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accounting considerations. Conversion from Canadian dollars to pounds sterling would also make it more appealing to UK students.

On a more general level it is unclear whether the cases should be used at the end of a course to reinforce ideas which have already been taught or whether they should be used as a primary teaching medium to introduce the ideas. Some of the cases look suitable for use as end of term revision exercises or even end of term exams. But it appears unlikely that all (or even a majority) of the cases could be used on a single course. It is this lack of focus which is the major drawback to the book becoming an established text in the UK.

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J. Madura
INTERNATIONAL FINANCIAL MANAGEMENT
West Publishing (St. Paul, 1989). 2nd. ed. 630 pp.

A good way of differentiating between international finance texts is by focus. Corporate finance, financial markets, investments and banking texts aim at serving a particular function. To write a textbook on 'international financial management' is difficult since the writer must bring together in one place key elements of all these functions. At the same time, he or she must do so while also emphasizing the role of managerial finance in international business. This is not an easy task although Eiteman & Stonehill (1989), Shapiro (1989) and Levi (1990) have made good stabs at it. These texts, therefore, are the standard by which this book must be judged.

There are six parts divided into 21 chapters, along with a data bank providing quarterly data on prices, inflation, interest rates, trade statistics, exchange rates and other variables for a number of major countries. The text is targeted at undergraduates rather than graduates and those with minors rather than majors in finance. Consequently, it is far less difficult than Levi (1990), easier than Shapiro (1989) or Eiteman & Stonehill (1989) and about the level of Abdullah (1987). It has some very nice features like diagrams at the beginning of each part which provide a conceptual introduction to the material covered in subsequent chapters. The book also uses concise and well organised charts throughout and its treatment of the different approaches for managing transaction exposure is very clear. It presents the arguments on the costs and benefits of hedging exchange risks with more realism than other international financial management texts. It is especially refreshing to see a whole chapter devoted to currency options and futures although it would benefit if interest rate risk was accorded more prominence. The book includes short 'International financial management in practice' and 'Research in international financial management' inserts to good effect. It also uses appendices well, especially in its reproduction of a lengthy article detailing foreign exchange trading 'in the real world'.

A problem for non-US readers, is that this book is written largely from the perspective of the financial manager of a US corporation. While finance theory and good practice are universally applicable, the book focuses on US Financial

Accounting Standards Board No. 52 (FASB-52) when treating translational exposure. A preferable approach would have been to first compare different conventions for translation such as the current rate, temporal and current/non-current methods. Then, alternative approaches in use worldwide could be compared and features in specific countries such as the USA, UK and Japan analysed.

The book also disappoints in its treatment of one of the most important (and topical) issues in international finance, namely transfer pricing. While it is no worse than sister texts in this regard, the proposed changes in Section 482 of the US Internal Revenue Code contained in the IRS/Treasury Department White Paper (1988) means it is imperative students have a good grounding in this area. The book follows an unsatisfactory precedent in illustrating the benefits of using transfer prices to manipulate taxes while at the same time stating that goverments enforce laws restricting such practices when the intent is to avoid taxes. In other words, you cannot legally do what is proposed! It would be more beneficial if transfer pricing for both tangibles and intangibles was explained in the context of the organisational, strategic and legal complexities of the modern corporation.

To sum up, while this book is a useful and well-written introductory treatment of international managerial finance, it has not identified a market niche that is not being served by more comprehensive texts currently in use.

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W. J. Morse, J. R. Davis & A. L. Hartgraves
MANAGEMENT ACCOUNTING
Addison Wesley (Reading, Massachusetts, 1991). 910 pp. £21.95 (hbk)

This book is a third edition text and is aimed at '... aspiring managers ...' (preface, p. iii) which is a change from the second edition, the preface of which says, '... the topics discussed are important to all students of business and management regardless of their objectives'. (Morse *et al*, 1988, preface, p. v).

The third edition does contain a lot of new material; for example, there is material on: just in time, backflush costing, activity-based costing, quality costs