

The Role of Modern Accounting in Economic Development for Emerging Economies

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This research aims at identifying the role of modern accounting in strengthening economic development in emerging economies, as the descriptive analytical approach was used to clarify the theoretical framework through previous studies, scientific papers and hypotheses testing. The study tool was the questionnaire. The study proved that modern accounting contribute significantly to the economy development in regions with emerging economies (such as Palestine: West bank and Gaza Strip) through the rationalization of economic decisions and the achievement of the greatest economic prosperity, in addition to monitor and follow-up economic plans. The study recommended the importance of enhancing the role of accounting in economic development and addressing difficulties and challenges facing the professional application of accounting to ensure economic development.

Key words: *Modern Accounting, Economic Development, Emerging Economies.*

Introduction

Palestinian territories are facing great challenges and difficulties in achieving sustainable economic development as the Israeli occupation continuously obstructed all facets of development in it. The occupation is considered the main reason for hampering the economic development so as to serve its political and economic goals. Accordingly, the economic development in Palestine hadn't witnessed a remarkable development during the period of occupation, and plans of sustainable economic development Palestine should develop, intercepted by political obstacles imposed by Israel, where the Palestinian economic

resources are facing one-sided administrative and financial practices conducted by the occupation authorities causing radical changes in the current Palestinian economy.

The economic development is a sustainable process, through which the real national income for the economic order is increased over a relatively long period of time. Such growth is followed by an increase in the national income and Gross Domestic Product (GDP) and through that citizens' conditions are improved and capabilities of national economy are increased. This is accompanied by economic changes represented in the increased capital accumulation along with the rise of professional and economic competence for the society at large.

The accountancy profession is an important element in achieving economic development as it is science that helps in the process of making accurate economic decisions at various levels. So that, the proper practice contributes to halt waste of national economic resources, thus achieving the best results at the national economic level.

Information provided by accounting regarding economic development had been formed as a result of monitoring impacts and outcomes of the cash-flow and such information are vital for the economic development in Palestine. Therefore, such information should clear and understandable by all employees; available on time; suitable to decision makers' needs at the national level; comparable; can be distinguished and verifiable.

Problem of the study

The economic situation in Palestine imposes a huge responsibility on accountants to provide accurate accounting data needed for the national economy and economic development. Some economic information needed for making sustainable local economic decisions maybe reconsidered due to the presence of difficulties and challenges faces application of professional accounting, hence, the problem of the study arises through the following questions:

- 1- Is there a role for modern accounting in enhancing the sustainable local economic development under the current situation in Palestine?
- 2- Are there difficulties and challenges facing the professional application of accounting in enhancing the sustainable local economic development in Palestine?
- 3- Are there opportunities and mechanisms to develop the professional accounting performance to strengthen the sustainable local economic development?

Goals of the Study

The study aims at achieving the following goals:

- 1- Identify the role of modern accounting in enhancing the sustainable local economic development under the current situation.
- 2- Indicate the impact of difficulties and challenges facing the professional application of accounting in enhancing the sustainable local economic development.
- 3- Identify the opportunities and mechanisms suggested to develop the professional accounting performance to strengthen the sustainable local economic development.

Importance of the Study

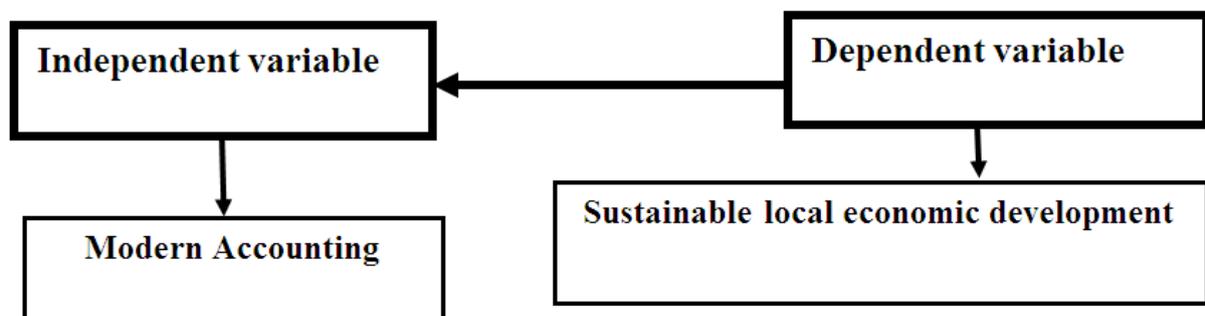
The importance of the study stems from the importance of the role of modern accounting in enhancing sustainable local economic development in Palestine, since accounting is affected by social, economic and other phenomena, thus, what accounting has to do to encounter difficulties and challenges facing accounting to strengthen sustainable development in Palestine.

Hypotheses of the Study

The following hypotheses can be formulated in order to answer questions of the study:

1. There is a role for modern accounting in enhancing sustainable local economic development under the current situation.
2. There are difficulties and challenges facing the professional application of accounting in enhancing the sustainable local economic development.
3. There are opportunities and mechanisms to develop the professional accounting performance to strengthen the sustainable local economic development.

Variables of the Study (Model)



Limitations of the Study

- 1- **Temporal limitations:** the study is limited to the year 2017-2019.
- 2- **Human limitations:** general managers, financial managers, head of departments and accountants in financial departments and sections.
- 3- **Spatial limitations:** the study is limited to the investment companies listed in Palestine Exchange.
- 4- **Objective limitations:** the study is limited to the role of modern accounting in reinforcing sustainable local economic development in Palestine.

Divisions of the study: the study is divided into three sections:

- **The first section:** theoretical framework and previous studies.
- **The second section:** practical framework and study hypotheses testing.
- **The third section:** findings and recommendations.

Previous Studies

Study of (Venter, et.al, 2018)

The study aimed at recognizing the role of the accountancy profession in the economic development. Findings indicated that this profession has contributed basically to the economic development; in addition, finding of accounting researches have helped in assessing capabilities of public administrations' employees in economies of the developing countries. The study recommended the importance of conducting more accounting researches that indicate the relationship between accounting leaning and economic development.

The Study of (Shari'a, 2016)

The study identified the importance of accounting in serving the economic development in the developing countries in general and particularly in Libya concentrating on the economic, political, legal and social elements. The study reached that the challenge facing the developing countries regarding the development and use of accounting system is the prevailing belief is that the use of accounting systems in the developed countries will lead to meet the required needs without considering the cultural, political and economic elements of the accounting environment, and this challenge deserves mutual efforts from various parts in order to have an effective role for the accounting in meeting the economic needs. The study recommended conducting more researches to clarify the role of international accounting systems and their impact on the accounting within the internal environment.

The Study of (Adam Et.Al, 2015)

The study aimed to determine the role the accountancy profession that can play in achieving the economic and social development in Sudan. The study concluded that the participation of the accountancy profession in the development of the country depends on the presence of advanced accounting practices. The study recommends to pay attention to this profession and to recognize the importance of modern accounting in the economic development and planning.

The Study of (Salisteanu and Oros, 2013)

The study analyzed the vital role of accounting in the economic development. Finding emphasized the extensive role played by accounting in the economic environment. Accounting can strengthen the financial stability, create a safe investing environment and strengthen investor's confidence. The study recommended the verification of accounting features in order to be supportive to the economic development, in addition to studying the way economic development affected the accounting development.

The Study of (Oqool and Bshayreh, 2014)

The study indicated the importance of accounting; the role played by accounting scientific research in the economic development in Jordan and the need to develop accounting related to the economic development through the study of researchers contribution in scientific researches. The study concluded that accounting plays a positive role in the success of economic developments plans through the provision of information contributing to the optimal distribution of the available resources and the achievement of development plans. The study recommended that accounting education programs should be revised and linked to the economy. Basis of the scientific accounting research should be developed in order to direct accounting research to include economic problems to achieve economic development.

The Study of (Ramo and Saeed, 2013)

The study concentrated on the role of activating accounting in achieving the economic development through rationalizing the differentiation decision among investment projects in the presence of the various constraints. The study found that the current role accounting plays is inadequate to take the differentiation decision and to provide useful information and financial ratios during the stage of preparing economic feasibility studies, especially when preparing the financial assessment. The study recommends the adoption of costing systems and methods of modern managerial accounting.

The Study of (Ahmad, 2002)

The study aimed at improving the development in the modern information system in the governmental units to activate their role in the economic and social development. It was found that the suggested model combined the economic, social, political and administrative elements and features of the suggested development, where the model is creating a mechanism that prepare variables of the organizational structure and adapt features of the suggested development. The study recommends to study of the environmental variables in the governmental body to identify their impact on the acceptance or activation of the modern accounting systems development in the governmental units.

Commenting on the Previous Studies

- **Points of Agreement between the Current Study and the Previous Studies:** the current study agree with the previous studies in that it deals with the concept of economic development and its relation with the profession of accountancy and the role of modern accounting system in improving the economic development.
- **Points of Disagreement between the Current Study and the Previous Studies:** the current study differs in that it links the modern accounting with the economic development and it identifies difficulties in the professional application of accounting, mechanisms of its professional performance. The current study also differs when considering the study sample as it was applied on investment companies listed in Palestine Exchange.
- **How to Utilize the Previous Studies:** the researcher utilized the previous studies in enriching the current study with some concepts, definitions, findings and recommendations. In addition, the questionnaire was developed in light of the previous studies.

The Theoretical Framework of the Study

The First Section: The Nature of the Economic Development in Palestine

First of All: The Concept of Sustainable Economic Development

The concept of sustainable economic development means “managing economic resources in a way that preserves or improves resources and the environment, so that the future generations can live a decent life.” (Palestinian Central Bureau of Statistics, 2014, 13-14).

Fund for integrated rural development of Syria defined it as “the relationship between the economic activity and its use of natural resources in the production process and how that is reflected on the society life style in a way that achieve good quality outcomes and rationalize

the use of natural resources leading to their sustainability without affecting the lifestyle” (Fund for integrated rural development of Syria, 2007).

Second: Economic Development Reality

The Palestinian economy is weak when it comes to its material resources, while it is rich in human resources that we are counting on in achieving sustainable economic development, despite the high unemployment levels. Such development cannot be achieved without competent, free and independent economic performance, away from the Israeli economy, that can achieve acceptable income levels, reduce Palestinians suffering and improve standards of life through the adoption of policies to break monopolies, encourage competition, and strengthen the role of the private sector.

Third: Obstacles to Economic Development

1. Economic dependence on Israel and Paris Convention.
2. Weak infrastructure during the occupation and after the war on Gaza.
3. High levels of unemployment and inflation due to the closures and blockades policies and the separation of the West Bank and Gaza and the war on Gaza.
4. Lack of economic development vision.
5. Weak financial and banking system and its weak participation in the economic development.
6. Lack of control over crossing points and borders and their continued closure due to the blockade.
7. Inefficiency in the use of limited natural resources and their continued attrition by Israel.
8. Small size Palestinian market and the weak marketing capability.
9. Dependency on the external financing, the rising indebtedness and possibilities of being interrupted or reduced (Meqdad, 2009, 10).

Fourth: Removal of Obstacles to Resolve Problems of Economic Development In Palestine

- 1- Fix the financial system and create an effective one through activating control and internal audit system (Sha’ban, 2006, 8).
- 2- Get rid of the Israeli dependency gradually by establishing a balanced economic relationships and equivalent exchange.
- 3- Solve the national economy problems, especially the structural ones.
- 4- Reduce the trade balance deficit through export subsidy and import substitution.
- 5- Restructure the trade balance deficit through grants and loans (Meqdad, 10, 2009).

Fifth: Sustainable Economy Development to Ensure the Economic Development

1. Achieve the independence of the Palestinian economy, organize relationship with the neighboring countries and modify the economic protocol with Israel (or repeal it).
2. Develop the banking system and issue the national currency confirming the Palestinian sovereignty.

Sixth: Challenges Facing the Economic Development in Palestine

1. Possibility of stopping or decreasing international grants and subsidies, as well as the lack of commitment by Israel regarding transferring customs dues to the Palestinian authority.
2. Failure to reach agreement with the surrounding countries about import and export procedures directly (Meqdad, 2009, 11).

Seventh: Policies of Reform and Achievement of Economic Development Program Goals

1. Adopt and implement a comprehensive economic development plan.
2. Reduce the economic dependency and improve the local and international openness.
3. Improve the legal and investment environment.
4. Establish a greater partnership with the national authority, the private sector and civil society institutions to reach a diversified economy ⁽¹⁾.
5. Financial and administrative reform.
6. Activate the role of production sectors and increase their contribution to the national product.
7. Activate the role of the banking and non-banking financial sector (Information and Woman Media Center).
8. Intensify regional and international efforts to reconstruct the economic infrastructure damages by the occupation and end the blockade imposed.
9. Support the production sectors such as the agriculture, industry, trade and tourism through increasing assistance.
10. Assist in creating a suitable environment that attracts investors.
11. Strengthen the role of the economic management of Palestine's institutions by means of developing capabilities of related ministries and institutions (Palestinian Central Bureau of Statistics, 2014, 56).

¹- Information and Woman Media Center, report on the millennium development indicators in Palestine, September, 2005, Palestine after five years of the millennium declaration.

Second Section: The Role of Modern Accounting in Enhancing Economic Development in Palestine

First: The Relationship between Modern Accounting and Economic Development

Understanding the interrelationship between development needs, modern accounting and planning in any developing country in order to have a developed economy, needs to develop and implement an economic development plan and then assess its effectiveness. So that, modern accounting must be responsive to economic development needs through provide, assess and improve information for the decision-making process (Shari'a, 2016).

The failure in economic development plans in the developing countries had been caused primarily by the lack of the appropriate modern accounting available on time. Hence, the useful modern accounting should be available to achieve economic development, control and evaluate performance, plan for economy, oversee development plans as the planning process doesn't stop with making the plan, but also controlling and following it up to conduct the necessary changes. It should be noted that the process of following up the plan must be performed through the central planning office (Adam et.al, 2015).

Developing countries including Palestine need an accounting system that provides information which reflects the economic reality of the state and helps in the national economic development planning, since the not available or not reliable information would limit the country's ability in achieving its economic goals (Shari'a, 2016).

Following-up and overseeing the economic development plan is vital for its continuity, as well as addressing its deviations existing.

The role of modern accounting in serving goals of the economic development is:

- 1- Direct financial resources towards successful economic projects through developing economic feasibility studies thanks to the modern accounting.
- 2- Help in evaluate economic projects performance according to the financial section for example, thus providing a real evaluation (Ramo and Saeed, 2013, 469).
- 3- Establish a comprehensive environmental and economic modern accounting system.
- 4- Integrate economic development on levels of planning, management and accounting.
- 5- Achieve the efficient use of economic tools and market incentives (Haidar and Shaima', 2013, 79).

Second: Economic Changes and Their Impact on the Accountancy Profession in Palestine

The economic value reflects the value of benefits expected to be achieved in the future and it is a vital element in the decision-making process, accordingly, the provision of information it is considered absolute necessary for economic decisions, especially investment decisions, which reflects the need to have a competent accountant able to make information available.

(Mdawekh, 2013, 18):

- 1- Economic agreements with Israel which resulted in the economic dependency on Israel.
- 2- Israel's control over the crossing points affecting directly any attempt to have economic renaissance and a real development.
- 3- Arab and non-Arab capital's reluctance to invest in Palestine due to the political instability.
- 4- Palestinian authority's reliance mainly on external aid for its daily expenses without making optimal use of them.
- 5- Absence of laws and legislations that control and organize accounting work in various Palestinian institutions.

These causes have resulted in major imbalances in Palestinian economy; significant deficit in the general budget over many years and the accumulation of external debts which affected accountancy profession as the main organizer of the financial transactions.

Third: Modern Accounting and Its Role in the Activation of Economic Development

Three independent factors affect two dependent factors that are linked to modern accounting efficiency. The independent are:

- 1- Motives and incentives that lead to use modern accounting.
- 2- Economic, social and political factors and their accounting development role.
- 3- Internal environment in economic units and their desire and response to use modern accounting.

The impact of these independent factors appears through two types of behavioral changes:

- Change in modern accounting users' expectations.
- Change in modern accounting producers' behavior.

Thus, modern accounting development depends on the development of economic units' environment, in which individuals play a vital and effective role; the role of opinion leaders and intellectuals to ensure the optimal development process.

Away from changes in both the internal and external environment, the effective development is affected also by characteristics of the development process as it is a mutual social interaction (Ahmad, 2002, 329).

Third Section: Difficulties Facing the Professional Application of Accounting to Strengthen the Sustainable Economic Development in Palestine

Despite the role of accounting in the planning and sustainable local economic development, there are difficulties hindering its professional application, including:

- 1- Difficulty in predicting and controlling uncertain conditions as a result of rules establishment without economic feasibility plans.
- 2- Transfer the major part of accounting practices to the financial and administrative supervision authority.
- 3- Increase in accountant tasks and responsibilities without concomitant increase in their professional authorities.
- 4- accountant professional competencies (Al-Maqouri, 2008, 28-36).

Fourth Section: Mechanisms to Develop Accounting Professional Performance to Enhance Sustainable Local Economic Development in Palestine

The interrelationship between the role of accounting and economic work is very close, since failure to fulfill the required role of accounting leads to serious economic consequences and accordingly economic backwardness as long as the Arab businessman, especially in industry sector is importing the machine along with the costs accounting system, and as long as the role of accountant and administrative accounting is confiscated. Our nation is capable of building the accountancy profession and preparing the qualified Arab accountant. So that, the role of this profession should be present; positions of Arab accountant should be present in the economic development needed for Arab countries; the pace towards more updates in legislations should be accelerated and professional associations should be established to have their role in the organization and development of accountants and accounting (Al-Nather, 2005).

Based on the foregoing, the following points are recommended:

- 1- World-class professional qualification of the Palestinian accountant.
- 2- Emphasize the leadership role of the accountant and that his responsibility goes beyond preparing accounting data to empower decision makers in taking the best decisions (Al-Nather, 2006, 9-10, adapted).
- 3- Activate the prevailing laws concerned with accounting bookkeeping, legal accountant approval on conclusion accounts and the balance sheet.

- 4- Qualify accounting cadres for the accounting work through conferences, seminars, workshops and training courses (Mdawekh, 2013, 34- 47).
- 5- Educate owners of economic units regarding the importance of the accountant's role they
- 6- Increase ability of accounting in providing data to prepare an independent budget for the Palestinian economy which includes the actual income numbers for the current year and compare them with estimated data clarifying the income for the following year (Al-Jalabi, 2005, adopted).

***Second section: Practical framework of the study (Applied study):** it addresses the following procedures:

First: Methodology of the Study

The study is based on the descriptive analytical method so as to reach logical results and support hypothesis of the study. Secondary resources were also used, including related literature, researches, scientific letters and specialized periodicals published. The researcher collected the primary data through the questionnaire as the main tool of the study, and used the statistical program (SPSS) to analyze the questionnaire and test hypothesis.

Second: Community of the Study

The community of the study consisted of general managers, managers, chiefs, accountants in financial departments in investment companies listed in Palestine Exchange totaling (80) employees of both genders. The census method was used due to the small community size.

Third: Tool of the Study: the questionnaire was divided into two parts as follows:

- ❖ **The First Part:** consists of personal and professional data for the study sample. It consists of (4) items.
- ❖ **The Second Part:** was divided into three sections as follows:
 - **The First Section:** there is a role for modern accounting in enhancing sustainable local economic development under the current situation in Palestine. It consist of (10) items.
 - 4. **The Second Section:** there are difficulties and challenges facing the professional application of accounting in enhancing the sustainable local economic development in Palestine. It consist of (10) items.
 - 5. **The Third Section:** there are opportunities and mechanisms to develop the professional accounting performance to strengthen the sustainable local economic development in Palestine. It consists of (10) items.

Responses on the items were according to Likert quintuple scale, as indicated in table (1):

Table 1: Likert scale levels

Classification	Very high	High	Medium	Low	Very low
Acceptance degree	5	4	3	2	1

Forth: Validity of the Questionnaire: validity of the questionnaire is making sure that it measures to is prepared to measure. Validity also means the comprehensiveness of all factors that should be included in the analysis, in addition to the clarity of its items and vocabulary so that is its understandable for all users.

The researcher has ensured the validity of the questionnaire through two ways:

- 1- **Face validity:** the questionnaire was presented to a group of judges consisted of faculty members at Palestinian universities in Gaza Strip and West Bank specializing in accounting and statistics. The researcher responded to opinions of judges through making the deletion and modification needed according to recommendations suggested.
- 2- **Structural validity:** the structural validity was calculated for items of the questionnaire for the study community of 53 individuals by calculating correlation coefficient between the total degree of each dimension and the total degree of the questionnaire.

Table (2) indicates that all correlation coefficients in all dimensions of the questionnaire are at the level of (0.05), where P-value is less than 0.05.

Table 2: Correlation coefficient between the total degree of each section and the total degree of the questionnaire

No	Dimension	Correlation coefficient
1	There is a role for modern accounting in enhancing sustainable local economic development under the current situation.	0.652
2	There are difficulties and challenges facing the professional application of accounting in enhancing the sustainable local economic development.	0.651
3	There are opportunities and mechanisms to develop the professional accounting performance to strengthen the sustainable local economic development.	0.648

Fifth: Reliability of the Questionnaire: means making sure that answers of individuals will be the same on repeated trials over time. Cronbach's alpha test was used to measure reliability of the questionnaire. Table (3) indicates Cronbach's alpha coefficient for each dimension of the questionnaire.

Table 3: Cronbach's alpha coefficients to measure reliability of the questionnaire

No	Dimension	No. of items	(Cronbach's alpha) coefficient	Validity coefficient
1	There is a role for modern accounting in enhancing sustainable local economic development under the current situation.	10	0.745	0.832
2	There are difficulties and challenges facing the professional application of accounting in enhancing the sustainable local economic development.	10	0.761	0.958
3	There are opportunities and mechanisms to develop the professional accounting performance to strengthen the sustainable local economic development.	10	0.722	0.857

Results of table (3) indicates that Cronbach's alpha coefficients ranged from 0.722 – 0.761 representing high reliability coefficients, while validity coefficients ranged from 0.857 – 0.958 indicating that the questionnaire is reliable and valid. Accordingly, the researcher has made sure of the questionnaire reliability and validity for analysis of research results, answer questions and test hypotheses.

Sixth: Data Analysis and Testing

Normality Distribution Tests (Kolmogorov-Smirnov Test)

The researcher has used Kolmogorov-Smirnov test to know whether data follow the normal distribution or not. It is a necessary test in case of testing hypotheses since most laboratory tests require that the distribution must be normal. Table (4) indicates that the value of T-calculation test is greater than value of T-table. In addition, the significance level is greater than 0.05 (sig > 0.05) indicating that data follow the natural distribution, laboratory tests should be used.

Table 4: Normality distribution test (1- Kolmogorov-Smirnov)

P value	T value	No. of items	Dimension title	Dimension
0.387	0.741	10	There is a role for modern accounting in enhancing sustainable local economic development under the current situation.	First
0.372	0.778	10	There are difficulties and challenges facing the professional application of accounting in	Second

			enhancing the sustainable local economic development.	
0.351	0.731	10	There are opportunities and mechanisms to develop the professional accounting performance to strengthen the sustainable local economic development.	Third

Statistical Tools Used in the Study

The following statistical tools were used:

- 1- Percentages, frequencies, and means: are used mainly to know the frequency of variable categories, in addition to the description the study sample.
- 2- Cronbach's Alpha test: is used to know the reliability of questionnaire items.
- 3- Kolmogorov-Smirnov (K-S) test: is used to know whether data are following the natural distribution or not.
- 4- Spear man Correlation Coefficient: is used to measure correlation degree. This test studies the relationship between two variables. It was used to calculate the internal consistency, structural validity of the questionnaire and the relationship between variables.
- 5- Sign test in case of one sample to know whether the mean of response degree reached the normality which is 6 or more or less. It has been also used to be sure of the mean indication for each item of the questionnaire.

Seventh: Features of Sample of the Study

Table 5: Personal data of the sample

	Item	frequency	Percentage ratio
Educational qualification	Bachelor	64	80
	Postgraduate	12	15
	other	4	5
Total		80	100%
Job title	General manger	10	13
	Financial manager	12	15
	Chief of financial department	12	15
	accountant	46	57
	other	0	0
Total		80	100%
Years of experience	5-10 years	18	23
	11-15 years	24	30

	More than 15 years	38	47
Total		80	100%
Scientific specialization	Accounting	52	65
	Business administration	8	10
	Financial and banking	15	18
	other	5	7
Total		80	100%

As shown in table (5), (80%) of the study sample hold bachelor's degree, (15%) postgraduate degrees (Masters – Doctorates), while (5%) hold other degrees. This is due to the nature of the work of the respondent sample as they belong to the financial departments and they often hold the bachelor's degree in these sections. Therefore, these sections need suitable scientific qualifications.

(57%) of the sample were accountants, (15%) were chief of departments, (15%) were financial managers and (13%) were general managers. This reflects the nature of the financial management and its work, as well as the structure of joint-stock companies listed in Palestine Exchange working in Gaza Strip and West Bank.

(47%) of the sample have more than 15 years of experiences, (30%) have a medium experience between 11-15 years and (23%) have a low experience from 5 to 10 years.

(65%) of the sample individuals are specialized in accounting, (18%) are specialized in banking and financial sciences, (10%) are specialized in business management and (7%) are specialized in other majors. The researcher believes that the accountant is the individual qualified to perform tasks of financial management, that's way most of the study sample were accountant.

Eighth: Study Hypotheses Testing

First Hypothesis Testing: (There is a Role for Modern Accounting in Enhancing Sustainable Local Economic Development under the Current Situation. (T) Value test was used to know the mean of the response degree of sample individuals which reached the medium degree (3). Results are shown in the following table:

Table 6: Statistical analysis of the first hypothesis items

No	Item	Mean	Standard deviation	Relative weight	T test value
1	Accounting provides suitable information to address deviations resulted from economic development plans.	4.44	0.94	88.45	9.535
2	Modern accounting contributes to the evaluation of economic feasibility study concerning viability of the economic unit.	4.4	0.9	87.41	9.554
3	There is a role for modern accounting in the economic planning process.	4.39	1.09	86.87	7.721
4	Accounting monitors and follows economic development plans to make the necessary changes and continue their implementation.	4.4	1.01	86.89	8.331
5	Modern accounting contributes to the decision making and streamlining and achieving the as much of economic prosperity.	4.47	0.88	88.98	10.38
6	Accounting plays an important and effective role in the economic development process.	4.2	1.2	83.7	6.190
7	Rising awareness of modern accounting users to its importance leading to recognize how to use it in the economic development.	4.3	1.63	85.7	10.18
8	Accounting provides information that helps in formulating economic and financial policies of the country.	4.41	0.91	87.91	9.732
9	The possibility to use accounting tools in the production of information that is used to study economic and financial community plans.	4.34	0.89	86.35	9.31
10	Modern accounting provided to serve economic development needs is clear, understandable and suitable.	4.1	1.3	81.61	5.210
All items of the domain together		4.34	1.07	86.38	8.614

* Correlation is statistically significant at the level of ($\alpha \leq 0.05$)

As shown in the previous table:

- Item (5): “Modern accounting contributes to the decision making and streamlining and achieving the as much of economic prosperity”, got the greatest mean amounting to (4.47), while the relative weight was (88.98%).

- Item (10): “Modern accounting provided to serve economic development needs is clear, understandable and suitable” got the lowest mean of (4.1) and the relative weight was (81.61%).
- It is clear that the mean for all domain items is (4.34), that is, the relative weight is (86.38%) and it is greater than the value of the neutral relative weight (60%). (T) Test value is (8.614) which is greater than the value of (T) table that is equal to (1.95), while the Sig is (0.000) which is less than (0.05). So that, the domain is statistically significant at the level of ($\alpha \leq 0.05$), indicating that the response level of this domain has exceeded the medium score, which means that there is acceptance from study individuals of domain items.
- Hypothesis Result: according to the previous table and comments on the statistical analysis of data, it is found that (T) table is less than (T) cal, which means that the null hypothesis is rejected and the alternative hypothesis, which states that “There is a role for modern accounting in enhancing sustainable local economic development under the current situation in Palestine”, is accepted.

The researcher believes that sample individuals’ large acceptance on that modern accounting has a role in enhancing local economic development. This may be attributed to that providing information assists in the evaluation of economic projects performance according to multiple sections, including the financial one, which ultimately provides a real evaluation regarding the performance of such projects. In addition, modern accounting provides precise information for decision makers that the national economy needs to contribute to the economic development.

Second Hypothesis Testing: (There are Difficulties and Challenges Facing the Professional Application of Accounting in Enhancing the Sustainable Local Economic Development). (T) value test was used to know the mean of the response degree of sample individuals which reached the medium degree of (3). Results are shown in the following table:

Table 7: Statistical analysis of the second hypothesis items

No	Item	Mean	Standard deviation	Relative weight	T test value
1	The Weak qualification of accountants resulted in their inability to understand and comprehend professional practices requirements.	3.96	0.76	79.84	17.504
2	The inadequate awareness of the importance of professional standers application when conducting accounting practices.	3.77	0.85	76.12	12.686

3	Lack of issuance of professional publications by professional organizations related to the scientific and practical accountant education.	3.85	0.96	77.68	12.221
4	There is a gap between accounting education programs and professional qualification requirements and this doesn't meet the professional practices needs.	3.86	0.91	77.92	13.113
5	The poor adequate and constant professional training of accountant on methods of modern professional practices.	3.91	0.78	78.84	16.156
6	Deficiency of laws regulating the profession practice.	3.81	0.84	76.84	13.49
7	Lack of technological skills need in accountants.	3.89	0.83	78.4	14.874
8	Lack of interest in professional conferences and workshops to follow updates in the accounting science.	3.88	0.81	78.16	14.991
9	Lack of interest in professional behavior rules in a detailed and clear way.	3.67	0.85	74.17	12.161
10	Failure in the identification of professional needs needed for labor market when developing accounting curricula.	3.73	0.85	74.17	12.161
All items of the domain together		3.83	0.84	77.21	13.936

* Correlation is statistically significant at the level of ($\alpha \leq 0.05$)

As illustrated in the previous table:

- Item (1): “The Weak qualification of accountants resulted in their inability to understand and comprehend professional practices requirements”, got the greatest mean amounting to (3.96), while the relative weight was (79.84%).
- Item (9): “Lack of interest in professional behavior rules in a detailed and clear way”, got the lowest mean of (3.67) and the relative weight was (74.17%).
- It is clear that the mean for all domain items is (3.83), that is, the relative weight which is (77.21%) is greater than the value of the neutral relative weight (60%). (T) Test value is (13.936) which is greater than the value of (T) table that is equal to (1.95), while the Sig is (0.000) which is less than (0.05). So that, the domain is statistically significant at the level of ($\alpha \leq 0.05$), indicating that the response level of this domain has exceeded the medium degree of (3), which means that there is an acceptance from study individuals of domain items.

Hypothesis Result: according to the previous table and comments on the statistical analysis of data, it is found that (T) table is less than (T) cal, which means that the null hypothesis is rejected and the alternative hypothesis which states that “There are difficulties and challenges facing the professional application of accounting in enhancing the sustainable local economic development”, is accepted.

Third Hypothesis Testing: (There are opportunities and mechanisms to develop the professional accounting performance to strengthen the sustainable local economic development). (T) Value test was used to know that the mean of the response degree of sample individuals has reached the medium degree which is (3). Results are shown in the following table:

Table 8: Statistical analysis of the third hypothesis items

No	Item	Mean	Standard deviation	Relative weight	T test value
1	The presence of rules governing the accounting professional performance help in organizing accounting practices so as to strengthen economic development.	4.0	0.848	80.99	15.64
2	The professional development of accounting contributes to the use of developed accounting practices, so that economy is developed.	3.69	0.854	74.89	10.934
3	Achieve development of accounting professional performance through getting rid of difficulties and challenges that face the accounting work in Palestine.	3.8	0.801	77.03	13.38
4	The development of the professional development of accounting needs to be in line with rapid technical development occurring in modern accounting system.	3.66	0.804	74.29	11.138
5	The burden of accounting professional performance development needed is on the professional unions.	3.9	0.745	79.03	16.046
6	Increase interest in the accountancy profession in order to be able to be active in the economic development.	3.64	0.83	73.93	10.504
7	Prepare accounting cadres able to perform the accounting work to scale up level and efficiency of the professional practice.	3.76	0.854	76.19	11.922

8	The development of the accounting professional performance strengthens the accounting professional practice and is also considered an indicator of the national economy development.	3.73	0.876	75.71	11.27
9	Activate laws prevailing in Palestine related to the organization and development of the profession.	3.84	0.929	77.87	12.111
10	The adequate practical professional qualification strengthens the trust in services that the accounting present.	3.81	0.811	77.27	13.41
All items of the domain together		3.78	0.835	76.72	12.635

* Correlation is statistically significant at the level of ($\alpha \leq 0.05$)

As indicated in the table:

- Item (1): “The presence of rules governing the accounting professional performance help in organizing accounting practices so as to strengthen economic development”, got the greatest mean amounting to (4.0), while the relative weight was (80.99%).
- Item (6): “Increase interest in the accountancy profession in order to be able to be active in the economic development”, got the lowest mean of (3.64) and the relative weight was (73.93%).
- It is clear that the mean for all domain items is (3.78), that is, the relative weight amounting to (76.72%) is greater than the value of the neutral relative weight (60%). (T) Test value is (12.635) which is greater than the value of (T) table that is equal to (1.95), while the Sig is (0.000) which is less than (0.05). So that, the domain is statistically significant at the level of ($\alpha \leq 0.05$), indicating that the response level of this domain has exceeded the medium degree of (3), which means that there is an acceptance from study individuals of domain items.

Hypothesis Result: according to the previous table and comments on the statistical analysis of data, it is found that (T) table is less than (T) cal, which means that the null hypothesis is rejected and the alternative hypothesis which states that “There are opportunities and mechanisms to develop the professional accounting performance to strengthen the sustainable local economic development”, is accepted.

Findings and Recommendations

First: Findings: the researcher reached the following findings:

1. There is a role for modern accounting in enhancing sustainable local economic development under the current situation.

2. There are difficulties and challenges facing the professional application of accounting in enhancing the sustainable local economic development.
3. There are opportunities and mechanisms to develop the professional accounting performance to strengthen the sustainable local economic development.
4. The role of modern accounting is effective in the making and rationalizing economic decisions and achieving as much as of economic prosperity.
5. Accounting monitors and follows economic development plans to make the necessary changes and continue their implementation, in addition to the provision of information which helps in formulating economic and financial policies.
6. Rising awareness of modern accounting users to its importance leads to recognize how to use it in the economic development.
7. The use of accounting techniques in programs of professional development of accountants increases opportunities of utilizing such programs to deliver information easily and to be comprehensible.

Second: Recommendations: Base on the Previous Findings, the Researcher Recommends The Following

- 1- The need to further reinforce the role of modern accounting in the sustainable economic development.
- 2- The need of serious work to overcome difficulties and challenges face the professional application of accounting to reinforce sustainable local economic development.
- 3- The need to develop suitable practices to enhance the accounting professional development to strengthen sustainable local economic development.
- 4- Increase the role modern accounting plays in the process of economic decision making and rationalization so as to achieve the greatest economic prosperity.
- 5- Raise awareness of modern accounting users in the process of economic decision making and rationalizations to achieve the utmost economic prosperity.
- 6- The need to use of modern accounting techniques in programs of professional development of accountants to increases opportunities of utilizing such programs to deliver information easily and in a comprehensible way.
- 7- Increase the professional qualification of accountants to enable them to understand and comprehend requirements of professional practices and raise awareness of the importance of professional accounting standards application.

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