

# Abstract

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## **Egypt, globalization and ABC: a cause of concern**

Participation in international trade has become one of the key factors in the growth and prosperity of countries. This is true not only in the case of major trading nations, but also, perhaps even more so, with respect to developing countries and economies in transition. The ability of a manufacturing company to compete effectively in the global market is determined to a large extent by the cost and quality of its products. The ABC system has recently attracted much attention and was considered to provide better information about cost patterns and the relationship between overhead costs and the activities that drive them. ABC adoption rate has been increasing recently specially in the USA and Western Europe, this might be justified by the ability of ABC to provide critical information for decision making, such as product pricing, investment on product engineering and improving product mix for which accurate cost information is crucial. But the adoption rate of ABC in developing countries is not really clear in the literature, especially in the Middle East.