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**SETTING THE ASYMMETRY ELECTION OF THE REGIONAL HEAD AS AN  
ALTERNATIVE FOR REALIZATION OF DEMOCRACY  
(CASE STUDY OF PANCASILA DEMOCRACY IN REPUBLIC  
OF INDONESIA)**

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**ABSTRACT**

*The mandate of the 1945 Constitution for the democratic local elections (Pilkada) in Indonesia should be interpreted not only on the direct or indirect election as long as it has been implemented since the beginning of the reform era to the present. Sociologically both models have practiced and the results have not been able to produce credible and accountable local leaders even the impact of the implementation actually bring such practices such as, money politics at both the elite and society and horizontal conflicts that are very harmful to the integrity of the Republic of Indonesia. This is due to the law which was built to regulate the election based on monolithic form in which the models are applied to the whole of Indonesia. Therefore, the next election law should be built to realize democracy at the local level is the law that is based on the values of the original Indonesian life by observing the complexity and heterogeneity of Indonesian society, cultural, social, economic, educational level and safety. This study is based on doctrinal law with approach to historical, legislation, conceptual, and comparison. Analysis of the findings of this study are descriptive prescriptive not just describe but is able to provide alternative models that can realize the election in accordance with the conditions of life of Indonesian democracy. To support the analysis, the concept of responsive law, legislation and the concept of electoral systems. The results of this study indicate that setting of the election through the legal order that is responsive with comprising asymmetry election material, able to cope with the demands of justice for a democratic society because of the diversity of cultural patterns, social, economic, educational level and safety conditions as well as the geographical condition of Indonesia. So that the readiness of each region to implement certain election models can be adapted to local conditions themselves but continue to rely on legal arrangements have been agreed.*

Keywords: responsive law, asymmetry election, pluralistic society

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## THE RELATIONSHIP BETWEEN INTELLECTUAL CAPITAL AND FIRMS' PERFORMANCE IN THE TRADING AND SERVICES SECTOR IN MALAYSIA

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### ABSTRACT

*The purpose of this study is to determine the relationship between intellectual capital and the firm's performance of trading and services sector in Malaysia. This sector was chosen for the study since it becomes one of the important sectors that drive the Malaysian economy. A total of 120 firms were used as the sample. This study used the secondary data that were extracted from the annual reports of the firms for years 2012 and 2013. The efficiency of the intellectual capital components were calculated using the Pulic's Value Added Intellectual Capital (VAIC) method; while the firm performance was measured based on its profitability value. This study employed the Spearman correlation in order to find the correlation between intellectual capital component efficiency and firm performance. Meanwhile, Paired Sample T-test was used to test the significance difference between the two years. The results showed a mix relationship between the independent and dependent variables. In 2012, Human Capital Efficiency (HCE), Capital Employed Efficiency (CEE), and VAIC efficiency showed a positive significant relationship with the performance. However, Structural Capital Efficiency (SCE) indicated no relationship with the firm performance. In 2013, HCE and CEE showed a positive significant relationship with the firm performance; while SCE indicated a negative relationship. However, the VAIC efficiency showed no significant relationship. The findings from this study could be useful for the management of the firms, investors or other stakeholders in managing the intellectual capital. It also will add to the literature on the intellectual capital in Malaysia.*

**Keywords:** Intellectual capital, Malaysia, Trading and Services Sector, VAIC

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## THE EFFECTS OF LEADERSHIP QUALITY ON PUBLIC EXPENDITURE MANAGEMENT: EVIDENCE FROM LAGOS STATE TREASURY UNDER AKINWUNMI AMBODE AS ACCOUNTANT GENERAL

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### ABSTRACT

*It is a truism that public expenditure management (PEM) dictates the performance of a nation's or state's economy and the welfare of its citizens. This study aims to explore in greater details the potentials of quality leadership on public expenditure management, towards a better life for the citizenry. It specifically examines the effects of leadership quality on public expenditure management outcomes using the six-year tenure of Akinwunmi Ambode as the Accountant General (AG) of Lagos State as the focal point. Secondary data for this study was extracted from all audited published financial accounts of the State for the period 2006 to 2012. It was supplemented with primary data from ten top practicing accountants whose work interfaces with that of AG. Data obtained from the field were analyzed using Karl Pearson coefficient of correlation method of analysis and descriptive statistics. Study findings show a positive relationship between leadership quality and growth of the revenue and increase in the welfare of Lagos State Citizens during the period investigated. Further, the study highlighted essential leadership qualities. Conceptual ability, fairness, justice, listening skills, problem solving competencies, teaming skills, among others, are the ingredients that a public officer requires to accomplish public sector assignments. This study recommends that. Citizens are made to appreciate the effects of the quality of leadership on their welfare through effective welfare programmes that will touch the lives of more vulnerable members of the society such as job creation. Also, Citizens welfare are better protected through good public expenditure management strategy, which takes into cognizance the values and need of citizens*

Key words: Accountant General, Citizens' welfare, Lagos State, Leadership quality, Public Expenditure Management

### Introduction

There is little controversy in the literature about the critical and catalytic role of public expenditure management (PEM) to a nation's economic development. Aggregate public expenditure provides the demand pull which stimulates the production of goods and services and by extension, a nation's gross national product (GNP). Again, government, at all levels leverages on the instrumentality of public expenditure as a fulcrum to provide essential public goods and services to its citizenry and a tool to moderate the tempo and direction of economic activity. It is, therefore, axiomatic, to posit that the economic activity and welfare of any nation depends largely on how it manages its public expenditure.

There is also consensus among development experts that PEM accountability challenges are the bane of most developing countries in general and Nigeria in particular (Babatunde, 2013; Achua, 2011; Dandago, 2007). This explains why Nigeria as the largest economy in Africa, with an average growth rate of 6% in the last ten years still records over 20% unemployment rate for the same period ([http:// www.tradingeconomics.com](http://www.tradingeconomics.com)).