ON TARGET

e-Mag of the Institute of Certified Management Accountants
Mar-Apr | Vol 34, No 2 2024

STRATEGY | FINANCE | MANAGEMENT

USING BITCOIN FOR PORTFOLIO DIVERSIFICATION: A GREATER FOOL STRATEGY?

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USING BITCOIN FOR PORTFOLIO DIVERSIFICATION: A GREATER FOOL STRATEGY?

Prof. Janek Ratnatunga, CEO, CMA ANZ

It has been an explosive start to 2024 in terms of the share market performance. Driven by a wave of enthusiasm for tech heavyweights like *Meta* and *Nvidia*, USA's *S&P 500 index* of large American firms is up 5% and has crossed the 5,000 mark for the first time ever. On February 22, Japan's *Nikkei* 225 broke its own record – which it had established in 1989. In Australia, despite some volatility due to speculation on the direction of *Reserve Bank* interest rates, its share market also has boomed.

Is it time to think about investing exclusively in shares?

In this article we will consider two fundamental questions that affect investors in capital markets: (1) what is meant by investment risk vs. return, and (2) can we optimise our risk-return relationship by holding a single asset type (like stocks), or by holding a diversified portfolio of different asset classes? We will also consider a third question:(3) can using cryptocurrencies such as bitcoin help us to better diversify our portfolio?

Risk vs. Volatility

The core of the financial markets is risk.

However, it may be extremely frustrating for any wealth manager to try and determine exactly what risk is, let alone how much of risk an investor wants to accept and which investment decisions to make based on their risk profile.

Most investors avoid the question of '*risk*' by considering '*volatility*' instead – which has the benefit of being considerably simpler to describe and quantify. Volatility describes the spread of outcomes in a bell-curve-like probability distribution. Outcomes close to the centre are always the most likely; and volatility determines how wide a range counts as being 'close' to the centre. High volatility also increases the likelihood of experiencing an extreme outcome in terms of investments – such as a devastating loss or a huge gain. An investor can gauge a stock's volatility by looking at how wildly it has moved in the past or, alternatively, how expensive it is to insure it against big jumps in the future (Economist, 2024).

Still, there is always the nagging doubt that real-life concerns lack the symmetry of a bell curve—e.g. cross the road carelessly and one risks getting run over and killed; but there is no equally probable and correspondingly wonderful upside to crossing the road carefully.

However, if investors ignore these 'real-life" concerns and assume that volatility represents risk, they can develop a whole theory of investing that enables anyone to create portfolios that maximise profits in accordance with their level of their so called 'risk-attitude'. Economist *Harry Markowitz* accomplished this in 1952 by developing 'Modern Portfolio Theory' (MPT); and went on to win the Nobel Prize for it (Markowitz, 1952).

MPT refers to an investment theory that allows investors to assemble an asset portfolio that maximizes expected return for a given level of risk. Most wealth managers are most likely utilising this as the foundation of their decisions to convert their clients' *risk tolerances* into a portfolio of investments.

However, the problem is that MPT is broken, say three academics, claiming that, according to their research, a fundamental assumption of MPT – that assumes that taking greater risk will result in a higher expected return – turns out to be completely false. They illustrate this in the recently updated *Global Investment Returns Yearbook* (Dimson, et. al, 2023).

After classifying the American and British share prices by volatility and computing the actual performance of each segment of the distribution, they look at the prices of American shares since 1963 and British shares since 1984. For supporters of MPT, the results are unsatisfactory at medium and low volatilities – returns are clustered, and volatility hardly makes a difference. Things are considerably worse when it comes to the riskiest stocks. They did noticeably worse than the rest, far from providing disproportionate profits.

The Yearbook's authors are too thorough to present such results without caveats. The riskiest equities in both nations typically belonged to business minnows, which made up only 7% of the overall market value on average. On the other hand, the corporations that posed the least risk were disproportionately large, making up 41% and 58% of the market value in America and Britain, respectively. This defeats any chance of pairing a big, long position in low-volatility stocks with a matching short position in high-volatility ones – which would have been the obvious trading strategy for profiting from the anomaly and arbitraging it away. In any event, it would be difficult to convince investors to short the market's most volatile equities because short positions are by nature riskier than long ones (Dimson, et. al, 2023).

The authors make it clear that no rational investor ought to be buying such volatile stocks, given they can expect to be punished, not rewarded, for taking more risk. Nor is the fact that as their risk was only obvious in hindsight, it is unlikely that the illiquid shares of small firms vulnerable to competition and economic headwinds ever looked a great deal safer. Meanwhile, lower down the risk spectrum, the surprise is that more people do not realise that the least volatile stocks yield similar returns for less risk and therefore actively seek them out.

The final conclusion of the study – that investors are not wholly rational after all – might not surprise readers. However, this bring us to the second question: *Can we optimise our risk-return relationship by holding a diversified portfolio?*

If pairing a big, long position in low-volatility stocks with a matching short position in high-volatility ones will not work to reduce risk, can a diversified portfolio reduce volatility and achieve a similar outcome?

Holding a Diversified Portfolios

Diversification is an investment strategy that lowers one's portfolio's risk and helps investors get more stable returns. Investors diversify by investing their money across different asset classes.

However, the recent performance of share markets has reignited an age-old argument: *should investors invest exclusively in shares?*

Prior research suggests that investing in a *mix of stocks and bonds with long holding periods* is an extremely attractive option for investors and institutions (Fama & French, 2018). However, more recently a central tenet of investing – that investors should diversify across stocks and bonds – has been questioned. A recent study showed that an even mix of 50% domestic stocks and 50% international stocks held throughout one's lifetime vastly outperforms age-based, stock-bond strategies in building wealth, supporting retirement consumption, preserving capital, and generating bequests (Anarkulova, et. al, 2023).

However, there are those who take the opposing side in this debate and contend that for investors with access to leverage, it is preferable to first select a diversified portfolio that offers the optimal mix of risk and return, then take out a loan to increase the amount invested in it. Depending on how much risk investors are willing to assume, they argue that a 100% stock allocation may not provide the optimum return, even for individuals who find it difficult to obtain loans.

The issue with choosing between a stock allocation of 60%, 100%, or even 200% is the brief history of financial markets. Both sides base their arguments, whether directly or indirectly, on assessments of the long-term performance of stocks and other assets.

What does this mean for young investors?

In the housing market, it is normal for young investors to borrow money to purchase a house. Similar strategies are promoted by some in the share market. Young people have the least amount of money to invest, but they stand to benefit the most from the long-term compounding effect of capital growth. Therefore, a study by two Yale University professors contend that young people should borrow money to purchase equities early in their working life, then later in life, they should deleverage and diversify. Unfortunately, there is an unsatisfyingly thin amount of data in these studies for a young investor thinking about how to invest for the rest of their working life —roughly fifty years.

Whilst financial history offers many justifications for being steadfast, when markets are experiencing a rally such as that experienced globally in the first quarter of 2024, diversification proponents find it challenging to maintain their position since being cautious can come out as weak. This can be quite a challenge when new forms of investment, such as Bitcoin are experiencing stratospheric rises by almost 150% in the first quarter of 2024.

Including Bitcoin in a Diversified Portfolio

If investing in a mix of stocks and bonds with *long holding periods* is an extremely attractive option for investors and institutions – what about including a *cryptocurrency* (e.g. Bitcoin) as one of the assets in one's diversified portfolio?

The *Economist magazine* introduced us recently to the *'cockroach theory of crypto'* by stating that:

"Chopping off their heads does not work: cockroaches can live without one for as long as a week. Whacking them is no guarantee either: their flexible exoskeletons can bend to accommodate as much as 900 times their body weight. Nor is flushing them down the toilet a solution: some breeds can hold their breath for more than half an hour. To most, roaches are an unwelcome pest. Their presence is made all the worse because they are indestructible (Economist, 2023)."

Many authorities and financiers would characterise the cryptocurrency business as an unwanted pest. To launder money, criminals employ cryptocurrencies. They are used by terrorists. Bitcoin is the ransom that hackers demand. A lot of cryptocurrency currencies are made just to make profit for their creators.

However, it also seems that the industry is unbreakable. In 2022, rising interest rates devastated the price of cryptocurrencies. The leaders of the sector have been removed. *Sam Bankman-Fried,* who once ran one of the world's biggest cryptocurrency exchanges and is facing decades in jail. *Changpeng Zhao* pleaded guilty in November in a Seattle federal court to failing to maintain an effective anti-money laundering program at the company. Authorities are taking more action.

Despite this, not only has cryptocurrency endured, but it is also rising once more: on March 12, 2024, Bitcoin reached its highest price ever, blasting past US$72,000 for the first time in its history (Tangermann, 2024).

What is happening?

According to the Economist magazine, the technology is inherently indestructible; and since cryptocurrencies like 'Ether' and 'Bitcoin' are not companies, they cannot fail and shut down. They use blockchains, which keep track of transactions in a database. Their lists are verified by a decentralised network of computers that are incentivised to keep maintaining them by the promise of new tokens. Only if the tokens fall to zero does the whole architecture collapse; and the Economist magazine believes that there are lots of reasons to believe some crypto tokens are worth more than zero (Economist, 2023).

The first reason is that investing in cryptocurrency is a wager on a world where the technology is widely used. For example, *Stablecoins,* or tokens tethered to a real currency like the dollar, are already used by citizens of autocratic nations to deposit savings and occasionally make payments. These might find broader application.

Another example of wider use is that *non-fungible tokens (NFTs)* are still being made or collected by artists and museums. So are those who want to sell their image. *Donald Trump* is selling his police mugshot for $99 apiece. He also intends to have the suit he was booked-in broken up and turned into cards, which he would then offer to gamblers who purchase at least 47 NFTs in a single transaction.

Clearly, the cryptocurrency business raised a lot of capital and employed many talented developers during its boom years. The ones that are left are developing new programmes, such as play-to-earn games or social media apps. It is possible that these will not be widely used. However, on the slim possibility that things will work out it is still considered worthwhile by some.

The second reason that the Economist believes some crypto tokens are worth more than zero is that it is becoming increasingly obvious with each boom and collapse cycle that cryptocurrency is not a bubble – unlike the *tulip mania* of the 1630s or the *Beanie Baby craze* of the 1990s. Despite being a volatile asset, bitcoin's price history resembles a mountain range rather than a single peak, and it seems to be strongly associated with tech companies.

It must be remembered that when the *Economist Magazine* states that *"cryptocurrencies cannot fail and shut down",* it is talking about well-established cryptocurrencies like *'Ether'* and *'Bitcoin'*. In fact, when considering the entire cryptocurrencies market, coin-failure is the norm.

According to *CoinKickoff,* (a website providing information about crypto currencies) in the 10-year period from 2013 to 2022, there were **2,383 crypto coin failures.** The average lifespan of a cryptocurrency is 15 months and older coins are more likely to fail than new ones. The biggest reason coins fail is lack of demand and the second biggest is fraud (Chang, 2023).

One cannot calculate the ratio of failures to total coins available as at any point in time, however, as it is virtually impossible (pun-intended) to give an exact number of how many cryptocurrencies exist. With new ones being introduced to the market almost daily, it is safe to say that the number is constantly changing.

One of the primary reasons why are there are so many cryptocurrencies is the growing simplicity of creating new cryptos. Smart contract blockchains such as *Ethereum and Solana* (SOL) offer users the ability to develop decentralized apps (dApps) utilizing digital tokens. In addition, platforms like *OpenSea* and *Rarible* are making it possible for those without any coding expertise to create Non-fungible Tokens (NFTs). With these advancements, cryptocurrencies are opening up new avenues for developers, artists, and investors alike (Chang, 2023).

It is the investors that are of interest to this article.

Bitcoin and the Share market

Interestingly, the correlation between established cryptocurrencies like Bitcoin and the overall share market is moderate (Kim, 2023). This makes it interesting for investors because an asset that swings up and down but is not moving in parallel with other assets people might have in a portfolio, can be a useful to include to diversify one's portfolio.

The reason for this recent spike appears to be the fact that bitcoin has established itself as a serious asset. In August 2023, an American court ruled that the *Securities and Exchange Commission*, America's main markets regulator, had been "arbitrary and capricious" when rejecting an effort by *Grayscale,* an investment firm, to convert a $17bn trust invested entirely in bitcoin into an *Exchange-Traded Fund* (ETF). Doing so would make investing in bitcoin easier for the average punter (Economist, 2023).

The court upheld its decision in October 2023, essentially directing the SEC to yield. The largest investment managers, including *Fidelity and BlackRock*, have now submitted applications to start ETFs in cryptocurrencies. As such, there may be a rush of money into bitcoin as even prudent investors may consider diversifying their portfolios or pension funds by placing small amounts in cryptocurrencies.

Warren Buffett, on the other hand, is not touching cryptocurrencies. He has made his dislike for Bitcoin known over the years. *"In terms of cryptocurrencies, generally, I can say with almost certainty that they will come to a bad ending,"* he said in 2018. At the time, Bitcoin was priced at about US$15,000.

Today (March 2024), Bitcoin's value has soared above US$70,000. Yet Buffett has not changed his tune. In a recent interview he said that even if someone offered him all the Bitcoin in the world for US$25, he would not take it. *"Because what would I do with it?"* he asked. *"I'll have to sell it back to you one way or another. It isn't going to do anything."*

Essentially, Buffet is saying that Bitcoin's price is rising as Bitcoin holders are just trading with each other. This is known as the *'greater fool'* approach to investment. With each round one hopes that a greater fool than you would buy your asset for a greater price that what you paid for it.

Summary

There is strong evidence that 'volatility' is not the same as 'risk', and that investors are not wholly rational as they avoid extremely volatile stock, even though there is a promise of higher return. This is because the potential 'downside' loss is far more painful than the 'upside' gain.

As such the best risk-reduction investment is to have a diversified portfolio of different asset classes. However, the recent astronomical gains in the share market have raised questions as to investing exclusively in shares. A recent study showed that holding only international stocks throughout one's lifetime vastly outperforms age-based, stock-bond strategies. This is food for thought for young investors who might even consider taking a substantial loan to buy-and-hold shares rather than buy real estate.

The ideal asset to bring into a portfolio to obtain diversification is one that moves against the market, or at least does not have any significant correlation with the market. This article argues that Bitcoin is just such an asset, although some questions have been raised by the like of Warren Buffet if cryptocurrencies are indeed investment assets at all.

In conclusion, given the evidence that larger stocks perform as well as if not better than small riskier ones, it might be best to diversify mainly across the bigger ones. Also, should an investors want to diversify into very risky cryptos then this should comprise only a small part of their portfolio – no more than 5% – so that their losses will be minimised if a greater fool does not emerge, and they are the last fool standing.

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The opinions in this article reflect those of the author and not necessarily those of the organisation or its executive.

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THE SCAM-DEMIC SIEGE: BANKS NEED URGENT VACCINES

Dr. Chris D'Souza

Years ago, as the CFO of a company, I received an email from the CEO, who was overseas at the time, requesting urgent payment for an approved invoice. However, I found the email suspicious because it deviated from his usual mode of communication. Unable to reach him immediately due to his overseas location, I enlisted the IT team to scrutinize the email, and they verified that although it appeared to be from the CEO, it was not authentic.

Since the onset of the epidemic, as individuals increasingly turned to the internet and embraced digital transactions, financial scams have surged in frequency. Present-day fraudsters and con artists leverage advanced cutting-edge technologies, including artificial intelligence, to target a wider audience.

Before the pandemic, detecting fraud was easier. You would frequently receive emails or texts requesting money transfers to unfamiliar contacts, resembling the one I mentioned earlier supposedly from my CEO. Such messages often contained grammatical or spelling mistakes. Nowadays, scammers are becoming more proficient at crafting convincing texts with the aid of artificial intelligence.

As con games and fraudulent schemes evolve in complexity, it is imperative to reconsider the current approach to scam detection. Differentiating between legitimate and unauthorized transactions is increasingly challenging, prompting calls from numerous professionals and elected officials for banks to step up their efforts in combating scams.

TIME magazine featured a story about a Wells Fargo Bank customer in the USA who thought she had taken sufficient precautions to verify the legitimacy of a caller to her cell phone in November 2023. The caller, claiming to be from Wells Fargo, asserted knowledge of her identity and appeared to be calling from a number indicated on her phone as belonging to the bank. While she conversed with the caller, her sister simultaneously dialed the provided number provided to confirm its authenticity as Wells Fargo customer support.

The caller informed her that her account had been compromised, advising her to deposit $3,500 using the Zelle payment app to resolve the issue. Initially unaware of the deception, she sent the man $1,000. Then realizing her mistake, she promptly contacted Wells Fargo to report the incident. However, the bank initially refused to reimburse the $1,000 deducted from her account. According to US federal regulations, financial institutions are mandated to refund clients for "unauthorized" transactions, or money transfers not personally authorized by the clients. However, if consumers are deceived into authorizing the transfer, banks are not obligated to reimburse them. Wells Fargo only refunded the $1,000 after TIME intervened and contacted the bank (Semuels, 2024).

It is inherently difficult for banks to discern and prevent transactions approved by customers, especially as frustrated customers denied valid transactions may opt to switch to another bank. However, despite the availability of necessary technology, many banks worldwide have yet to adopt it. Security features can detect transactions made at unusual times or involving unusually large sums of money. Furthermore, technology exists to recognize common behaviors indicative of scam victims, like simultaneous logins to bank accounts and calls to customer support.

What is the Scenario in Australia?

The inquiry about whether banks refund money lost to scams in Australia does not have a simple answer. Like in many other nations, scams pose an increasing threat in Australia, leading to substantial financial losses for victims. However, unlike countries such as the UK, Australian banks are not legally obligated to reimburse scam victims. In Australia, banks are encouraged to adopt a voluntary code of practice for addressing scams, although this is not legally enforceable (Cybertrace, 2023).

Although Australia lacks a legal mandate for banks to compensate scam victims, some banks have established policies to reimburse customers affected by certain scams. It is crucial to inquire with your bank regarding any existing reimbursement policies and the criteria for eligibility for a refund.

Advocates and consumer groups in Australia have been urging the government to implement better safeguards for scam victims and to compel banks to provide compensation. *The Australian Competition and Consumer Commission (ACCC)* has long advocated for banks to reimburse customers who have fallen prey to scams (Kelly, 2023).

Responding to this pressure, the *Australian Banking Association (ABA)* announced on November 24, 2023, that Australian banks have united to launch a new Scam-Safe Accord aimed at offering a higher level of protection for customers and eradicating scammers in Australia. According to the ABA announcement, this Accord involves collaboration among Australia's community-owned banks, building societies, credit unions, and commercial banks, outlining a comprehensive set of anti-scam measures across the entire industry.

"This Scam-Safe Accord is a new offensive in the war on scams. It reflects the banking sector's unwavering commitment to safeguarding every Australian. It outlines the actions every bank will take to protect Australian consumers and small businesses and to harden the system against scams," said ABA CEO Anna Bligh.

At the core of the Scam-Safe Accord lies a $100 million investment by the industry to implement a new confirmation of payee system across all Australian banks. This system aims to decrease scams by enabling individuals to verify that they are transferring money to the intended recipient. With15.4 billion transactions amounting to $2.5 trillion annually within the banking sector, developing and implementing an industry-wide confirmation of payee system is a significant endeavor. The design process for the new system will commence immediately, with construction and deployment scheduled for completion throughout 2024 and 2025. *"Recent data from banks shows that $600 million in stolen funds been returned to customers over the last year. To keep up this effort it is critical that government, banks, telcos, social media and crypto platforms work together as part of an eco-system to stay one step ahead of sophisticated criminal gangs,"* Anna Bligh said.

While banks have pledged to implement enhanced protections in their systems, customers should anticipate receiving more warnings and encountering delays when making payments to new recipients or increasing payment limits. To combat account misuse stemming from identity fraud, all banks will enhance their technology and controls, with major banks introducing biometric checks as unique identification measures during new account openings.

Furthermore, the Scam-Safe Accord encompasses a significant expansion of intelligence sharing throughout the sector, with all banks committed to acting on scam intelligence from the Australian Financial Crimes Exchange by mid-2024 and participating in the Fraud Reporting Exchange. This initiative ensures swift dissemination of crucial information across the banking sector regarding scam transactions, thereby improving the likelihood of scam prevention and facilitating the recovery of stolen funds.

Key Scams You Need to Be Aware of

One of the most prevalent scams, to which Wells Fargo bank customer was a victim to, is the *Imposter scam*, in which the perpetrator poses as someone they are not, in order to defraud victims of their money. As in the Wells Fargo bank case, these con artists can "spoof" phone numbers to appear as though they are phoning from your bank or from someone you know.

Because data breaches have become more common in recent years, some con artists gain access to vast amounts of their targets' personal data. The *Identity Theft Resource Centre* in the USA estimates that in 2023 there were 3,205 publicly disclosed data breaches that affected around 353 million people. That represents a 72% rise from the previous peak in 2021(Semuels, 2024).

Here are some of the most common scam types that people fall victim to according to the Australian governments ***'scamwatch'*** website (ACCC, 2023).

Impersonation Scams

Scammers deceive you into thinking they are from trusted organisations such as the police, government, banks, and well-known businesses. They can even pretend to be your friend or family member. Scammers fish for information about you by sending phishing emails or messages. These are designed to steal your information. They try and convince you to give them your personal information by pretending they are from an official organisation or someone you know and trust.

Scammers use technology to make their calls or messages appear to come from a legitimate phone number. They can make text messages appear in the same conversation thread as genuine messages from an organisation.

Investment Scams

Scammers use convincing marketing and new technology to make their investment sound too good to miss. They promise you big payouts with little or no risk. They often use pressure tactics to get you to act fast, so they can steal your money.

Jobs and Employment Scams

Scammers offer jobs that pay well with little effort. They pretend to be hiring on behalf of high-profile companies and online shopping platforms. Sometimes, the job they list does not even exist. Scammers also impersonate well-known recruitment agencies. Their goal is to steal your money and personal information. They may ask you to pay money up front to be able to work for them.

Products and Services Scams

Scammers pose as buyers or sellers to steal your money. They set up fake websites or profiles on legitimate retailer sites offering products or services at prices that are too good to be true. They post fake ads and fake reviews. They may use stolen logos, a dot. com.au domain name and stolen Australian Business Number (ABN). These scams are hard to spot.

Scammers also pose as businesses that you know and trust to send you fake bills. They can even change details on legitimate invoices so that customers end up paying the scammer instead of you.

Romance Scams

Scammers use the promise of love, dating, or friendship to get your money. They go to great lengths to convince you the relationship is real and manipulate you to give them money.

Scammers find you on social media, dating or gaming apps and websites. They might also text or email you. They hide behind fake profiles and identities, sometimes of famous people. Once you trust them, they will have an 'emergency' and ask for your help. This will often be requests for money or other products.

Threats and Extortion Scams

Scammers pretend to be from a trusted organisation and claim you need to pay money or something bad will happen. They may threaten you with arrest, deportation, or even physical harm, if you don't agree to pay them immediately.

They can also blackmail you by threatening to share naked pictures or videos you have sent them unless you send them money.

Unexpected Money Scams

Scammers try to convince you that you are owed or entitled to, money or winnings that you did not expect to receive. The scammer asks you to pay a fee or to give your banking or identity details before you can collect the money or winnings. Unfortunately, there is no free money.

Summary

In essence, if you notice any unfamiliar transactions on your account, promptly notify your bank, particularly if it involves unrecognized payments or discrepancies in debit card charges. Request an explanation and inquire about the possibility of a refund. Should you find the bank's response unsatisfactory, lodge a complaint with them, and refer to their website for guidance on the process.

If eight weeks pass without resolution or if the bank issues a final response letter, escalate the matter to the Financial Ombudsman in your jurisdiction. The ombudsman can intervene if they determine unfair treatment, possessing the authority to rectify the situation.

Lastly, exercise caution, refrain from answering calls purportedly from your bank.

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THE COMPLEX CONTEXT OF ACADEMIC ENDEAVOUR: A REJOINDER TO 'RESTORING TRUST AND RELEVANCE IN ACCOUNTING RESEARCH'

Professor Carol A. Tilt

On 11 December 2023 the article 'Restoring Trust and Relevance in Accounting Research' appeared in *On Target* and in the online CEO Blog of CMA Australia-New Zealand (Ratnatunga, 2023). It raised some important issues that authors and editors need to keep in mind as generative artificial intelligence (AI) tools become more prevalent. However, the article uses the recent case of AI generated errors in a submission to a Parliamentary enquiry into the ethics and accountability of the consultancy Industry1, to raise broader questions about the integrity of academic research in the accounting discipline.

As I read the article, I found myself (as a retired professor of accounting and a journal editor) feeling a little under attack, so after some informal discussions with the author of the paper I was invited to write this rejoinder to flesh out some of the points which I feel are worthy of considering from an alternative viewpoint, and require a broader look at the context in which they occur. Specifically, the integrity of the peer-review process, the potential conflict of being both author and editor, and the notion of what relevance means in research in today's higher education environment.

First, to the issue of integrity, while the details of the AI case in question were somewhat surprising given the experience of the authors of the submission, it should be noted that the false information was not generated deceitfully. There was no attempt to hide the fact that AI was used in the submission – in the references the submission clearly states "Google Bard" as the source of the cases, so while that is akin to putting "the internet" as a source, it was not an attempt to be fraudulent. As noted in the apology letter, the AI tool "had only been released that week" (Guthrie, 2023). Had this submission been an academic research paper, I have no doubt that the peer review process would have picked up the source as requiring verification. Of much more concern for those of us who are editors and reviewers, is how we deal with the pervasiveness of the is new technology and detect when it has been used inappropriately, so perhaps this case has helped to bring this to the top of our agendas. Certainly, publishers are considering it, for example, Taylor & Francis incorporated it into their authorship and peer review policies early in 2023, noting AI should not be listed as the author of a source.2

Hence, where I have most difficulty with the Ratnatunga (2023) article is how it jumps from the AI case – which was about a submission to an enquiry not a peer-reviewed academic paper – to a critique of the peer review process more broadly. For me, that's a big leap, especially the inference of widespread existence of the "club effect". The peer-review system is far from perfect, and there is no doubt 'politics' involved in the process in some instances, but on the whole my experience is that the system has more integrity than implied in the article.

As an Editor I have, on the whole, observed strong commitment to ensuring a fair process – working with co-editors, associate editors, guest editors, reviewers and authors has shown me a collective desire to develop and support high quality research.

Yes, there will always be some idiosyncratic editors and reviewers (that's part of what makes academic life so interesting!) and no doubt there are some instances where the behaviour is not as we would expect, but I would like to see more evidence of a so called 'club effect' before I was convinced it is a major problem, or even more prevalent in the accounting field than any other academic discipline. Ratnatunga (2023) uses Dada et al.'s (2022) paper on "boys clubs" in science and health to support his argument. Dada et al. (2022, p.15) reveal a lack of diversity among editorial boards leading to bias in the type of research accepted and choice of editorial team members, as it is a well-known social phenomenon that "people are more likely to work with and share networked information with peers who share similar characteristics to them". So, should we be so surprised that accounting is any different? Of course, ensuring diversity on editorial boards is important, and there is evidence that accounting editorial boards do reflect the diversity in society with a "narrowing of gender differences across the accounting discipline as female representation on the boards of positivist journals (traditionally male oriented) and generalist journals has improved over time", although there is room for some improvement in higher ranked journals and in more senior roles (Dhanani & Jones, 2017, p.1033).

Ratnatunga (2023) goes on to use the 'club effect' argument to insinuate a particular lack of integrity in journal editors who publish in their own journals, suggesting this practice should not be allowed. On face value, this seems quite reasonable and a policy that could be easily implemented, and in fact some publishers already include this as a general policy especially for special issues where guest editors are often not permitted to submit their own papers. However, while easy to justify for larger disciplines, in smaller fields of research, such my own area of Social and Environmental Accounting (SEA) a couple of things make such a policy problematic:

First, there are still a relatively small number of journals that publish SEA work; leaders in the field are generally editors or associate editors of one or more journals, so that would limit potential outlets for their work further. If the suggestion was extended to Editorial Board (EB) members, as advocated by Helgesson et al. (2022), it would have a significant impact on the SEA field as some journals have EB members in the hundreds.

Second, and more importantly, if we ban editors from publishing in their own journals, emerging scholars either miss out on working with leading academics or miss out on being able to submit to top journals if they do so. Are we to advise junior scholars not to work with editors of leading journals? Do we suggest PhD students should not choose journal editors as supervisors? In today's higher education environment where young scholars are expected to pump out high ranked papers in order to be recognised, promoted, etc., there is potential for such a policy to make their lives even harder.

Finally, being an editor is unpaid and largely unrecognized by universities (which in my view is a key problem), and is generally done in the name of collegiality, so limiting options available to publish will mean academics may not put their hands up to be Editors or AEs for fear of these limits. If our best and brightest choose not to do the job, that would be more detrimental to the integrity of journals than any possible 'club effect'.

The final point made by Ratnatunga (2023) is about the need for the restoration of 'relevance' in accounting academic work, pointing out that the submission to parliamentary enquiry into consultancy firms included important messages for the accounting profession. In doing so, he argues the need to place more value on non-academic publications, such as handbooks and professional journals. I do think that the recognition of the importance of impact is growing, with real-world impact now being a part of national research assessments such as ERA (Excellence in Research Australia)3 in Australia and the UK REF (Research Excellence Framework)4, where case studies on how research has had an effect on society comprise part of the submission requirements. I also agree with Ratnatunga (2023) that academic submissions to enquiries, discussion papers, etc. are important and need to be valued as part of the portfolio of things academics do.

Citing some earlier literature (Ratnatunga, 2012; Wilhite, 2012), the article disparages the use of 'citations' to represent the impact of research – on this point I agree; the move towards a metrics-based assessment of academics to determine the quality or impact of their work is flawed, and something that has been observed and written about extensively, and shown to lead to poor resource allocation decisions and hindering knowledge production (Guthrie et al., 2019; Guarini, et al., 2020). Further, citations bear little relationship to real-world impact; in the UK it has been observed that "existing citation-based metrics for impact measurement do not correlate well with REF impact results" (Ravenscroft et al. 2017, p.1). That is not to say that citations are bad per se. They are an important means of "accurately pointing to a historical document; identifying the source of a fact or idea; supplying additional authority; pointing to another conversation; and giving credit" (Imhoff, 2024, p.3). It is the collective use of aggregated citation metrics (and associated rankings) in assessing individuals, journals, departments and institutions, to the exclusion of other measures, that creates homogenized research practices and stifles innovation (Parker, 2011; Narayan et al. 2017).

However, when talking about academic research having "impact on accounting practice" and being "relevant", this is where I can't help but feel somewhat uncomfortable. It is not the role of academics to 'help' business/practice by doing work they find relevant, but to produce research relevant to society at large, and to provide critique and often dissent, of the status quo. Why should we choose to do research that is the equivalent on an unpaid consultancy? Businesses and accounting firms are profit-making enterprises, so they can afford to pay for their own research; even if they commission academics to do research for or with them, which has become a key performance indicator for academics in most universities now, universities are public entities and it goes against the public interest to spend tax-payer money on many of the things that business wants, unless it aligns with what's best for society. The concerns about private industry funding of scientific research, particularly in medicine, are well documented (Elwell, 2020). A good accounting example is in SEA where firms often talk to academics about helping them to be more sustainable, but what they mean is to be more sustainable and make profit (or even use sustainability to make higher profit), even though the research shows that business needs to reduce profits (and society needs to reduce its emphasis on profit/growth) if we have any hope of sustainability (Milne & Gray, 2013).

I am not suggesting there should not be researcher-practice engagement, quite the contrary, and this is not a new topic of debate in academia. Baxter (1998), Guthrie et al. (2010), Laughlin (2010), Tilt (2010), and Unerman and O'Dwyer (2010), have all written commentaries about this in publications commissioned by accounting professional bodies, suggesting there is willingness on both sides to engage more. There are also good exemplars of doing so, some of which were outlined by Ratnatunga (2023). But many of the dilemmas raised in earlier publications about how to bridge the gap are yet to be addressed. Importantly, I would not like to see academic accounting research move completely away from 'blue-sky' and theoretical work, as those are often the things that lead to real breakthroughs years down the track, even though they may seem to have little relevance now. We need to do both.

The finding (Ratnatunga, 2012) that accounting firms have not read or heard of academic journals does not surprise me, but while it would be nice to increase this, it is not the major problem – the bigger problem is the socio-political context in which we must operate. Imhoff (2024, p.4) describes "an academic ecosystem built on unethical systems, structures, and cultures" based on inequalities and exclusions. The corporatized university sector and neo-liberal ideology mean that university management is attracted to the use of calculative practices and commodification of research outputs in the name of efficiency and comparability (Martin-Sardesai, et al., 2021), not with the aim of increasing knowledge or driving quality. In Australia in particular, universities and higher education are not valued by governments, so research is not given prominence in society - if it was, then perhaps more professionals would know about academic journals!

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Acknowledgements and Declarations

The views expressed in this article are my own and do not necessarily represent the views of my institution, the journal I am Editor for or my co-Editors. I thank Professor Janek Ratnatunga for the invitation to comment and the collegiate and constructive dialogue that has ensued.

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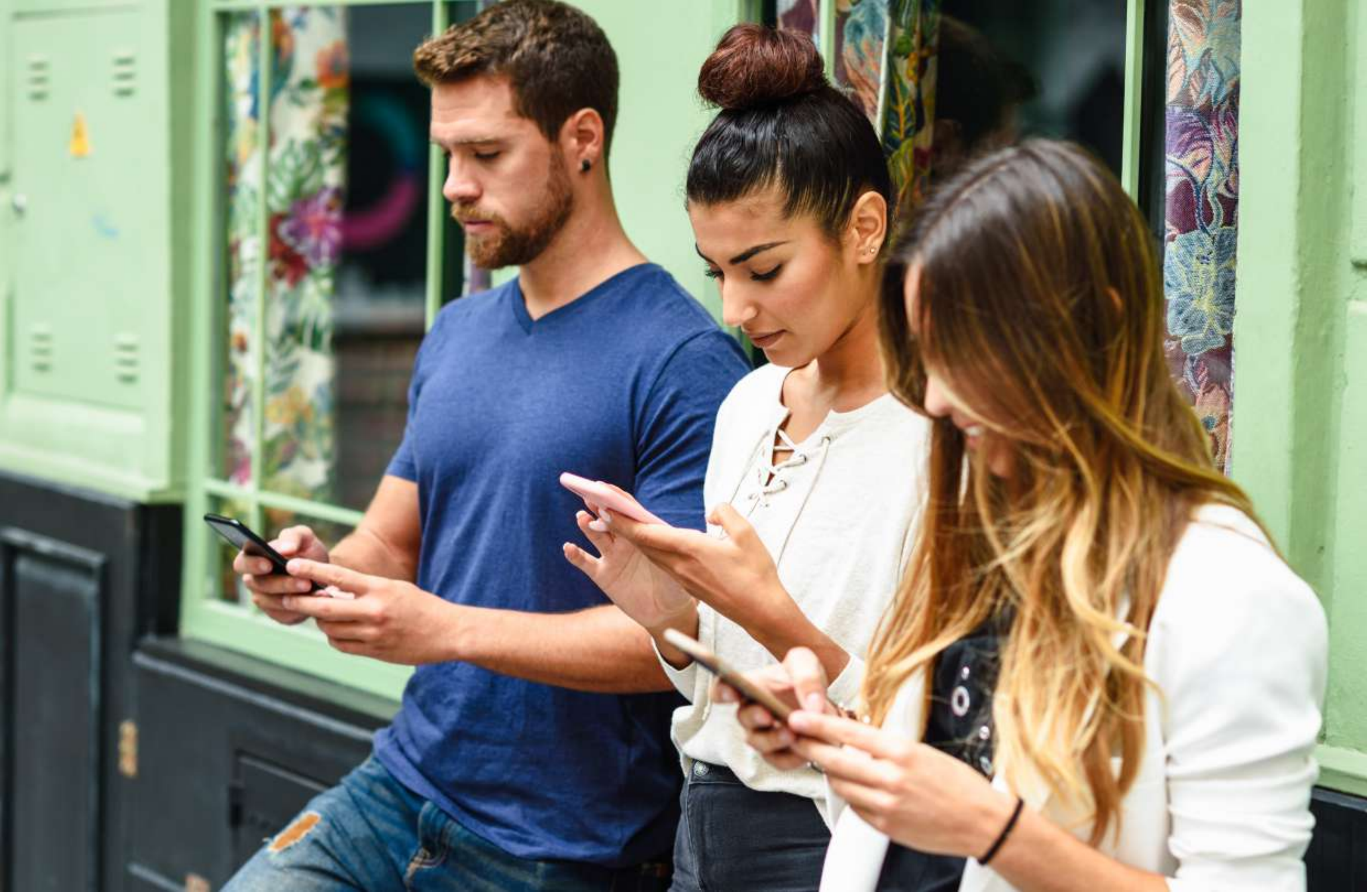

GEN Z – THE ANXIOUS GENERATION?

Keshan Warakaulle

The familiar pattern of older generations fretting about the young is as old as history.

In 1935, Harper's magazine released a depressing piece that young Americans were "rotting before our eyes, " with increased incidents of criminality, apathy, and disillusionment. The authors attributed this catastrophe to *widespread unemployment.*

In the 1950s older Americans fretted about the sexy hip-swivelling of a young Elvis Presley, and how he was *"corrupting white youth by peddling black-man's music to them".* In the 1960s the musical revolution that Elvis started went global, and the bad influence of the Beatles and the hippies with their marijuana and the slogan *"make love not war"* became the main concerns worldwide in Western-influenced nations. The fact that the 1960s were also the time of the Vietnam war, the assassination of Martin Luther King and the race riots in America – all of which had nothing to do with the youth of that time was glossed over. In the 1970s and 1980s, elder people once more lamented that the younger generation was becoming misguided and that teenagers were taking up adult vices including binge drinking, crime, and excessive sex. *Television and video games* were seen the main offenders.

And so it goes on. Although the measurements vary, as do the causes, the utter conviction with which older individuals speak about the issues facing youngsters does not alter,

Today, in the 2020s, older generations hardly discuss unemployment, rock music, marijuana, free sex or television. However, although they agree that the youth the youth of today are in such a mess, they disagree on the reasons why.

Today's youth are from the Gen-Z generation. They are seen by some as *"the anxious generation"* – afflicted with previously unheard-of degrees of mental illness. One-fifth of American Gen-Z students have received a diagnosis or treatment for depression, compared to one-tenth ten years earlier. The number of suicides among American girls aged 10 to 14 has more than doubled since 2010.

Social media and smartphones are the main bad guys.

It is a fact that young people are joining virtual communities instead of tiny, stable real-world ones, where they are immersed in *"a daily tornado of memes, fads, and ephemeral micro-dramas, played out among a rotating cast of millions of bit players."*

According to a recent study, the older generation believes that this lure of smartphones makes people less interested in anything else; even that today's teens are sluggish to get out and have sex (Haidt, 2024). This is quite a contrast to the hippie *"make love not war" slogan of the 1960s!*

According to Haidt (2024) the young people issues start much earlier than in their teens due to overly cautious parenting; and makes the case for (1) prohibiting phones in classrooms, (2) keeping young readers off social media, and (3) allowing kids to run amok more frequently. Every recommendation seems reasonable. Some even have a playful sound.

The Case Against Smart Phones

Haidt (2024) supports the popular view of the older generation is that the attention spans of the younger generation are shorter than a goldfish's due to the influence of digital devices. Our sleep is disturbed by the blue light they emit. The most concerning thing about smartphones in the older generation's view is that these devises are negatively affecting young people's mental health, especially adolescent girls. When all is said and done, digital technologies are a curse on civilisation.

Is this world-view correct?

Professor Pete Etchells a professor of psychology and science communication at Bath Spa University in the U.K., thinks otherwise. In his previous works, he has dispelled the myth that children who play violent video games become zombies. He is now focusing on screen time, which is an even more widespread social concern. Etchells contends that, in contrast to popular belief, there is less evidence linking digital gadgets to a number of negative effects, including poor mental health, sleep deprivation, and shorter attention spans (Etchells, 2024).

Etchells notes that the majority of research use information from big observational surveys to investigate if individuals who reported engaging in screen-based activities more frequently had lower mental health. But observational studies such as these, he claims, suffer from the basic experimental problem: *orrelation does not establish causation.*

He suggests that rather than time spent on a smartphone causing mental health concerns, it's possible that mental health issues drive people to spend more time on their phones, or that a third factor, like loneliness, could be the source of both phone usage and bad mental health.

Even if you do not agree with his arguments and support the view of Haidt (2024), Etchells (2024) is a good Read. In just over 200 pages, he evaluates a host of other topics, including whether or not digital devices actually shorten our attention spans and interfere with our ability to sleep (he contends that they probably don't), and whether or not screen addiction is real. Honest personal accounts of his and his family's experiences with technology intersperse dense discussions of experiments and data.

Cure for Loneliness? Cultivate Real Friends

Undoubtedly, loneliness does plague a lot of young individuals. In a world where most Gen Zs are immersed in conversations with 1000's of virtual friends, when they emerge to the real world, they find it difficult to strike a conversation with a stranger next to them on a bus, train, plane or any public place. This is because attitudes towards talking to strangers typically fit into a pattern. Youngsters are taught not to talk to strangers, and even relatives if their parents consider them untrustworthy.

The advent of adolescence and early adulthood is accompanied by a burgeoning desire to engage with a wide range of people. The ensuing interactions, often by 'chance' provide an exhilarating sense of release, regardless of whether they

are sexual or social. However, societal approval, from parents, relations and even religious groups often place restrictions and curb this enthusiasm where real humans are concerned. The virtual world and the anonymity it provides, gives limitless possibilities for pursuing multiple chance interactions.

Storytellers have always been drawn to this element of the promise and peril of strangers, from the exhilaration of *"Brief Encounter"* and *"Before Sunrise"* to the disaster of *"Strangers on a Train."* The understanding that this will be a unique exchange can allow for a deliciously raw candour.

Clearly, interacting meaningfully with a new person can bring huge rewards—but it is a skill that must be cultivated and can easily be lost.

As far back as 44 BC *Marcus Tullius Cicero,* a Roman statesman, taught us the following rules of conversation:

- never criticise others behind their backs;
- stick to topics of general interest;
- avoid talking about yourself;
- speak clearly; be courteous;
- deal seriously with serious matters and gracefully with lighter ones;
- don't interrupt; and,
- most importantly, never lose your temper.

Cicero's list of cardinal laws can be summarised to two things: (1) remember people's names and (2) listen well. Cicero's rules of conversation seem to have been fairly common across cultures as well as time,

In more recent times Dale Carnegie, a public speaking instructor, determined in 1936 that Americans needed a broader education in *"the fine art of getting along."* Seventy years later, his book *"How to Win Friends and Influence People"* is still in print and has sold 15 million copies. Carnegie lists listening comprehension and name recall as two of his *"six ways to make people like you."* It is the responsibility of the others to show genuine interest in other people, smile, converse about their interests, and make them feel significant.

Societal Pressures

However, this may be easier in theory than in practice for Gen-Zs. Yates (2021) worries that there are significant rifts in Western society that make it impossible for people to reach, even casually, between classes, religions, ethnicities, and generations. Yates says that the self-segregation of modern Western societies means that, for many people, conversing with some fellow citizens seems pointless, undesirable or outlandish.

In Asian societies these rifts appear be less. Buckingham (2021) describes how, following the death of his life partner, he found comfort in travelling and conversing in places like Myanmar, which are very different from his home country of England. However, Buckingham focuses on the delights and perils of encounters in remote locales where the stakes are lower since the acquaintanceships are guaranteed to be fleeting. Further, it is unclear if he conversed with a Gen-Zs with a smartphone in Myanmar.

However, observing the behaviour of university students in America, Britain, and Australia, it is clear that racial, political, and religious divisions have solidified into tribal ones. Social pressures ensure that chance encounter with strangers outside the tribe is remote. It is no wonder that Gen-Zs turn to virtual friend, as these tribal pressures are avoided.

Summary

The fact is that Generation Zs outperforms previous generations in many societal metrics. Fighting, juvenile crime, drug use and teenage pregnancy are all retreating in America, and the rest of the western world. The current tensions of the worlds are caused by 'Baby Boomer' (1945-1965) and Gen-X (1965-1980) national leaders.

The current young generation will eventually mature, find employment, establish relationships, and create families. Its members will go on to produce books and articles criticising youth, if history serves as any guide. The youth were viewed as threats to public order in the 1930s and as rapidly maturing adults in the 1980s. They are unhappy and growing up too slowly these days. What condemnation lies ahead for an unborn generation?

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THE GREAT BARRIER REEF: THE MASS CORAL BLEACHING DISASTER

Terry Hughes

For the fifth time in just the past eight summers – 2016, 2017, 2020, 2022 and now 2024 - huge swathes of the Great Barrier Reef are experiencing extreme heat stress that has triggered yet another episode of mass coral bleaching.

Including two earlier heating episodes – in 1998 (which was at the time the hottest year globally on record) and 2002 – this brings the tally to seven such extreme events in the past 26 years.

The most conspicuous impact of unusually high temperatures on tropical and subtropical reefs is wide-scale coral bleaching and death. Sharp spikes in temperature can destroy coral tissue directly even before bleaching unfolds. Consequently, if temperatures exceed 2°C above the normal summer maximum, heat-sensitive corals die very quickly.

What is coral bleaching?

Bleaching happens when marine heatwaves disrupt the relationship between corals and their "photosynthetic symbionts" – tiny organisms that live inside the corals' tissues and help power their metabolism.

Severe bleaching is often fatal, whereas corals that are mildly bleached can slowly regain their symbionts and normal colour after the end of summer and survive.

Before 1998, coral bleaching on the Great Barrier Reef was infrequent and localised. But over the past four decades, bleaching has increased in frequency, severity and sptial scale, as a result of human-induced climate heating.

"Mass coral bleaching" refers to bleaching that is severe and widespread, affecting reefs at a regional scale or even throughout the tropics triggered by rising global sea temperatures.

The Great Barrier Reef consists of more than 3,000 individual coral reefs. It's the same size as Japan or Italy, and extends for 2,300km along the coast of Queensland. Widespread coral deaths during extreme heatwaves, affecting hundreds of millions of coral colonies, far exceed the damage typically caused by a severe cyclone.

How bad is 2024?

Heat stress this week is reaching record levels on large parts of the Great Barrier Reef.

Climate scientists can measure the accumulation of heat stress throughout the summer by using a metric called "degree heating weeks" (DHW), which factors in both the duration and intensity of extreme heat exposure. This measures how far the temperature is above the threshold that triggers mild bleaching (1°C hotter than the normal summer maximum), and how long it stays above that threshold.

The same DHW exposure can result either from a long, moderate heatwave or from a short, intense peak in temperatures. The 2023–24 summer has been a slow burner on the Great Barrier Reef – sea temperatures have not been as extreme as during previous bleaching events, but they have persisted for longer.

As a general rule of thumb, 2–4 DHW units can trigger the onset of bleaching, and heat-sensitive species of coral begin to die at 6–8 DHW units. So far this summer, according to the US National Oceanographic and Atmospheric Administration, heat stress on the Great Barrier Reef has climbed to 10–12 DHW units on many individual reefs and has been north and south compared to the central region. Heat stress will likely peak in the next week or two at levels above all previous mass bleaching and mortality events since 1998, before falling as temperatures drop.

Coral bleaching is typically very patchy at the enormous scale of the Great Barrier Reef. In each of the previous events since 1998, 20–55% of individual reefs experienced severe bleaching and coral deaths, whereas 14–48% of reefs were unharmed.

Given the near-record levels of heat stress this summer, we can expect heavy losses of corals to occur on hundreds of individual reefs over the next few months.

What's the longer-term outlook?

This latest, still-unfolding event was entirely predictable, as ocean temperatures continue to rise due to global heating.

Three of the seven mass bleaching events so far on the Great Barrier Reef coincided with El Niño conditions (1998, 2016 and this summer), and the remaining four did not. Increasingly, climate-driven coral bleaching and death is happening regardless of whether we are in an El Niño or La Niña phase. Average tropical sea surface temperatures are already warmer today under La Niña conditions than they were during El Niño events only three or four decades ago.

The Great Barrier Reef is now a chequerboard of reefs with different recent histories of coral bleaching. Reefs that bleached in 2017 or 2016 have had only five or six years to recover before being hit again this summer – assuming they escaped bleaching during the 2020 and 2022 episodes.

Clearly, the gap between consecutive heat extremes is shrinking – we are vanishingly unlikely to see another 14-year reprieve like 2002 to 2016 again in our lifetimes, until global temperatures stabilise.

Ironically, the corals that are now prevalent on many reefs are young colonies of fast-growing, heat-sensitive species of branching and table-shaped corals – analogous to the rapid recovery of flammable grasses after a forest fire. These species can restore coral cover quickly, but they also make the Great Barrier Reef more vulnerable to future heatwaves.

Attempts to restore depleted coral cover through coral gardening, assisted migration (by harvesting larvae) and assisted evolution (rearing corals in an aquarium) are prohibitively expensive and unworkable at any meaningful scale. In Florida, coral nurseries suffered mass deaths due to record sea temperatures last summer.

The only long-term way to protect corals on the Great Barrier Reef and elsewhere is to rapidly reduce global greenhouse emissions.

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REGIONAL OFFICE & BRANCH NEWS

Iran

International Seminar on Management Accounting and Business Analytics

The Iranian Regional office of ICMA Australia & New hosted the International Seminar on Management Accounting and Business Analytics at Tehran, Iran on 1 February 2024. There were over 150 participants at the seminar and an equal number participating over Zoom, including over 50 international speakers and participants.

Professor Janek Ratnatunga gave the Keynote Address Cost of Life: Air, Water and Food. The talk was simultaneously translated into Farsi.The event was organised by Mr. Alireza Najjar Sarraf, the ICMA(ANZ) Regional Director in Iran.

Mr. Alireza Najjar Sarraf, the ICMA(ANZ) Regional Director in Iran. opening the conference and welcoming participants

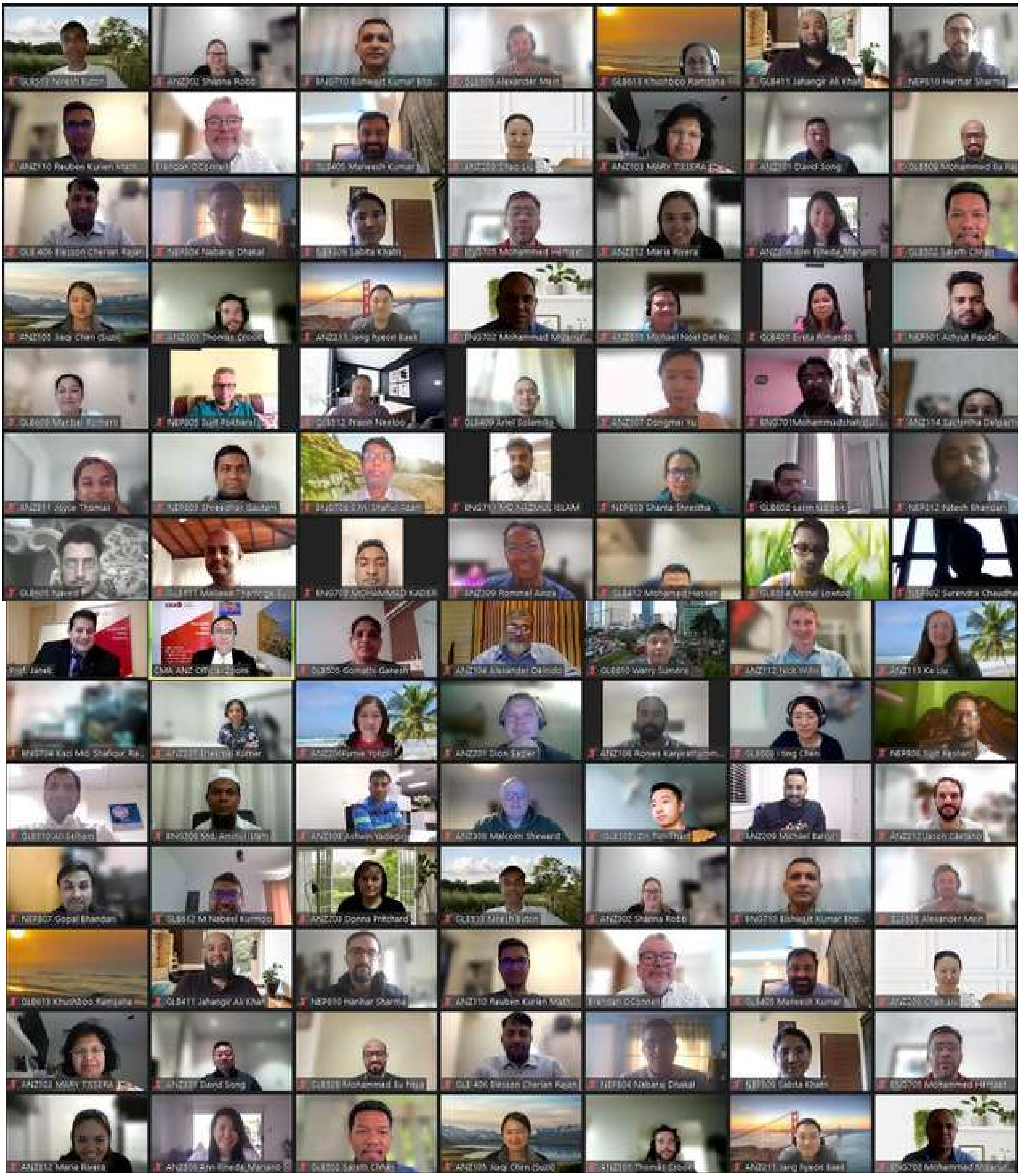
Professor Janek Ratnatunga giving the Keynote Address over Zoom on the topic Cost of Life: Air, Water and Food.

Australia & New Zealand

Global Zoom CMA Program

The Eighth Global Zoom CMA Program was held over 3 weekends in in March 2024. It was an immense success with 105 participants from 25 countries. It commenced at 1pm AEDT and finished at 9pm each day. The most participants were from Australia and New Zealand. There were those who tuned in from Canada at Midnight the day before; and from New Zealand who finished after midnight the day following! There were also participants from Europe, Africa, Saudi Arabia, Bangladesh, Nepal, and Mauritius.

The presenters were Prof Janek Ratnatunga, Prof Brendan O'Connell and Dr. Chris D'Souza. Given the incredible logistics involved, it was a team-teaching effort on all the days. From the comments posted in the chat boxes; it was extremely well received. Special commendation must go to Mr. Sazzad Hassan, the Regional Director of Bangladesh, and Mr. Kumar Khatiwada the Regional Director of Nepal, for once again promoting the program.



Thailand

CMA ANZ and TFAC announce the 2024 CMA Program

Following the outstanding success of the 2023 CMA program in Thailand (see participants and presenters in pic below), TFAC and CMA have announced the dates for the 2024 CMA program in Bangkok from 26th October to 28th October 2024 – Strategic Cost Management and from 31st October to 3rd November 2024 – Strategic Business Analysis.

Participants and Presenters of the First CMA program in Thailand organised by TFAC and CMA(ANZ).

Mr. Alireza Najjar Sarraf, the ICMA(ANZ) Regional Director in Iran. opening the conference and welcoming participants

Dr. Chris D'Souza, Deputy CEO of CMA (ANZ) met the Ambassador of Australia to Thailand H.E Dr. Angela Macdonald and the Australian Trade Commissioner the Hon. Amelia Walsh in Bangkok on 23rd and 25th of March at events organized by AusCham Thailand and Australian Alumni Association Thailand. Dr. Chris conveyed to both the dignitaries the gratitude of CMA(ANZ) for their support in promoting the profession and education of Management in Thailand. CMA(ANZ) looks forward to continuing working with them in 2024 and beyond.

CMA ANZ looking to partner with Australian Chamber of Commerce (AusCham) and Australian Alumni Association in Thailand

Dr. Chris D'Souza, Deputy CEO of CMA(ANZ), Dr. Tharatee Mokadee, the CMA(ANZ) Regional Director for Thailand and Khun Pun-rada, the CMA(ANZ) Country Manager attended important events (mentioned below) and had meetings with the President of Australian Alumni Association M.L.Laksasubha Kridakon and the newly elected President of AusCham Thailand Ms. Donnah Ciempka.

From L to R: Khun Punrada, the CMA(ANZ) Country Manager; Dr. Tharatee Mokadee, the CMA(ANZ) Regional Director for Thailand; and Dr. Chris D'Souza, Deputy CEO of CMA(ANZ).

On the 23rd of March, 2024 AusCham put on a very impressive Spirit of Australia awards which was attended by top dignitaries from the Australian Government and Corporate Captains from Bangkok.

On the 25th of March Australian Alumni Association, Thailand hosted a cocktail reception to conclude the 2024 ASEAN round table which was attended by Australian Alumni representatives from all ASEAN countries.

CMA ANZ looks forward to working in partnerships with both these organisation in Thailand in 2024 and beyond.

SRI LANKA

Face-to-Face 7-Day Intensive CMA Program in Sri Lanka

On February 17-25, 2024, the Sri Lanka Regional provider, Academy of Finance and ICMA successfully delivered the 22nd 7-Day Intensive CMA Program in Sri Lanka. Professor Janek Ratnatunga and Mr. Kapila Dodamgoda successfully delivered the course in face-to-face mode at the Galadari Hotel in Colombo Sri Lanka. The program is offered exclusively by the Academy of Finance in Sri Lanka. Over 70 senior managers including CEOs and CFOs from all sectors of the Sri Lankan economy including bankers, manufacturers, and NGOs attended this program. This program attracted a number of international participants.

Professor Janek Ratnatunga, the ICMA(ANZ) conducting theCMA program in Sri Lanka

Professor Janek Ratnatunga, and Mr. Kapila Dodamgoda with the participants of the CMA Qualifying Program held at Hotel Galadari in Feb 2024.

INDONESIA

CMA Program in Jakarta over Zoom

A CMA program was conducted in Indonesia over Zoom as the usual February face-to-face program was during the time of the Indonesian elections. This was the 9th CMA intensive program organised by Dr Ana Sopanah of RAD Indonesia. and Mr. Daniel Godwin Sihotang of PT Lean Visi Indonesia. The program was facilitated by Professor Janek Ratnatunga, the CEO of ICMA Australia and Dr Chris D'Souza, ICMA COO/CFO.

Zoom Webinars

ICMA Australia Indonesia Branch has continued its commitment to facilitate the capability development for CMA Members, professionals and academics in the fields of accounting and finance. In the Jan-Feb 2024 2023 period, it conducted the Business Transformations seminars. The seminars were (1) Boosting Company Productivity through Company Culture; (2) From Chaos to Control: Unleash the Power of Management System; (3) Marketing & Sales Pillars: How to Enhance Your Company Growth Vol 1; (4) Marketing & Sales Pillars: How to Enhance Your Company Growth Vol 2; and (5) More Than Money: Compensation and Benefits for New Startups. ICMA(ANZ) facilitated the events, which were moderated by ICMA Australia's Indonesia President, Mr. Nursakti Niko Rosandy, and Mr. Inu Pinandito, the Branch Treasurer.

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Miss Phanathip Chitayapuntagool
Mr. Thanayutsingh Hirkewal
Miss Nanchanok Jariyatummaruk
Miss Rattaya Jaroenpanitsaeree
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Ms. Saowaluck Limsila
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Mr. Putu Kusuma
Mr. Muhammad Hasra
Mr. Nabin Lal Shrestha
Dr. Nick Willis
Mr. Rajiv Kattel
Mr. Dipak Desar
Mr. Radha Bhandari
Mr. Dércio Nhanele
Mr. Claudio Bento
Ms. Isabel Cossa

CMA EVENTS CALENDAR

- April 20-23, 2024:
Certificate of Proficiency in Strategic Business Analysis, SMU Academy, Singapore (11th Intake). **(Zoom).**

- April: 27- May 4, 2024,
CMA Program Workshop organised by SMART Education Group, Dubai.

- August 3-9, 2024:
CMA Program Workshop, Jakarta, organised by RAD Indonesia and Lean Visi Indonesia.

- September 7-9, 14-15 & 21-22, 2024:
Nineth CMA Global Zoom Program in Strategic Cost Management & Strategic Business Analysis, Syme Business School, Australia. **(Zoom).**

- September 28-October 6:
4th post-Covid CMA Program Workshop organised by Academy of Finance, Sri Lanka.

- October 12-14, 2024:
Certificate of Proficiency in Strategic Cost Management, SMU Academy, Singapore (12th Intake). **(Zoom).**

- October 18-21, 2024:
Certificate of Proficiency in Strategic Business Analysis, SMU Academy, Singapore (12th Intake). **(Zoom).**

- October 26-28 (SCM) and October- 31-3 November 2024:
The 2nd CMA Program Workshop, Bangkok, organised the Thai Federation of Accountants (TFAC) and the CMA(ANZ) Regional Office in Thailand.

- November: 9-17, 2024
CMA Program Workshop organised by SMART Education Group, Dubai.

PRIVATE PROVIDERS

Wharton Institute of Technology and Science (WITS), Australia

Syme Business School, Australia

Academy of Finance, Sri Lanka

IPMI (Indonesian Institute for Management Development), Indonesia

Singapore Management University Academy (SMU Academy)

Business Sense, Inc. , Philippines

HBS for Certification and Training, Lebanon

SMART Education Group, UAE

Institute of Professional and Executive Management, Hong Kong

AFA Research and Education, Vietnam

Segal Training Institute, Iran

Business Number Consulting, Indonesia

RAD, Indonesia

STRACC Learning LLP, India

Ra-Kahng Associates Ltd, Thailand

Academy of Management Accountancy, Nepal

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