

## FROM THE EDITOR

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In December 2001, mere months after the terrorist attacks on the United States, former U.S. President Bill Clinton talked about “the struggle for the soul of the 21<sup>st</sup> century.” He laid out four important issues that will define the shape and the soul of this new century:

First we have to win the fight we’re in, in Afghanistan and against these terrorist networks that threaten us today. Second, we in the wealthy countries have to spread the benefits of the twenty first century world and reduce the risks so we can make more partners and fewer terrorists in the future. Third, the poor countries themselves must make some internal changes so that progress for their own people becomes more possible. And finally, all of us will have to develop a truly global consciousness about what our responsibilities to each other are and what our relationships are to be.

Clearly, President Clinton sought to involve everybody in the effort to face the new dynamic of the world, one that is becoming more integrated. Nine years into this new century, it is important to ponder not only on the four issues that Clinton laid out, but the other matters that face practitioners in every discipline as well. The fields of business and economics are no exception and this edition of our journal seeks to reflect on these questions.

The contribution of Rachel Reyes (*Input-Output Analysis of the Key Sectors in Philippine Carbon Dioxide Emissions from a Production Perspective*) reflects on the effect of industry on the environment by using the tried-and-true method of input-output analysis to identify the key sectors whose value-added growth have been responsible for the increase in carbon dioxide emissions.

The contributions of Mc Reynald Banderlipe II (*The Impact of Selected Corporate Governance Variables in Mitigating Earnings Management in the Philippines*) and of Divina Edralin (*Perceived Organizational Effectiveness of Labor Unions in the Banking, Hotel, and Manufacturing Industries*) reflect on the increasing importance of accountability of leadership from the point of view of both management and labor. Banderlipe considers the increasing importance of corporate governance, specifically by explaining the role of selected governance variables related to a company’s board of directors in mitigating earnings management. On the other hand, Edralin determines the effectiveness of labor unions in terms of the organization’s context and structure factors. Meanwhile, the contribution of Emmanuel Sales (*Law Making in the Guise of Procedures: Placing Hurdles to the Right of Appeal to the National Labor Relations Commission*) reflects on the shifting legal dynamic in the area of labor relations.

The contribution of Ernesto Bumatay (*Towards an Innovation Model in Teaching Management*) reflects on the evolving nature of management teaching by proposing an innovation called Learning-Activity-Based Experience Model (LAB-E Model). Similarly, the

contributions of Edgardo Bolinao (*Innovation Process and Performance in Small- to Medium-Sized Firms: A Conceptual Framework*) and Raymund Habaradas (*What is “The Learning Filipino Firm”?*) reflect on frameworks for innovation for different types of business organizations.

The authors of the articles in this edition of the *DLSU Business & Economics Review* aim to highlight contemporary issues in the fields of business and economics. As this decade nears its conclusion, it is vital to respond to the changing nature of the world with a sense of accountability and innovativeness.

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Managing Editor