Review of: "Beyond the Barriers: Institutional Strength as a Shield in Curbing Earnings Manipulation"

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This article analyses a topical issue: the impact of corporate governance on earnings management. In particular, the authors investigate the role of institutional frameworks, namely minority investors, legal enforcement, the quality of accounting disclosure, and the number of analysts following. Furthermore, the authors investigate the role of the societal environment. The structure of the article is chosen correctly, and it exhibits a logical sequence of concern. However, I have a few recommendations about the article.

i. It is not clear how some independent variables are calculated/obtained, such as the disclosure index, legal enforcement, and social trust. Authors should indicate in a more detailed manner, namely the formula they applied for each variable. Furthermore, the authors presented in Table 9 a summary of variable descriptions that are not mentioned in the text.

ii. Considering Table 2, it is expected that some potential econometric issues may arise given the strong correlation between the independent variables of Societal Trust and Minority Interests, Societal Trust and Legal Enforcement. Therefore, authors are recommended to additionally carry out the variance inflation factor.

iii. In the text, Table 4 should be Table 3, and the numbers of the following tables should be adjusted, both in tables and in the text. In the denominated Table 4, the sign of the coefficient of Societal Trust is opposite to H5; then, authors are supposed to give a potential economic reason. In addition, I suggest removing from the legend * and ** in the legend of Table 6 ** because they are not documented in these tables.

iv. The denominated Table 5 is duplicated with the denominated Table 4. Remove one of these tables.

v. In the denominated Table 6, panel B, authors should indicate the instruments and the corresponding estimation method when using 2SLS, namely the instrumental variables applied. The quality of the adjustment in 2SLS is not given by R^2 adjusted, but by the Sargan test (X^2) and autocorrelation tests if the authors use the lagged independent variables as instrumental variables.

vi. The first sentence of the "Summary" is not consistent with the research developed in this article, given that it is not related to "the reduction of exchange rate volatility." Authors must change this sentence.