G

lobalization has been identified as a primary pressure for global accounting change, but it is also affected by several other factors. In no order these factors include foreign direct investment (FDI), changes in multinational enterprise (MNE) strategy, new technology, growth of international financial markets and business and financial services, and the rise of international professional and regulatory organizations.

Major changes from centrally-planned economies (in Russia and China) to more western-style market-oriented economies are occurring while growing deregulation of financial markets, easing of trade barriers, signing of free-trade agreements, and the privatization of public-sector enterprises create new opportunities for investment, partnership, and alliance.

International regulatory and professional organizations are deeply involved in the process of changing accounting practices worldwide. The United Nations (UN), the Organization for Economic Development and Cooperation (OECD), the International Monetary fund (IMF), the World Bank, the World Trade Organization (WTO), the UN conference on Trade and Development (UNCTAD) whose International Working Group of Experts on International Standards of Accounting and Reporting (ISAR) has developed international standards of accounting and reporting to promote accounting education.

While the UN fosters development around the world, the OECD's efforts are aimed primarily at developed nations. This has led to a Code of Conduct related to the practices of multinationals to encourage positive relationships between host countries and MNEs. It has also been instrumental in *“(…) harmonizing differences in tax regimes, exchange controls, restrictions on foreign investments and accounting and disclosure requirements. (Lee H. Radebaug, Sidney J. Gray, Ervin L. Black. International Accounting and Multinational Enterprises John Wiley & Sons, USA 2011. Page 65-66)” (…)”.* The International Accounting Standards Board (IASB) and the International Federation of Accountants (IFAC) are both active in standardizing auditing practices and accountability.

As the globe flattens and markets merge, keeping up with changes will be essential not only to ensure business competitiveness, but also, to maintain cultural identity as values are influenced by the global accounting environment.

A question can be made under Colombian context these days: ¿Do Colombian accounting authorities understand this international environment in order to start a convergence process?

*Carol Ortega Algarra.*