

[Home](#) > [Review of Quantitative Finance and Accounting](#) > [Article](#)

Cointegration, error correction representation and the import demand function with implications in International Finance and Accounting Research

Published: December 1992

Volume 2, pages 359–376, (1992) [Cite this article](#)

Your privacy, your choice

We use essential cookies to make sure the site can function. We, and our 96 [partners](#), also use optional cookies and similar technologies for advertising, personalisation of content, usage analysis, and social media.

By accepting optional cookies, you consent to allowing us and our partners to store and access personal data on your device, such as browsing behaviour and unique identifiers. Some third parties are outside of the European Economic Area, with varying standards of data protection. See our [privacy policy](#) for more information on the use of your personal data. Your consent choices apply to springer.com and applicable subdomains.

You can find further information, and change your preferences via 'Manage preferences'. You can also change your preferences or withdraw consent at any time via 'Your privacy choices', found in the footer of every page.

We use cookies and similar technologies for the following purposes:

- > **Store and/or access information on a device**
- > **Personalised advertising and content, advertising and content measurement, audience research and services development**

[Accept all cookies](#)

[Reject optional cookies](#)

[Manage preferences](#)



This is a preview of subscription content, [log in via an institution](#) to check access.

Access this article

[Log in via an institution](#) →

Subscribe and save

Springer+ Basic

€32.70 /Month

- Get 10 units per month
- Download Article/Chapter or eBook
- 1 Unit = 1 Article or 1 Chapter
- Cancel anytime

Your privacy, your choice

We use essential cookies to make sure the site can function. We, and our 96 [partners](#), also use optional cookies and similar technologies for advertising, personalisation of content, usage analysis, and social media.

By accepting optional cookies, you consent to allowing us and our partners to store and access personal data on your device, such as browsing behaviour and unique identifiers. Some third parties are outside of the European Economic Area, with varying standards of data protection. See our [privacy policy](#) for more information on the use of your personal data. Your consent choices apply to springer.com and applicable subdomains.

You can find further information, and change your preferences via 'Manage preferences'. You can also change your preferences or withdraw consent at any time via 'Your privacy choices', found in the footer of every page.

We use cookies and similar technologies for the following purposes:

Store and/or access information on a device

Personalised advertising and content, advertising and content measurement, audience research and services development

[Accept all cookies](#)

[Reject optional cookies](#)

[Manage preferences](#)

References

Arize, A., "An Econometric Investigation of Export Behavior in Seven Asian Developing Countries." *Applied Economics*, 891–904, (July 1990).

Arize, A., "An Econometric Investigation of Money Demand Behavior in Four Asian Developing Economies." *International Economic Journal*, 79–93, (Winter 1989).

Your privacy, your choice

We use essential cookies to make sure the site can function. We, and our 96 [partners](#), also use optional cookies and similar technologies for advertising, personalisation of content, usage analysis, and social media.

By accepting optional cookies, you consent to allowing us and our partners to store and access personal data on your device, such as browsing behaviour and unique identifiers. Some third parties are outside of the European Economic Area, with varying standards of data protection. See our [privacy policy](#) for more information on the use of your personal data. Your consent choices apply to springer.com and applicable subdomains.

You can find further information, and change your preferences via 'Manage preferences'. You can also change your preferences or withdraw consent at any time via 'Your privacy choices', found in the footer of every page.

We use cookies and similar technologies for the following purposes:

Store and/or access information on a device

Personalised advertising and content, advertising and content measurement, audience research and services development

[Accept all cookies](#)

[Reject optional cookies](#)

[Manage preferences](#)

Briguglio, Lino, "The Impact of a Devaluation of the Maltese Trade Balance with Special Reference to the Price and Income Reversal Effects." *Applied Economics*, 325-337, (March 1989).

Brown, R. L., J. Durbin, and J. M. Evans, "Techniques for Testing the Constancy of Regression Relationships over Time." *Journal of the Royal Statistical Society, Series B*, 27(2), 149-163 (1975).

[Google Scholar](#)

Brown, S., and J.B. Warner, "Measuring Security Price Performance." *Journal of Financial Economics*, 205-258, (September 1980).

Your privacy, your choice

We use essential cookies to make sure the site can function. We, and our 96 [partners](#), also use optional cookies and similar technologies for advertising, personalisation of content, usage analysis, and social media.

By accepting optional cookies, you consent to allowing us and our partners to store and access personal data on your device, such as browsing behaviour and unique identifiers. Some third parties are outside of the European Economic Area, with varying standards of data protection. See our [privacy policy](#) for more information on the use of your personal data. Your consent choices apply to springer.com and applicable subdomains.

You can find further information, and change your preferences via 'Manage preferences'. You can also change your preferences or withdraw consent at any time via 'Your privacy choices', found in the footer of every page.

We use cookies and similar technologies for the following purposes:

Store and/or access information on a device

Personalised advertising and content, advertising and content measurement, audience research and services development

[Accept all cookies](#)

[Reject optional cookies](#)

[Manage preferences](#)

Dolado, J.J., T. Jenkins, and S. Sosvilla-Rivero, "Cointegration and Unit Roots." *Journal of Economic Surveys* 4(3), 249-273 (1990).

Dyckman, T., T. Philbrock, and J. Stephan, "A Comparison of Event Study Methodologies Using Daily Stock Returns: A Simulation Approach." *Journal of Accounting Research*, 1-30, (Supplement 1984).

Easton, P., T.S. Harris, and J.A. Ohlson, "Accounting Earnings Can Explain Most of Security Returns: The Case of Long Event Windows." Working paper *Columbia*

Your privacy, your choice

We use essential cookies to make sure the site can function. We, and our 96 **partners**, also use optional cookies and similar technologies for advertising, personalisation of content, usage analysis, and social media.

By accepting optional cookies, you consent to allowing us and our partners to store and access personal data on your device, such as browsing behaviour and unique identifiers. Some third parties are outside of the European Economic Area, with varying standards of data protection. See our **privacy policy** for more information on the use of your personal data. Your consent choices apply to springer.com and applicable subdomains.

You can find further information, and change your preferences via 'Manage preferences'. You can also change your preferences or withdraw consent at any time via 'Your privacy choices', found in the footer of every page.

We use cookies and similar technologies for the following purposes:

Store and/or access information on a device

Personalised advertising and content, advertising and content measurement, audience research and services development

[Accept all cookies](#)

[Reject optional cookies](#)

[Manage preferences](#)

Fuller, W.A., *Introduction to Statistical Time Series*. New York: John Wiley and Sons, (1976).

[Google Scholar](#)

Ghartey, Edward, "Devaluation as a Balance of Payments Corrective Measure in Developing Countries: A Study Relating to Ghana." *Applied Economics*, 937-947, (July 1987).

Godfrey, L.G., "Testing Against General Autoregressive and Moving Average Error Models When the Regressors Include Lagged Dependent Variables." *Econometrica*, 1293-1302, (November 1978).

Your privacy, your choice

We use essential cookies to make sure the site can function. We, and our 96 **partners**, also use optional cookies and similar technologies for advertising, personalisation of content, usage analysis, and social media.

By accepting optional cookies, you consent to allowing us and our partners to store and access personal data on your device, such as browsing behaviour and unique identifiers. Some third parties are outside of the European Economic Area, with varying standards of data protection. See our **privacy policy** for more information on the use of your personal data. Your consent choices apply to springer.com and applicable subdomains.

You can find further information, and change your preferences via 'Manage preferences'. You can also change your preferences or withdraw consent at any time via 'Your privacy choices', found in the footer of every page.

We use cookies and similar technologies for the following purposes:

Store and/or access information on a device

Personalised advertising and content, advertising and content measurement, audience research and services development

[Accept all cookies](#)

[Reject optional cookies](#)

[Manage preferences](#)

Hendry, D.F., "Predictive Failure and Econometric Modelling in Macro-Economics: The Transactions Demand for Money." In P. Ormerod (ed.), *Modelling the Macro-Economy*, London: Heinemann, 217-242, (1980).

[Google Scholar](#)

Hendry, D.F., A.R. Pagan, and J.D. Sargan, "Dynamic Specification." In Z. Griliches and M. Intriligator (eds.), *Handbook of Econometrics* 2, North Holland Publishing Co., 1023-1100, (1984).

Hendry, David F., and Grayham F. Mizon, "Serial Correlation as a Convenient Simplification, Not a Nuisance: A Comment on a Study of the Demand for Money by the Bank of England." *The Economic Journal* 88, 549-563, (September 1978).

[Google Scholar](#)

Your privacy, your choice

We use essential cookies to make sure the site can function. We, and our 96 [partners](#), also use optional cookies and similar technologies for advertising, personalisation of content, usage analysis, and social media.

By accepting optional cookies, you consent to allowing us and our partners to store and access personal data on your device, such as browsing behaviour and unique identifiers. Some third parties are outside of the European Economic Area, with varying standards of data protection. See our [privacy policy](#) for more information on the use of your personal data. Your consent choices apply to springer.com and applicable subdomains.

You can find further information, and change your preferences via 'Manage preferences'. You can also change your preferences or withdraw consent at any time via 'Your privacy choices', found in the footer of every page.

We use cookies and similar technologies for the following purposes:

Store and/or access information on a device

Personalised advertising and content, advertising and content measurement, audience research and services development

[Accept all cookies](#)

[Reject optional cookies](#)

[Manage preferences](#)

Kubursi, A.A., "The Import Structure of Lebanon: A Quantitative Analysis." *The Journal of Developing Areas*, 87-98, (October 1974).

Lev, B., "On the Usefulness of Earnings: Lessons and Directions from Two Decades of Empirical Research." *Journal of Accounting Research* (Supplement 1989).

Madalla, G.S., *Introduction to Econometrics*. New York: MacMillan Publishing Company, (1988).

[Google Scholar](#)

Your privacy, your choice

We use essential cookies to make sure the site can function. We, and our 96 [partners](#), also use optional cookies and similar technologies for advertising, personalisation of content, usage analysis, and social media.

By accepting optional cookies, you consent to allowing us and our partners to store and access personal data on your device, such as browsing behaviour and unique identifiers. Some third parties are outside of the European Economic Area, with varying standards of data protection. See our [privacy policy](#) for more information on the use of your personal data. Your consent choices apply to springer.com and applicable subdomains.

You can find further information, and change your preferences via 'Manage preferences'. You can also change your preferences or withdraw consent at any time via 'Your privacy choices', found in the footer of every page.

We use cookies and similar technologies for the following purposes:

Store and/or access information on a device

Personalised advertising and content, advertising and content measurement, audience research and services development

[Accept all cookies](#)

[Reject optional cookies](#)

[Manage preferences](#)

Phillips, P.C.B., "Understanding Spurious Regressions in Econometrics." *Journal of Econometrics*, 311–340, (December 1986).

Phillips, P.C.B., "Time Series Regression with a Unit Root." *Econometrica* 55, 277–301, (March 1987).

[Google Scholar](#)

Phillips, P.C.B., and P. Perron, "Testing for a Unit Root in Times Series Regression." *Biometrika* 75, 335–346, (June 1988).

[Google Scholar](#)

Ramsey, J.B., "Tests for Specification Errors in Classical Linear Least Squares

Your privacy, your choice

We use essential cookies to make sure the site can function. We, and our 96 **partners**, also use optional cookies and similar technologies for advertising, personalisation of content, usage analysis, and social media.

By accepting optional cookies, you consent to allowing us and our partners to store and access personal data on your device, such as browsing behaviour and unique identifiers. Some third parties are outside of the European Economic Area, with varying standards of data protection. See our **privacy policy** for more information on the use of your personal data. Your consent choices apply to springer.com and applicable subdomains.

You can find further information, and change your preferences via 'Manage preferences'. You can also change your preferences or withdraw consent at any time via 'Your privacy choices', found in the footer of every page.

We use cookies and similar technologies for the following purposes:

Store and/or access information on a device

Personalised advertising and content, advertising and content measurement, audience research and services development

[Accept all cookies](#)

[Reject optional cookies](#)

[Manage preferences](#)

Sarmad, Khwaja, "The Determinants of Import Demand in Pakistan," *World Development* 17, 1619-1625, (October 1989).

[Google Scholar](#)

Schwert, G.W., "Effects of Model Specification on Tests for Unit Roots in Macroeconomic Data." *Journal of Monetary Economics* 20, 73-103, (July 1987).

[Google Scholar](#)

Stock, J.H., "Asymptotic Properties of a Least Squares Estimator of Cointegrating Vectors." *Econometrica* 55, 1035-1056, (1987).

[Google Scholar](#)

Your privacy, your choice

We use essential cookies to make sure the site can function. We, and our 96 **partners**, also use optional cookies and similar technologies for advertising, personalisation of content, usage analysis, and social media.

By accepting optional cookies, you consent to allowing us and our partners to store and access personal data on your device, such as browsing behaviour and unique identifiers. Some third parties are outside of the European Economic Area, with varying standards of data protection. See our **privacy policy** for more information on the use of your personal data. Your consent choices apply to springer.com and applicable subdomains.

You can find further information, and change your preferences via 'Manage preferences'. You can also change your preferences or withdraw consent at any time via 'Your privacy choices', found in the footer of every page.

We use cookies and similar technologies for the following purposes:

Store and/or access information on a device

Personalised advertising and content, advertising and content measurement, audience research and services development

[Accept all cookies](#)

[Reject optional cookies](#)

[Manage preferences](#)

Author information

Authors and Affiliations

Department of General Business, College of Business and Technology, East Texas State University, ET Station, 75429, Commerce, TX

Augustine C. Arize Ph.D.

Department of Accounting, College of Business Administration, Drexel University, 19104, Philadelphia, PA

Gordian Ndubizu Ph.D.

Rights and permissions

[Reprints and permissions](#)

Your privacy, your choice

We use essential cookies to make sure the site can function. We, and our 96 **partners**, also use optional cookies and similar technologies for advertising, personalisation of content, usage analysis, and social media.

By accepting optional cookies, you consent to allowing us and our partners to store and access personal data on your device, such as browsing behaviour and unique identifiers. Some third parties are outside of the European Economic Area, with varying standards of data protection. See our **privacy policy** for more information on the use of your personal data. Your consent choices apply to springer.com and applicable subdomains.

You can find further information, and change your preferences via 'Manage preferences'. You can also change your preferences or withdraw consent at any time via 'Your privacy choices', found in the footer of every page.

We use cookies and similar technologies for the following purposes:

Store and/or access information on a device

Personalised advertising and content, advertising and content measurement, audience research and services development

[Accept all cookies](#)

[Reject optional cookies](#)

[Manage preferences](#)

Search by keyword or author



Navigation

Find a journal

Publish with us

Track your research

Your privacy, your choice

We use essential cookies to make sure the site can function. We, and our 96 [partners](#), also use optional cookies and similar technologies for advertising, personalisation of content, usage analysis, and social media.

By accepting optional cookies, you consent to allowing us and our partners to store and access personal data on your device, such as browsing behaviour and unique identifiers. Some third parties are outside of the European Economic Area, with varying standards of data protection. See our [privacy policy](#) for more information on the use of your personal data. Your consent choices apply to springer.com and applicable subdomains.

You can find further information, and change your preferences via 'Manage preferences'. You can also change your preferences or withdraw consent at any time via 'Your privacy choices', found in the footer of every page.

We use cookies and similar technologies for the following purposes:

Store and/or access information on a device

Personalised advertising and content, advertising and content measurement, audience research and services development

[Accept all cookies](#)

[Reject optional cookies](#)

[Manage preferences](#)