



**SDI Review Form 1.6**

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| Journal Name:            | <a href="#">British Journal of Economics, Management &amp; Trade</a> |
| Manuscript Number:       | 2013_BJEMT_6167                                                      |
| Title of the Manuscript: | MEASURE AND DETERMINANTS OF BANKS' TRANSPARENCY IN EMERGING MARKETS  |
| Type of the Article      | Research Paper                                                       |

**General guideline for Peer Review process:**

This journal's peer review policy states that **NO** manuscript should be rejected only on the basis of '**lack of Novelty**', provided the manuscript is scientifically robust and technically sound.

To know the complete guideline for Peer Review process, reviewers are requested to visit this link:

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**PART 1: Review Comments**

|  | <b>Reviewer's comment</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <b>Author's comment</b> <i>(if agreed with reviewer, correct the manuscript and highlight that part in the manuscript. It is mandatory that authors should write his/her feedback here)</i>                                                                                                                                                   |
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|  | <p>As I read the paper further, I also discovered that the paper is to a large extent a brief of a paper published in 2011:</p> <p>BEN DOUISSA I., 2011, Measuring banking transparency in compliance with Basel II requirements, <i>Current Issues of Business and Law</i>, vol. 6, n 1, pp.90-110.</p> <p><u>Unless who submitted this manuscript is Mr. Ben Douissa himself we have major plagiarism</u></p> <p>If it is submitted by him, then we have a problem of originality as the paper has already been published.</p> <p><u>But if you still decide to accept the paper:</u></p> <p>the author(s) need to completely redo the whole introduction which is full of improper quotations....! The paper includes exact quotations from other papers without proper referencing or quoting!!!! Examples are given in the next section.</p> <p>I suggest that the author should add more recent papers on the issue (see Optional/General comments)</p> <p>A number of references need sources (examples included in Minor Revisions sections)</p> <p>The conclusion states that “We can explain these differences by several</p> | <p>1.The co author is Ben douissa. The first draft of paper contains 2 parts, one for the measure of transparency and the second for determinants.</p> <p>In the second version of this paper, we have cancelled the first part and summarized it in a few lines</p> <p>2. the new version of paper contains many new references</p> <p>-</p> |



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|  | <p>factors, such as micro, macroeconomic, cultural and political factors.” It would be useful and informative to highlight these factors for policy considerations.</p> <p>The paper concludes that a number of explanatory variables explain variations in the dependent variable. Statistical correlation alone between two variables is not of great significance if not supported by some sort of theoretical foundation. I suggest that the author(s) make an attempt to include such theoretical frameworks.</p> <p>The model used in the paper could have been more robust and could have offered more reliable conclusions had it addressed some limitations, an issue which has been admitted by the paper. In particular, inclusion of market structure in the explanatory variables may have altered the conclusions. In addition, a longer time series also could make the model more robust statistically.</p> | <p>I have difficulty to obtain data for a large period. For some variables, we have included theoretical frameworks.</p> |
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| <b><u>Compulsory</u></b> REVISION comments | <p>The author used exact quotes from other articles without making reference!!!!</p> <p>Examples:</p> <p>On page 2. Allenspach (2009) analyzes the impact of transparency on welfare when banks are not able to control their risk exposure. She shows that increasing transparency over the level chosen by the bank decreases welfare since it may lead to the inefficient liquidation of the bank.</p> <p>This exact quote is from an article by C. Siritto<br/><a href="https://files.nyu.edu/cps272/public/Papers/ParlatoreSiritto_Transparency2012.pdf">https://files.nyu.edu/cps272/public/Papers/ParlatoreSiritto_Transparency2012.pdf</a></p> <p>On page 2, the statement “<u>It can increase fundamental value and reduce overall funding costs by facilitating screening and monitoring (Boot and Schmeits, 2000, Flannery, 2001)</u>” is an exact phrase from Lev Ratnovski’s article 2007 but Ratnovski is not mentioned.</p> <p>On page 2 the statement “the measures that enhance transparency reduce the likelihood of major bank problems, increase financial stability or at least limit the accumulation of bad debts.” is from the paper of Giannetti (2007) but no reference is made to Giannetti here.</p> <p>Another example also on page 2. Another statement reads Other empirical studies have demonstrated that high-quality disclosures improve a firm’s market liquidity (Welker, 1995) and reduce its cost of capital (Botosan, 1997).</p> | References are added |
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|  | <p>This statement is identical to a statement from the article by Chipalkatti but in this context Chipalkatti is not quoted.</p> <p><u>There might be more of this but I could not check the whole paper .....</u></p> <p>Page 1. “Basel Committee on Banking Provision” should read Basel Committee on Banking <b>Supervision</b></p> <p>Page 2. “The pillar three” should read ‘Pillar three’</p> <p>Page 2. Nier (2005) concludes<u>s</u></p> <p>Page 2. The <u>exposit</u> beneficial effects ?? rephrase you mean ex post NOT <b>exposit</b></p> <p>Page 2. a set of disclosure recommendations<u>s</u></p> | <p>We have made all corrections</p> |
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|------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------|
| <p><b><u>Minor</u></b> REVISION comments</p>   | <p><b><u>REFERENCES</u></b></p> <p>ALEXANDRE H., BOUAISS K., REFAIT-ALEXANDRE C.,<br/>Complete reference needed</p> <p>HAMROUNI A. AND LAKHAL F.,<br/>Complete reference needed (book or a chapter in a book,<br/>publisher?)</p> <p>JEFFREY NG. AND RUSTICUS P.,<br/>Complete reference needed</p> <p>KALFAOGLU F. AND SARRIS<br/>Complete reference needed</p> <p>ALEXANDRE H., BOUAISS K., REFAIT-ALEXANDRE C., 2010, Will bank<br/>transparency really help<br/>financial markets and regulators, <i>Working paper</i>, n° 2010-07.</p>                                                                                                      | <p>References are<br/>completed in the new<br/>version</p> |
| <p><b><u>Optional/General</u></b> comments</p> | <p><b><u>Literature review</u></b></p> <p>The literature review can be more comprehensive by using recent articles on this<br/>issue. Examples</p> <p>Transparency and Bank Runs, by Cecilia Parlatore Siritto,<br/>Department of Economics, New York University.<br/>May 6, 2013</p> <p>Liquidity and Transparency in Bank Risk Management<br/>Lev Ratnovski, IMF WP/13/16, 2013</p> <p>Follow-up review of banks' transparency in their 2011 Pillar 3 reports. 12 October<br/>2012<br/><a href="http://www.bloomberg.com/news/2013-06-16/central-banks-failure-to-">http://www.bloomberg.com/news/2013-06-16/central-banks-failure-to-</a></p> | <p>We have add these<br/>references in the paper</p>       |



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|  | <p><a href="#">communicate-boosts-bond-yields.html</a></p> <p>Flannery, M.J., S.H.Kwan, M. Nimalendran, 2010, "The 2007-09 Financial Crisis and Bank Opaqueness," FRB of San Francisco Working Paper 2010-27.</p> <p>Did FAS 166 and FAS 167 Improve The Transparency of Securitizing Banks? Stern School of Business<br/>New York University 2013<br/><a href="https://zicklin.baruch.cuny.edu/faculty/accountancy/events-research-workshops/Downloads/sedaozpaper.pdf">https://zicklin.baruch.cuny.edu/faculty/accountancy/events-research-workshops/Downloads/sedaozpaper.pdf</a></p> <p>Corporate Governance In Banks: Problems And Remedies<br/>Monika Marcinkowska, 2012<br/><a href="https://is.muni.cz/do/econ/soubory/aktivita/fai/33967799/FAI_issue2012_02_Marcinkowska.pdf">https://is.muni.cz/do/econ/soubory/aktivita/fai/33967799/FAI_issue2012_02_Marcinkowska.pdf</a></p> |  |
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