investment is an economic determinant of IFRS adoption, while international power politics and cultural sensitivity are political determinant of IFRS adoption.

Thus,

    ADP = f (FDI, IPP, NEW)
Where; ADP= decision to adopt IFRS
    FDI = foreign direct investment
    IPP = international power politics
    NEW = synchronization value of network effects

Based on the above, we use the economic theory of networks to develop the hypotheses in this study:

H: Synchronization value of network effects has significant relationship with adoption of IFRS in Africa.

The above tentative statement indicates that, countries do not adopt IFRS all at once, and the observed increase in IFRS adoption across countries can be due to the growing value of the IFRS "network" (synchronization value). In this study, the focused is on analysis of network effects at the regional levels. Accordingly, we tested whether the likelihood of IFRS adoption for a given country in a given year increases with the number of IFRS adopters in its geographical region. Thus,

$$ADP = f (NEW)$$

METHODOLOGY
The survey research design was adopted in this study. The reason is that the researcher wants to reach to several countries in the African continent and relevant data were collected at a particular point in time; therefore the researcher was involved in a cross-sectional survey research design. The research population comprised the 54 countries in Africa. A survey of the sampled countries with respect to the determinants of IFRS adoption was carried out. The sample size is 46 countries. The sample was arrived at by using the Yamani statistical formula as follows:

19

$$n = N / 1 + N(e)^2$$

Where   n = sample size sought

        N = population

        e = error limit (0.05 on the basis of 95% confidence level)

The sample size is therefore:

$$n = 54 / 1 + 54(0.05)^2$$

or $$n = 46$$

The cluster sampling technique was adopted in this study. This was complemented with the simple random sampling technique. The reason for the choice of the cluster sampling technique is that the population of study (the 54 countries making up Africa) is distributed in five clusters/regions. Cluster sampling technique therefore enables proportional selection of samples such that the number of subjects selected from each region represents its share of the entire population. For each country in a given cluster/region to have equal chance of being selected, the simple random sampling technique was then introduced.

The clusters are; West Africa (16 countries), East Africa (16 countries), Central Africa (9 countries), Southern Africa (6 countries) and North Africa (7 countries). The next step in the sampling was to number the countries in each of the clusters in the adequate range (01 to 46). West Africa was numbered 01 to 16; East Africa 01 to 16; Central Africa 01 to 9; Southern Africa 01 to 06; and North Africa 01 to 07. Therefore, a computer package (Excel) was programmed to select 46 random numbers within the specified ranges in proportion to the cluster's share of the total population. The numbers thus generated were used to choose the countries included in the study sample.

The secondary source of data was adopted in this study. Data for network effects is from Deloitte's IASplus.com website and World Bank's country reports on observance of standards and codes. Data for the two control variables (foreign direct investment, international power politics) were sourced from World Bank's World Development Indicators (WDI) data base.

The ordered logistic regression analysis was used to regress decision to adopt IFRS in relation to its predictors. According to Pallant (2011) logistic regression allows one to test models to predict categorical outcomes with two or more categories. In this study, the dependent variable is in five (5) categories, being the five stages of IFRS adoption (see International Monetary Fund, 2009). Category zero (0) to four (4); where: Zero (0) means decision not to adopt IFRS by the country; one (1) means efforts to implement IFRS is still being identified by the country; two (2) means publicly listed entities and significant public interest entities are to prepare their financial statements using applicable IFRS, three (3) means all other public interest entities mandatorily adopts IFRS for statutory purposes; and Four (4) means Small and Medium-sized Entities (SMEs) mandatorily adopts IFRS.

Definition and measurement of variables

The variables that were used in this study are: IFRS adoption decision, network effect, foreign direct investment and international power politics. IFRS is defined in this study as the decision a country has taken either to adopt IFRS or not (see Ramanna & Sletten, 2009). To measure or arrive at the score for decision on IFRS adoption by an African country, in this study we computed the total of the stages of adoption (see appendix) of the IFRS product for each country that has

20

decided to adopt IFRS. If a country is yet to adopt IFRS as at the date of this study, it was scored zero (Ding, Hope, Jeanjean & Stolowy, 2007). This is because non-adoption of IFRS is a decision not to adopt IFRS (Ramanna & Sletten, 2009).

NETWORK EFFECTS is defined as the percentage of countries within a geographical region that have adopted IFRS as of the prior year (see appendix) To measure network effects, it was taken as the number of countries within a geographical region that have adopted IFRS as of the prior year after introduction of the IFRS product (Katz & Shapiro, 1985).

FOREIGN DIRECT INVESTMENT is defined as that investment which is made to acquire a lasting interest in an enterprise operating in an economy other than that of the investor (see appendix). The investor's purpose is to have effective voice in the management of the enterprise (IMF, 1997). To measure foreign direct investment - it was taken as the ratio of foreign capital inflow into a country to the gross domestic product (Ramanna & Sletten, 2009).

INTERNATIONAL POWER POLITICS is defined as the influence a country has in explicit lobbying and pressure tactics in accepting to adopt or reject the IFRS product based on its gross domestic product per capita (see appendix). To measure International power politics – it was taken as the influence a country has in international politics in terms of its GDP (Brackney & Witmer, 2005).

Derived Model
When testing the relationship between IFRS adoption decisions and institutional variables, it was done from the perspective of the economic theory of networks. In literature (Katz & Shapiro, 1985; Ramanna & Sletten, 2009) there are many products (e.g, IFRS) for which the benefit that a user derives from consumption of the good increases with the number of other agents consuming the good. This is referred to as the network benefits of the product (synchronization value). In addition to the network benefits, a product with network effect can be adopted due to its direct benefits. As earlier stated, in the case of the IFRS adoption decision by a country, Ramanna & Sletten (2009) posit that the direct benefits of network effect can be controlled by both the: (1) net economic benefit (FDI) and (2) net political benefit (IPP) of IFRS over local standards. Therefore, in equation form:

$$ADP = f\,(NEW, FDI, IPP) \quad - \qquad - \qquad - \qquad (1)$$

Where:

NEW = synchronization value of network effect
FDI = foreign direct investment
IPP = international power politics

Model Specification
Assuming a linear relationship, we can write the above equation (1) in an explicit functional form as:
$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 \ldots \beta_n X_n \quad \ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots (2)$$
Where β_0; β_1; + $\beta_2 \ldots \beta_n$ are parameters to be estimated
Y = the dependent variable (IFRS adoption decision)
X_1, X_2, X_n = independent variables
X_1 = synchronization value of network effects
X_2 = foreign direct investment
X_3 = international power politics

21

In this case, our 'n' is 3

Thus equation (2) becomes:

$$ADP = \beta_0 + \beta_1 \, NEW + \beta_2 \, FDI + \beta_3 \, IPP + U \quad\dots\dots\dots\dots\dots\dots\dots\dots \quad (3)$$

Where β_0, β_1, β_2 and β_3 are parameters to be estimated. The apriori expectation is that;
$\beta_1 > 0$, $\beta_2 > 0$ and $\beta_3 > 0$

Note that 'U' is the error term and β_0 is the constant term.

Result

The result of data analyzed for all the countries in Africa as a whole is presented below.

Dependent Variable: ADP

Method: ML – Ordered Logit

Included observations: 46

Number of ordered indicator values: 5

Convergence achieved after 5 iterations

Variable	Coefficient	Std. Error	z-statistic	Probability
NEW	0.276386	0.37652	0.36148	0.2586
FDI	1.047144	2.53654	0.35347	0.5826
IPP	0.027457	0.04455	0.28649	0.8454
LR statistic	12.74353	Avg. log likelihood		-1.876586
Prob(LR statistic)	0.02265			

Source: E-views 7.0

The above tabular results can be represented in an equation form as shown below:

$$ADP = \beta_0 + \beta_1 \, NEW + \beta_2 \, FDI + \beta_3 \, IPP + U$$
$$\qquad\qquad 0.276386 \quad 1.047144 \quad 0.027457$$

In this study each slope coefficient measures the change in the estimated logit for a unit change in the value of the given regressor (holding other regressors constant). Thus, the Network effect (NEW) and IPP coefficients of approximately 0.28 means with other variables held constant, that if NEW and IPP increases by a unit respectively, on average the estimated logit has the likelihood of increasing by about 0.28 units, suggesting a positive relationship between them. Likewise, if FDI increases by a unit, on average, the estimated logit has the likelihood of increasing by about 1.05 units, suggesting a positive relationship between the two.

From the ordered logistic regression result above, all the variables are not statistically significant at 5% level, although, statistically their effect on IFRS adoption is positive. However, together all the regressors have a significant impact on IFRS adoption, as the LR statistic is 12.74, whose *p* value is about 0.02265, which is very small. The LR statistic measures the joint correlation of the explanatory variables (NEW, FDI, IPP) with the dependent variable (ADP). It is used to test the rejection or otherwise of the null hypothesis that none of the explanatory variables is related to the dependent variable. Hence, from the results in above table, the LR statistic is 12.74 and it is significant at 5% level given the *p* value 0.02265. This shows that the explanatory variables jointly explain the variation in IFRS adoption. On the whole, the implication of the results shows that the model has an overall good-fit.

Hypotheses test

The hypothesis specified for the study is:

Synchronization value of network effects has significant relationship with adoption of IFRS in Africa.

From the regression result, it was observed that there is the likelihood of no significant relationship between Network effect (NEW) and adoption of IFRS at 5% (p=0.001<0.05) level. However, network effect impacted positively on adoption of IFRS in Africa as shown by the slope coefficient (0.276386). This means that a unit increase in network effect will increase regional IFRS adoption in Africa by 0.276386 units. Hence, we accept the null hypothesis (Ho) of no significant relationship between synchronization value of network effect and adoption of IFRS in Africa and reject the alternative hypothesis (H₁).

Discussion of findings

The result in this study shows that there is no significant relationship between Network effects (NEW) and IFRS adoption in Africa; though the relationship is positive; given that a unit increase in network effect will increase regional IFRS adoption in Africa by

0.276386 units. This result is in tandem with the findings in extant literature (Ramanna & Sletten, 2009; Latridis, 2010 and Cai & Wong, 2010).

Ramanna & Sletten (2009, 2013) findings show that there is a significant relationship between IFRS adoption and network effects. In a study on IFRS adoption and its effects in the United Kingdom, Latridis (2010) agreed with Ramanna & Sletten (2009) submission when it was concluded that IFRS implementation has favourably affected financial performance and more bodies are keying into the IFRS product, thereby supporting a significant relationship between IFRS adoption and the growing value of the IFRS network. Likewise, Cai & Wong (2010) finding that capital markets of countries that had adopted IFRS recorded high degree of integration among them after their IFRS adoption compared with the period before adoption, is in consonance with the result of our study.

The result in this study with respect to the network theory is in consonance with the economic theory of networks. This is because, in life at times, a country can find herself in a situation where choice has to be made between two things that are desirable; for example a country having to choose between its domestic accounting standards and IFRS. When making such choices, one consideration is inevitable, and that is,. how our participation will affect others and how the participation of others will affect us. Therefore, in this study, it is posited that adopting a set of standards like IFRS can be more appealing to a country if other countries have adopted it as well (in this sense, IFRS can be a product with "network effects").

CONCLUSION

The objective of this study is to expand our understanding of the network effects in African countries' adoption of IFRS. In other words, adopting a set of standards like IFRS can be more appealing to a country if other countries have adopted it as well. The economic theory of networks was used to develop the hypothesis tested in this study. The conclusion in this study was based on the result of the analysis carried out on Africa. There was evidence that synchronization value of network effects has no significant relationship with adoption of IFRS in Africa. Though, the

23

relationship is positive.

The finding in this study has some interesting implications for policy making. The statistically non-significant relationship between network effect and IFRS adoption points to the weak net-working-connectivity amongst African economies, implying that the rate of economic globalization among these economies is slow. This implies that there is no network effect in African countries adoption of IFRS. Therefore, if IFRS is to be more adopted in Africa, policy makers should not rely on the synchronization value of network effect in IFRS adoption.

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APPENDIX
SAMPLED COUNTRIES AND THEIR CHARACTERISTICS

S/N	List of Countries in Africa	IFRS Adoption Status/ adoption date	FDI:GDP	FDI in USD	GDP in USD
	West Africa				
1.	Benin	Not Permitted	0.016	118,465,836	7,294,865,847
2.	Burkina Faso	Not Permitted	0.00073	7,417,360	10,187,211,704
3.	Cape Verde	Not Permitted	0.049	92,938,324	1,901,136,230
4.	Cote d'Ivoire (Ivory Coast)	Not Permitted	0.014	344,165,505	24,073,812,829
5.	Gambia (The)	2009	0.04	35,998,400	898,282,866
6.	Ghana	2007	0.082	3,222,240,000	39,199,656,051
7.	Liberia	Not Permitted	0.849	1,312,748,380	1,545,461,660
8.	Mali	2010	0.016	177,804,716	10,589,925,352
9.	Nigeria	2012	0.036	8,841,952,784	243,985,812,280
10.	Senegal	Not Permitted	0.02	286,098,172	14,291,456,855
11.	Sierra Leone	2006	0.319	714,974,888	2,242,960,927
12.	Togo	Not Permitted	0.015	53,771,622	3,620,169,609
	East Africa				
13.	Burundi	2004	0.00014	3,354,999	2,325,972,144
14.	Eritrea	Not Permitted	0.007	18,500,000	2,608,715,447
15.	Ethiopia	2010	0.021	626,509,560	30,247,359,642
16.	Kenya	2005	0.01	335,249,880	33,620,684,016
17.	Madagascar	2005	0.092	907,416,000	9,911,781,297
18.	Malawi	2005	0.016	92,407,704	5,621,000,678
19.	Mauritius	2005	0.024	273,392,322	11,259,856,301
20.	Rwanda	2008	0.017	106,000,000	6,374,877,468
21.	Seychelles	2009	0.138	138,749,984	1,007,186,292
22.	Tanzania	2004	0.046	1,095,401,491	23,874,165,047
23.	Uganda	2004	0.047	796,935,702	16,809,623,489
24.	Mozambique	2008	0.162	2,079,312,790	Non Anglo-Saxon
25.	Zambia	2005	0.103	1,981,700,000	19,206,044,932
	Central Africa				
26.	Angola	2009	0.029	-3,023,770,965	104,331,613,337
27.	Cameroon	2009	0.014	360,000,000	25,235,747,212
28.	Central African Republic	Not Permitted	0.005	109,175,062	2,194,720,004
29.	Chad	2009	0.195	1,854,975,797	9,485,741,541
30.	Congo (Brazzaville)	Not Permitted	0.203	2,930,916,828	14,425,606,793
31.	Congo, Democratic Republic	Not Permitted	0.102	1,596,024,304	15,653,634,042
32.	Equatorial Guinea	Not Permitted	0.037	737,115,764	19,789,801,404
33.	Gabon	2009	0.043	728,000,000	17,051,616,749
34.	Sao Tome and Principe	Not Permitted	0.141	35,000,000	248,286,778
	North Africa				
35.	Algeria	2009	0.014	2,720,539,623	188,681,099,191
36.	Egypt	2008		-482,700,000	229,530,568,260