

# Globalization and International Accounting Research: an agenda for the future

**Armond Manassian**

*Assistant Professor*

*American University of Beirut – Olayan School of Business [am47@aub.edu.lb]*

*Endereço do autor: Bliss Street P.O. Box: 11-0236 – Beirut, Lebanon*

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## **ABSTRACT**

The study of international accounting is increasing in importance because of its ramifications upon business practices world-wide. International accounting is inextricably linked to the globalization movement that is sweeping all economies. Indeed, the availability of accounting information constitutes an integral and indispensable input to the existence and acceleration of this movement. This paper provides a step toward the examination of such beliefs and their impact on international accounting through a historical investigation of the academic literature in this field as exemplified by two journals: *Advances in International Accounting* and the *International Journal of Accounting Education and Research*. The wider project involved a hermeneutic interpretation of documents in an attempt to analyze trends in international accounting research appearing in academic accounting journals from 1987 to 1996 through the lens of postcolonialism. However, due to space constraints this paper focuses on the predominance and the championing of the globalization theme in this literature and its impact on research. This section of the paper provides a description of the methods employed in selecting the journals, the relevant time period, the articles constituting the data set, and the procedure followed in constructing the qualitative themes.

## **Key-words:**

International accounting. Globalization. Postcolonialism.

## **RESUMO**

O estudo da Contabilidade Internacional cresce em importância em razão de suas ramificações mundiais nas práticas dos negócios. A Contabilidade Internacional está inexoravelmente ligada ao movimento de globalização que atinge todas as economias. Na verdade, a disponibilidade de informação contábil constitui um dado integral e indispensável para a existência e aceleração desse movimento. Este artigo fornece um passo em direção à análise de tais crenças e seu impacto na Contabilidade Internacional através da investigação histórica da literatura acadêmica nessa área, como exemplificado por dois periódicos: *Advances in International Accounting* e *Journal of Accounting Education and Research*. O projeto inteiro envolveu a interpretação hermenêutica dos documentos em uma tentativa de analisar as tendências na pesquisa da Contabilidade Internacional presentes em periódicos científicos de contabilidade no período de 1987 e 1996 através da lente do pós-colonialismo. Entretanto, em virtude da restrição de espaço, esse artigo concentra-se na predominância e na liderança do

tema globalização nessa literatura e no seu impacto na pesquisa. Essa parte do artigo fornece a descrição dos métodos empregados na seleção dos periódicos, o período de tempo relevante, os artigos que constituíram o conjunto de dados e os procedimentos seguidos na construção dos temas qualitativos.

**Palavras-chave:**

Contabilidade internacional. Globalização. Pós-colonialismo.

**RESUMEN**

El estudio de la Contabilidad Internacional crece en importancia en razón de sus ramificaciones mundiales en la práctica de los negocios. La Contabilidad Internacional está inexorablemente unida al movimiento de globalización que afecta a todas las economías. En realidad la disponibilidad de información contable constituye un dato integral e indispensable para la existencia y aceleración de este movimiento. Este artículo proporciona un avance en dirección al análisis de estas convicciones y de su impacto en la Contabilidad Internacional por medio de la investigación histórica de la literatura académica en esa área, como lo demuestran dos periódicos: *Advances in International Accounting* y *Journal of Accounting Education and Research*. El proyecto completo comprendió la interpretación hermenéutica de los documentos en una tentativa de analizar las tendencias en la investigación de la Contabilidad Internacional presentes en periódicos científicos de contabilidad en el período de 1987 y 1996 a través de la lente del postcolonialismo. No obstante, en virtud de la restricción de espacio, ese artículo se concentra en la predominancia y en el liderazgo del tema globalización en esa literatura y su impacto en la investigación. Esa parte del artículo suministra la descripción de los métodos utilizados en la selección de los periódicos, en el período de tiempo relevante, en los artículos que constituyeron el conjunto de datos y en los procedimientos seguidos para construir los temas cualitativos.

**Palabras-clave:**

Contabilidad internacional. Globalización. Postcolonialismo.

**1 JOURNALS**

Feasibility concerns necessitated the selection of the two most prestigious international accounting journals. The journals that I considered as possibilities were those that had the word “international” in their titles accompanied by an accounting related word such as “accounting,” “auditing,” “taxation,” etc. Using these criteria and the journals identified in the Brown and Heufner (1994) opinion survey, I selected two journals: *International Journal of Accounting Education and Research* (U.S.), and *Advances in International Accounting* (U.S.). From the journals that were considered to be “international” these two received the highest rating for perceived quality in the Brown and Heufner (1994) survey.

**2 EVENTS**

The approach taken in this research effort was to select two endpoints and analyze all the intermediate points inclusive of the endpoints. No attempt was made to periodize the data. The goal was to examine ten volumes of each journal. This indicated a selection of the years 1987 and 1997 as endpoints.

The choice of 1987 as a starting point was deemed appropriate for a number of reasons. To begin with, this is the year when the first volume of the journal *Advances in International Accounting* was published. Furthermore, Levitt’s global theory, asserting that consumers and products were becoming increasingly identical all over the world leading to the globalization of financial markets and all business transactions, first appeared in a 1983 *Harvard Business Review* article (LEVITT, 1983). This article lent great impetus to the globalization discourse (WALLE, 1992). It is reasonable to assume that there would be a few years of lag time for the academic literature in accounting to truly pick up the “international”

momentum in espousing the globalization paradigm.

Another reason for the selection of 1987 is that the IASB<sup>1</sup> initiated an accounting standard Comparability project in this year. In the same year the International Organization of Securities Commissions (IOSCO) joined the IASB's Consultative Group in supporting the Comparability project. Coincidentally, this is the same year in which the first IASB bound volume of international accounting standards was published (IASB, 2007).

Accreditation requirements exert a great deal of influence upon the curricula, student diversity, and faculty composition at any particular university. The AACSB set up workshops for internationalizing the accounting curriculum in 1978. There would also be a time lag (approximately ten years to 1987) before doctoral students graduating from these newly "internationalized" programs would begin to publish research in international accounting.

### 3 ARTICLES

I considered two possibilities as viable alternatives for the selection of the articles for the study. The first possibility was to analyze all the articles appearing in the journals during the specified time frame. The second alternative was to use citation analysis of the journals selected to narrow down the number of articles analyzed. One possibility would be to choose those which are considered "classics" (papers cited four or more times per year since year of publication), and "near classics" (papers cited three times per year since year of publication) (BROWN, 1996, p. 723). I finally decided to review all the articles appearing in the journals under examination to achieve a greater depth of analysis.

In determining the international qualifications of an article I conducted a first round of elimination using a procedure introduced by Lukka and Kasanen (1996, p. 760). These authors analyzed empirical accounting research in their study. An article was

considered local if the author was employed at an institution within the country in which the journal was published and used local (country of publication) data. On the other hand, if the author was not employed at an institution within the country of publication and used foreign (not from country of publication) data then the article was considered to be foreign or have global impact. The two journals that were examined in this research program are published in the United States. Therefore, I eliminated articles written at educational institutions in the U.S. using only U.S. data with no international impact.

I augmented this round of elimination by other criteria denoting "international" relevance. Gray (1985, 1989) provides the following definition of international accounting: The research must relate to 1) the comparison of accounting across countries, 2) an issue relevant to international business operations or investment, including portfolio investment, or 3) standardization or harmonization of accounting systems internationally, both internally and externally. Accounting research is not international just because it is conducted in another country. When such research is extended to consider the comparative dimension and the international issues arising, it becomes international. To determine the international implications of an article I placed emphasis on locating the names of particular countries or specific geographic regions as well as scanning for the words "global," "national," or other derivatives such as "international," "transnational," or "multinational". These methods are consistent with those adopted by similar studies (INKPEN; BEAMISH, 1994; PRATHER; RUESCHHOFF, 1996).

I narrowed down the group of articles that was deemed to have international implication further based on the theoretical lens (postcolonialism) used in the study and the main question of how "otherness" is constructed in the literature. I limited the articles under examination to those characterizing relationships between the center (economically advanced countries) and the periphery (developing countries); however, other research criteria are possible. The results of the

qualitative analysis conducted through the lens of postcolonialism are not discussed in this paper.

The ten volumes of the journal *Advances in International Accounting* contained a total of 145 articles. Out of this total 37 were eliminated resulting in 108 that constituted the pertinent data set. This group of articles represented approximately 75% of the total. The ten volumes of the *International Journal of Accounting Education and Research* contained a total of 215 articles. Out of this total 65 were eliminated resulting in 150 that constituted the pertinent data set. This group represented approximately 70% of the total. Combining the numerical data regarding both journals provides a similar aggregate picture. The ten volumes of the two journals examined contained a total of 360 articles. After the two rounds of elimination 258 articles were selected as possessing the desired characteristics for the objectives of the research. This number represented approximately 71.7% of the total possible.

#### 4 GLOBALIZATION DISCOURSE

The term “globalization” seems to have acquired increased usage in the vocabularies of a great variety of individuals representing the media, academia, and the business world. According to Spich (1995, p. 7),

Globalization is a conceptualization of the international political economy, which suggests and believes essentially that all economic activity, whether local, regional or national, must be conducted within a perspective and attitude that constantly is global and world-wide in its scope.... Preparing for the global world is the constant message suggesting that local and immediate actions are subject to and secondary to higher and grander economic processes which occur on a global scale (SPICH, 1995, p. 7).

A cursory examination of this definition may not indicate anything that is strikingly new or recent. For many years debates have raged between those who believe that products and

services should be standardized for all inhabitants of this planet and those who believe business should always adopt a local perspective in meetings needs. However, the prevalence of the globalization message and the frequency with which it is voiced in various institutional settings seems to have increased in recent times. In the 1990s we experienced a predominance of the standardized global model (WALLE, 1992, p. 35). Most globalization discourses attempt to provide some explanation of the transformations sweeping our present age; however, some venture beyond description and depict these changes as necessary and ideal (PAOLINI, 1997, p. 35). The popular message is that this is the direction in which every country and society should be heading.

How has the discourse of globalization attained such widespread proliferation? Steingard and Fitzgibbons (1996, p. 30) identify the industrialized Western countries such as Germany, the United Kingdom, France, the United States, and Japan as the powerful proponents behind the global movement. The United States is considered to be the most visible and powerful member of this group. The impetus for this movement stems from the fact that these countries have faced the limits of economic growth within their local boundaries. The saturation of local markets has necessitated a continual search for new customers who can be exploited in an attempt to preserve and maintain economic growth in industrialized countries. Within this atmosphere the globalization discourse has been favorably received due to the following two factors: 1) expansion of free markets, and 2) allegiance of academic and business communities (STEINGARD; FITZGIBBONS, 1996, p. 31).

The first one is the continuous expansion of the free market system, which has historical roots. The industrialized countries have encountered conditions back home, which have led Western firms to look elsewhere for new sources of labor and new markets for their products and services. This search has become increasingly vital for their survival due to declining population growths in home economies and high degrees of market

saturation in various industries. The free flow of capital across national boundaries has allowed a continuous fuelling of this engine of search.

The second factor instrumental in the popularization of the globalization message is the willingness exhibited by the academic and business communities to jump on the bandwagon. Management of the global-capitalistic system occupies center stage in the development of curricula in American/Western management schools. The business community has played a rather significant role in reinforcing this development. This influence is felt through the substantial funds contributed toward research grants and consulting opportunities within various universities. Unfortunately, this apparently wholehearted assimilation of the globalization paradigm has not been met with a corresponding level of critical evaluation that is expected of institutions of higher learning. Steingard and Fitzgibbons (1995, p. 43) emphasize the importance of this lack of reflexivity about globalization in contemporary teaching materials.

In tracing the roots of globalization theory one can realize a strong adherence to a theory of unilateral cultural evolution (WALLE, 1992, p. 37). This theory as embraced in the late nineteenth century and onwards asserts that all societies develop through distinctive stages that are common and inevitable in achieving “progress”. Technology not only provides the driving force for this evolution but also acts as a measure of success. Such a conceptualization of the world and the historical development of societies would place the Western cultures at the pinnacle of the hierarchy with the natural purpose or right to remake the rest of the world in their image. This form of “Social Darwinism” is predicated upon a fundamental set of ideas combining notions of progress, competition, and selection and survival (Spich, 1995, p. 15). The globalization discourse has not attempted to make these value systems transparent and open to scrutiny. The assumptions underlying these processes are left unchallenged.

By assuming that world wide cultural homogeneity will occur and is ultimately inevitable,

unilateral cultural evolution theories provided fertile grounds for colonization to be regarded as a humanitarian act aimed at underdeveloped regions in that it would accelerate their progress. Although this type of Social Darwinism and its legitimization of colonialism had been abandoned as a mistake, in the last few decades, anthropologists have again argued that technological progress is the main force that drives social change on a universal basis. The global orientation of international business today is a reflection of this resurgence (WALLE, 1992, p. 38), and serves to legitimate a new form of colonialism – corporate colonialism (APPADURAI, 1997, p. 31).

The central role that technology occupies is in the globalization discourse is highlighted in the following quotation:

In *The Medium is the Message*, McLuhan and Fiore (1967) posited the emergence of a global village as a result of the development and integration of electronic technologies. Others, both within and outside the information technology community, have taken up this theme repeatedly over the past few decades as information and communication technologies have become increasingly sophisticated and increasingly available. The theme has become quite attractive to the business community. These technologies, the argument goes, will help us overcome the information “towers of Babel” which have sprung up in the business sector. More importantly, they will enable us to usher in the “age of people power” and the “age of spreading knowledge” to arrive at a “borderless world” of “global citizenship” (GREEN; RUHLER, 1995, p. 55).

Numerous other authors emphasize the importance of technology as the driving force behind globalization or as an equal force working hand in hand with globalization. In *Globalization, Technology, and Competition* (BRADLEY; HAUSMAN; NOLAN, 1993, p. 3) the authors declare that these two forces are the most significant drivers of strategic change in the corporate world today with ever increasing implications for the future of organizations. Information technology and communication systems are of particular

importance in bringing about this united world that is envisioned for the future. The common information space that will be brought about will allow us to think of the world as one allowing for a greater number of individuals to be involved in decision-making policy regarding the affairs of this one world (CLEVELAND, 1985). Peter Senge (1990, p. 69) envisions a world of greater interdependence and accelerated change resulting from the overwhelming amount of information that will be available to a greater number of individuals. The need to think of the whole world as one unit is brought about through practice of systems thinking or what the author refers to as the “fifth discipline”. Thus we are finding ourselves in a situation of transition from an “Industrial Economy” to an “Information Economy” in which technology (particularly information technology) and globalization seem to be in a mutually reinforcing cause-and-effect circle (BRADLEY; HAUSMAN; NOLAN, 1992, p. 4). Advances in information technology enable attempts to globalize. Research in information technology in turn is driven by the felt need to globalize.

It is in this process of tying together successful globalization efforts and use of advances in information technology that accounting enters the picture. Indeed, a great portion of the information that businesses need to think and operate globally is of an accounting nature. The integration of financial markets on a world-wide basis is a driving force that pulls accounting into the globalization discourse. The question often asked is, “Can accounting remain a local practice despite the globalization of markets?” Ohmae (1990, p. 215), for example, envisions the prosperity that is to be achieved in the future stemming from technological breakthroughs in the communication industry and financial deregulation of industrial economies. This development in turn raises the need for comparable measurements of financial statements (GOTTLIEB, 1996, p. 36). The following quotation provides a clear description of how the concepts of globalization, information technology, and financial deregulation are believed to be inter-linked.

The integration of world capital markets (service institutions) through electronic communications (service technologies) has forced almost all manufacturers into some form of globalization, much greater disaggregation, and major shift in sourcing strategies (QUINN, 1992, p. 228).

The concept of “international accounting” comes into existence as a result of this connection of accounting to the information technology that is driving and being driven by the globalization discourse. Choi and Mueller (1992, p. 1) state that accounting is a practice that is not inherently international but is beginning to build international dimensions. Among the many environmental factors which are considered instrumental in leading to the internationalization of the field, they list global thinking, economic vulnerability of the US, and global capital markets, multinational corporations (MNCs), non-comparable earnings and ratios, and the need for international standards. It is easy to recognize many of these factors as instrumental in developing the following argument: advances in information technology have fostered the globalization of business and the internationalization of accounting.

The saturation of local markets within the economies of the industrialized countries and particularly that of the U.S. provided impetus for global thinking. This “global” conceptualization of managerial decision-making was and continues to be facilitated to a great extent by advances in information technology. Accounting data comprise a substantial and integral part of the total package that provides structure to information technology networks used by multinational corporations. Many articles in practitioner journals of accounting illustrate this tight relationship between the internationalization of accounting and the globalization of business. Hatherly (1997, p. 66) identifies two styles of managerial control in attempting to shed light on the debate of whether accounting is global or local. The first style of control, which, the author calls mechanistic accountability, treats accounts as an input to a global database of performance information.

Accounting standards provide the technically specified interface through which the company 'plugs into' this database and downloads information in universally readable form (HATHERLY, 1997, p. 66).

In line with this form of control, Gottlieb (1996, p. 38) outlines the costs of international disharmony in accounting standards by pointing out that decision-making in an increasingly global business environment is not facilitated. Through such reasoning the international accounting discourse becomes tightly situated within the globalization discourse. In contrast, the second style of control, which may be called organic, embodies a more conceptualized view of accounting. It treats accounting as an identity development process for the company in relation to its internal and external environments.

One must take into consideration the fact that the globalization discourse has not progressed without a fair amount of criticism. Walle (1992, p. 37) presents evidence of the persistence of cultural and regional diversity even within societies that are considered to be melting pots. He further criticizes the globalization paradigm for not being able to deal with ideology and social structure (p. 38). Steingard and Fitzgibbons (1996, pp. 32-45) identify four myths of globalization through a process of deconstruction. These are the following:

- a) globalization leads to one healthy world culture;
- b) globalization brings prosperity to person and planet;
- c) the global market spreads naturally;
- d) globalization is value-free.

It is interesting to note the emphasis that these studies (STEINGARD; FITZGIBBONS, 1997; WALLE, 1992) place on language in the construction of such myths. The examination highlights how the globalization discourse tends to privilege some interests at the expense of others through the dichotomizing tendency of language. This usually works to silence some voices. Spich

(1995, p. 7) emphasizes the reductionist tendencies of the globalization discourse in taking complex issues and transforming them into single base cases of the global phenomenon. Spich (1995) goes on to provide guidelines for minimizing the problems created by myth and ideology in the globalization discourse, which Spich (1995, p. 25) appropriately refers to as folklore. In this process Spich (1995) recommends that any advanced discourse can progress in an ideal fashion only if it nurtures a critical intellectual tradition within it to question the developments of concepts and theory.

It is with this recommendation in mind that the current paper proposes an agenda for future research that will constitute part of the critical intellectual tradition for international accounting as an advanced discourse. Although criticisms on a general level of the globalization discourse and the accounting discourse have been the subject of many studies, such treatments have not been extended to international accounting as a unique discourse. In treating the academic literature on international accounting as a discourse new opportunities for research are opened.

The era of Western colonialism has been superseded by a new era of expansionism. Physical forms of domination that affected over two-thirds of the world peoples have given way to more subtle forms of domination and subjugation under the catch-cry of a New World order, one that results from globalization. The tie that binds is economic in nature since it is the globalization of modernity that reaches beyond its Western borders to encompass the rest of the world. What position does the Third World assume in the globalization discourse? It tends to disappear at the edges. Thus, out of necessity the researcher must position himself/herself at the edge in order to capture alternate conceptualizations of the world and rethink the boundaries of globalization and international accounting, which encompass a global perspective. The limits and weaknesses of the globalization discourse, which is primarily directed at understanding the First World, are all the more evident at the margins.

The objective of future research projects should be to relate the “international” in international accounting to modes of thought and contexts that may seem far removed from global politics. It is believed that this endeavor will reveal the selectivity with which the “international” is constructed within this discipline. There is an apparent established commitment to the global within the international accounting discourse, which avoids the complications of other levels of enquiry. In other words, there seems to be a greater interest in issues that are claimed to blanket the entire globe rather than examination of how peoples’ lives are affected locally with changes affecting economic, legal, and social institutions. Thus, the international accounting literature joins hands with other globe-oriented ideologies in attempts to pattern the entire world. A view from above (accounting systems in service of global financial markets) provides guidance in structuring this discipline neglecting views from below (accounting systems in service of local business transactions). It is hoped that future studies will lead to alternative modes of investigation that will allow a look from the inside (how a developing society perceives its accounting needs) rather than the current one from the outside (how the international community perceives the accounting needs of a developing society).

The goals of future studies should extend beyond the immediate impact on the development of international accounting as a field of study to encompass a greater social cause. When discourse is blocked, the very intersubjectivity and sociality of human beings is threatened: co-operation is endangered, belief can no longer be grounded, consent cannot be justified, and attention is distracted. As discourse is denied to participants, they are likely to be rendered dependent, powerless, ignorant, and mystified. It is hoped that researchers will provide an understanding of such trends with the possibility of counteracting the trends.

It is hoped that by unmasking myths in the creation of a reality and revealing the partisan role of international accounting in mediating unequal social relations, the quality of research in the field can be improved.

The research has practical implications as well. Companies operating in the present business environment are faced with rapid technological changes and increasing pressure to globalize in an attempt to stay competitive. Often these initiatives are undertaken with a very narrow perspective, which has profit as the underlying driving force. The social implications of such decisions receive relatively little attention or do not come into the picture at all. It is hoped that future research efforts will allow international accounting scholars to reflect on the instrumentality of this body of literature in furthering such myopic views of the world. By drawing attention to non-profit ramifications of the globalization paradigm the international accounting literature may help managers of companies to think more critically of their decisions to enter new territories. Managers will be led to question what globalization means in different contexts and examine how their global initiatives affect people’s lives in various parts of the world.

Managers’ perceptions of the adequacy and quality of accounting systems as well as the compatibility of cultures encountered abroad may be influenced to a great extent by portrayals in academic literature. This is especially relevant in the context of multinational corporations. The tendency is to assume that local accounting systems are inadequate and the corporation must insist that the accounting employed in any international subsidiary conform to the standards and procedures practiced at corporate headquarters in an economically advanced country. Relatively little thought is directed at finding innovative solutions that allow the subsidiary to incorporate local accounting standards. This tendency is often strengthened by stereotypical descriptions of cultures of other peoples that are often negative and highlight differences and incompatibilities with the home base culture. The results of future endeavors may prove fruitful in providing a means to counter these developments in the international accounting literature, which in turn may encourage managers to espouse a higher degree of multiplicity in evaluating alternatives.



The results of more critical studies may provide guidance to organizations such as the International Accounting Standards Board (IASB) to broaden its perspective and allow more democratic participation in its attempts to harmonize accounting standards globally. The current standards promulgated by the IASB show a high degree of correlation with accounting standards of economically advanced countries. There is a tendency in the international accounting literature to operationalize harmonization as conformity to IASB standards. It is hoped that by highlighting the issues of interest underlying these initiatives future research will encourage international accounting scholars to develop more critical approaches toward the feasibility and desirability of accounting standard harmonization and consider alternative measures of operationalization. Furthermore, it is believed that the results of such research may encourage the IASB to adopt a more democratic stance that will consider multiple accounting sources (particularly those of developing countries) in devising international standards.

## 5 RECOMMENDATIONS

The international accounting literature as exemplified by the two journals examined in this research project is implicated in perpetuating the hegemonic nature of Western discourses. The development of international accounting as an academic field is presented as a history of the West and universalizes the dreams and fears of the West in providing direction to this field of inquiry. The stereotypical strategies employed in the literature have the ultimate discriminatory effect of marginalizing the developing world and maintaining the domination of the advanced countries. The goal of future research projects should be to highlight the discursive process through which this ideological formation takes place, thus, providing an initial site for resistance. The grand objective is to begin a process or change that will culminate in the enrichment of this field. To this end a number of recommendations are

put forward regarding the forces influencing the processes and outcomes of intellectual labor in international accounting. A host of factors bear upon the production of intellectual material as illustrated in this quotation from Rajan (1997, p. 596) in her discussion of the role of Third World academics.

It is my contention that it is not only the large events and overarching conditions—ethnic conflict, center-periphery hierarchies, migrancy, global capital—but also the lesser but more immediate issues—professional rewards and penalties, institutional sites of pressures and permissions, the disciplinary aspects of “theory”—that govern intellectual labor (RAJAN, 1997, p. 596).

The first class of recommendations pertains to the site of the international accounting discourse as examined in this study. Thus, this class of recommendations concerns the “lesser” issues identified in the quotation above and stems from the descriptive background information pertaining to the journals examined in this research program. The hope is that the two journals investigated will exert efforts to internationalize the process through which articles find their way into publication and become part of the knowledge production mechanism. Both journals espouse aims of advancing academic and professional understanding of accounting theory and practice through international perspectives. They claim to encourage a broad view of the origins of accounting theory and its function in a global economy. These descriptions taken from the journals themselves would seem to indicate a broad intended audience, not limited to the West. Yet there are improvements that can be made in the publication process to enhance a truly international perspective and audience.

The first recommendation pertains to the editorial boards of these journals. In both cases the editorial boards are made up exclusively of members from economically advanced nations and heavily dominated by the representation from the United States. Thus, the acceptance of articles and the determination of what subjects and issues have true “international” implication are seen through the eyes of the West (advanced countries).

The contents of the articles and the theoretical frameworks that are considered appropriate for publication would naturally need to conform to characteristics in line with Western expectations of academic literature. If these journals truly aim to reach an international audience they need to take greater initiatives in adopting a truly international screening process. The mixture of cultural backgrounds represented on the editorial board should be as varied as possible. Particular attention should be given to increasing the representation from developing countries. This will be an initial step in assuring a multiplicity of viewpoints in determining what issues are important enough to be brought into the international accounting discourse.

A related aspect of internationalizing the production of academic literature in these two journals is to aggressively pursue a policy, which increases the degree of foreign authorship. As evidenced by the results of this study, a substantial portion of the contributions made to these journals originate in the United States. Furthermore, analysis of the institutional affiliations of the authors reveals that the advanced countries have a heavy hand in structuring this field. Contributions from other countries must be actively sought. Careful consideration should be given to the possibility of accepting submissions in foreign languages, which may then be translated to English.

Co-authorship of articles must be encouraged, especially collaborative efforts between authors from developed and developing countries. A further incentive to increasing the number of collaborative efforts would be to affect the merit system to accord co-authored articles higher status than single-authored articles. Special recognition awards and research grants could be set up for international students studying in Western institutions, as well as students in non-western universities, to conduct research using data from their own (developing) countries. It is reasonable to assume that taking on such initiatives will entail greater financial costs. However, the enrichment of the literature that would come about as a result of such efforts is invaluable. Once again a special attempt should be made to increase

the contributions from developing countries. These initiatives will enhance the possibility of a level playing field where the multiplicity of the cultural forces bearing upon the construction of international accounting will be augmented.

The second group of recommendations concerns the “large” events identified by Rajan (1997, p. 596) and stems from the qualitative analysis conducted in this research program. It is believed that the main contribution of this study has been to encourage greater self-reflectivity in the field of international accounting. As such, the primary recommendation stemming from the analysis is the espousal of a continuous critical evaluation of the developments that structure international accounting as an academic field of inquiry.

It is important to come to the realization that the current state of the international accounting discourse will exert great influence upon the directions this field of discipline may take in the future. The types of statements made and the consensus derived from them will be built upon and passed on to determine the types of statements to be made in the future. The type of work exhibited in the international accounting journals investigated will affect the direction and tone of future research. The weight of such awareness dictates the interventionist stance of this research endeavor in proposing some recommendations.

The international accounting discourse presents the history of accounting as a history of the West. The world is equated with the West (economically advanced countries). The interpretation of the issues affecting the development of accounting thought and practice is a narrow one primarily affected by the fears and aspirations of the West. A prime objective of this research endeavor is to make visible the unseen and thus move the international accounting discourse to another level. Spivak (1994, p. 80-81) suggests that a discourse can be moved to a new level by highlighting material, which previously had no perceived importance. This process can be initiated by a recommendation to decolonize conceptualizations of “globalization” and “modernity” as driving forces in the international accounting discourse.

The universalistic qualities ascribed to the globalization paradigm must be stripped away. This does not mean that the international accounting literature must deny that certain aspects of business transaction are increasingly becoming global in nature. However, investigation of accounting systems in a particular setting must examine what specific aspects of business transactions have taken on global qualities pertinent to the region being examined. In other words, globalization must be contextualized. Any suggestion for change regarding a particular accounting system must incorporate a deep discussion of the manner in which that change will affect people's lives and be in line with the "local" global movements. Thus, the emphasis should be removed from globalization as the driving force behind accounting change. Rather, the social needs of a society should be emphasized as the driving force for accounting change in accommodating local trends exhibiting global characteristics.

A related recommendation pertains to the preaching of modernity as the universal road to prosperity. The international accounting literature examined emphasizes the role of accounting in bringing about economic development. The message put forward is that all societies have the potential of becoming like the Western industrialized societies by following their examples. Accounting is portrayed as a tool in achieving this objective. Since this objective is one that all societies should pursue then the conclusion is that Western industrialized societies must have managed to use this tool (accounting) more effectively. Industrialization as embodied in the conceptualization of modernity must not be regarded as an end in and of itself, but rather as a means to an end. As such, other means must be investigated in bringing about social prosperity. Once again, the alternative means that may be considered viable options should depend on the culture of the region being studied. This treatment will encourage de-emphasizing the West and its path to prosperity as the natural example to follow with regards to accounting.

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#### NOTE

<sup>1</sup> This organization was previously called the IASC (International Accounting Standards Committee). For the sake of consistency, IASB has been used throughout the manuscript.