A lack of idealism. Such acknowledgment, should therefore include a consideration of a normative theory (of how the world should be) and a consideration of a critical theory (of how the world might be) of the function of accounting standards in the Global Markets. Between the lines of how the world 'is', (the positive state) and how the world 'might be' (the critical state) and how the world 'should be' (the normative state) is an area of international accounting research that needs addressing. How the world 'can be' is not a normative prescriptive state of how the world 'should be'. Consideration for the issues relating to World Order has the potential of providing a theory (of how the world can be) that can be empirically validated through how the world 'is'. It is a world of possibilities of how the capital market can function with swiftness and with equity. World Order implies a uniform and universal system of currency as well as uniform accounting standards. A new paradigm of research in international accounting may well require that we rethink the very nature of accounting and its functions within World Order.

- morrison, Dec 3 2003

Although this system works in Europe, it cannot be implemented on a world wide scale. The reason it works somehow in Europe is that the countries have a somewhat equal economic structure, and are dependent on each other like the states in the US. This way they have more or less similar economic development. The main problem is: how do you set interest rates? This is already problematic in Europe, as German inflation is low and unemployment high, though other countries in the Euro-area have low unemployment and high inflation. Now think of trying to find the correct interest rate for both Japan and Russia. Another thing is that countries lose an important stabilizing factor if they lose their currencies; only the ones with floating currencies of course, but why should they be punished for the fact that China has pegged their yuan. Or for the fact that other pegged systems have failed. Most countries have floating currencies. And a global currency would be an extreme version of pegging (think about it: the yuan pegged at 9. something forever.)