Index

Abbott, A. 23, 36
Abbott, K. W. 17, 19
accountability deficit 107–10, 169, 179–80
Accountants International Study Group (AISG) 48–9
Accounting Advisory Forum 42
accounting constellation 22–3, 31
accounting for financial instruments see IAS 39
accounting globalization see globalization of accounting
accounting norms, diffusion of 11–16
accounting regulation
comparison of initiatives 55–60
harmonization initiatives 38–54
historical overview 32–3
multinational corporations 45–8
national traditions 33–8
politics
institution building through expertise 176–80
overview 165
political dimensions 172–5
standard setting dynamics 166–72
politics of 7–11
Accounting Regulatory Committee (ARC), EC 77
accounting standardization see international accounting standards; standard setting; standardization
accounting standards boards
Australia/New Zealand (AASB) 53
Canada (AcSB) 53, 134
Germany see Deutsches Rechnungslegungs Standards Committee (DRSC)
UK (ASB) 53, 89, 123
accounting studies 20–23
accounting treatments, alternative 65–6
addressees of reporting information 83–90
AICPA 16, 88
Allen, A. 138
American Institute of Certified Public Accountants (AICPA) 16, 88
Analyst Representative Group (ARG) 161, 162
Ansell, C. K. 25
Argentina 16
Armstrong, C. 78
Arnold, P. J. 13
Arthur Andersen 25, 145, 147, 150, 151
Arthur, W. B. 29, 30
assets, reclassification of 81
associations, professional 36–7, 47, 101, 124, 128, 166, 176
auditing services 37
Australia 15–16, 49, 88, 130, 132, 133
see also Group of Four
Australian Financial Reporting Council 147, 150, 152
Autorité des Marchés Financiers (AMF) 132
Bachrach, P. 28
Baker, C. R. 20
Bank for International Settlements 88, 145, 147, 150, 154
Baratz, M. S. 28
Barbu, E. M. 20
Barth, M. 130, 131, 135, 137
BDO International 174
Belgium 34, 50, 78, 93
Benson, Sir Henry 48–9
Biondi, Y. 11, 22

Sebastian Botzem - 9781781001066
Downloaded from Elgar Online at 05/06/2019 12:42:12AM
via free access
The politics of accounting regulation

Blaufus, K. 68, 71
Bombardier 147, 150, 152
Borgatti, S. P. 140, 144, 145
Boström, M. 24, 28
Botzem, S. 21, 25, 27, 39, 60, 74, 100, 155, 164, 174
Boyer, R. 10, 26, 70, 72
Braithwaite, J. 6, 25, 30, 46, 50, 58
Brazil 15–16, 135–6, 139, 174
Bromwich, M. 70
Brunsson, N. 18
Buijink, W. 13–14
Burchell, S. 21, 22, 23, 179
Bush, T. 35, 90, 96
Büthe, T. 19, 26, 28, 36, 95
Cairns, D. 47, 65, 84, 92, 120, 159
Camfferman, K. 21, 42, 48, 49–50, 51, 52, 53, 60, 63, 64–5, 66, 74, 76, 93, 97, 98, 111, 128, 129, 132, 134, 137, 153
Campbell, J. L. 30
Canada 16, 23, 38, 42, 49
see also Group of Four
Canadian Institute of Chartered Accountants (CICA) 76, 134
capital
availability of investment 35, 59–60
markets 89, 92, 179–80
mobility 35, 39, 40
capital market-oriented standards 4, 19, 90–93, 166–7
Carruthers, B. G. 18
Chahed, Y. 5
Chapman, C. S. 9, 21
Chartered Financial Analyst Institute (CFA) 88, 145, 150, 152, 160
Chiapello, E. 44, 77
China 14, 52, 132, 133, 135, 139
comparability
of national rules 40, 49, 55
project 65–6, 92
competitiveness 36
comprehensive income 70, 71–3
Conseil National de al Comptabilité (CNC) 89
consultation 115–24
Cooper, D. J. 9, 12, 20, 22, 23, 25, 36, 38, 39, 46
Cooper, S. 130, 131, 135, 137
Covaleski, M. A. 23, 36
Crouch, C. 28, 29
Cuijpers, R. 13–14
Cutler, A. C. 19
Czarniawska, B. 19, 63
Dahl, R. A. 21, 28
Daimler-Benz 9, 43
Daniels, P. W. 13, 48
Danjou, P. 131, 132, 136, 137
D'Arcy, A. 59
David, P. A. 19, 29, 30
Davis, G. F. 30
Davis, J. H. 86, 87
De Lange, P. 26
decision usefulness 88, 159–60, 172
ambiguity 85, 91, 164, 167
of IAS/IFRS 15
Deeg, R. 10, 26, 29
Deloitte Touche Tohmatsu (DTT) 37, 145, 147, 151, 157
see also Big Four
Denmark 41
derivatives 74–5, 78–9, 92–3
Deutsches Rechnungslegungs Standards Committee (DRSC) 10
DiMaggio, P. J. 22
Ding, Y. 14, 34, 64
directives
Fourth EC Directive 39, 40, 44, 60
Seventh EC Directive 39, 40, 60
disclosure requirements 45–8
discounted cash flow (DCF) method 70–71
Djelic, M.-L. 19, 25, 27, 28–9, 170
Dobusch, L. 174
Dodd–Frank Act 15
dominance 130–36, 150–55, 162–4, 174
Donaldson, L. 86
Drahos, P. 30, 46, 50, 58
Drori, G.S. 23
“due process,” formalized 117–20
earnings per period 62, 70, 72
Eaton, S. B. 26
Eberle, D. 10, 26
EC see European Commission
Economic and Social Council (ECOSOC) 45, 46
Empson, L. 24
Engström, J. 130, 131, 133, 136, 137
Epstein, G. A. 11
Epstein, S. 18, 19
Ernst & Young 145, 147, 150, 151
see also Big Four
EU see European Union
European Association of Co-operative
Banks (EACB) 93
European Association of Craft, Small-
and Medium-sized Enterprises
(UEAPME) 93
European Banking Federation (FBE)
77, 93
European Central Bank (ECB) 69, 78
European Commission 12, 52
Accounting Advisory Forum 42
board appointments 134
and harmonization in accounting
55, 57–8
IAS 39 79, 81–2
IAS in Europe 66, 77
observer status 129
role in standardization 91, 97, 145,
147, 150, 151, 170
support for IASB 42–3, 44, 115,
173
support for IASC 55, 56
European Council of Economic and
Finance Ministers (ECOFIN)
81–2, 112
European Federation of Accountants
and Auditors (EFAA) 93
European Federation of Financial
Analysts Societies (EFFAS) 93
European Financial Reporting
Advisory Group (EFRAG) 44, 77,
78, 89, 93, 122–3, 173
European Insurance Association
(CEA) 93
European Parliament 107–8, 110, 168,
173, 175
European Round Table (ERT) 93
European Savings Banks Group
(ESBG) 93
Europe Union (EU) 67, 80, 85
adoption of regulations 76–7, 78
support for IASC 59, 66, 91, 93,
174–5
Evans, L. 37
expertise
and institution building 176–80
as recruitment criteria 104–6,
109–10, 129–30, 171
“technical” 103–4, 106–10, 171, 177
fair value accounting (FVA) 11, 15, 61,
68–75, 71, 78, 83, 167–8
Falleti, T. G. 30
Farrell, H. 29
FASB see Financial Accounting
Standards Board
Fédération des Experts Comptables
Européens (FEE) 13, 41
Federation of European Securities
Exchanges (FESE) 93
Federation of Swiss Industrial Holding
Companies 52, 128
Ferree, M. M. 31
Financial Accounting Standards
Board, USA (FASB)
agreement with IASB 52, 66, 67, 89,
95, 125, 134–5
Group of Four 52–3
harmonization of standards 66–8
historical development 95–6, 97
IAS 39 76
members’ tenure 138
observer status 129
reclassification of assets 81, 168
review of framework 83, 85–6, 89, 93
and SEC 95–6, 123–4
financial crisis 2007–2009 1, 15, 81, 165
and fair value accounting 73, 75, 83,
167–8
relaxation of accounting rules 92–3
and standard setting 179–80
Financial Executives International
(FEI) 88
financial instruments, accounting for
see IAS 39
financial reporting
defining addressees 83–90
relevance of 7–11
Financial Services Authority (FSA),
UK 38
Financial Stability Board (FSB) 2
financial statements
absence of users 153, 155–61, 172
users by type of organization 159
The politics of accounting regulation

Finnegan, P. 135, 161
Flower, J. 42–3
Forrester, D. A. R. 48
France 14, 34, 38, 49, 77, 78, 93, 129
Fransen, L. W. 24
Froud, J. 11, 15, 84

G4+1 (Group of Four plus One) 53, 133–4, 138–9, 162, 170
see also Group of Four
G20 1, 82
Gallhofer, S. 22, 39, 60, 74, 125, 155
Gamson, W. A. 31
Garnett, R. 130, 131, 137
Garud, R. 29, 179
Gélard, G. 130, 131, 133, 137, 138
General Agreement on Trade in Services (GATS) 13
General Electric Company (GE) 147, 150, 152, 156
Germany 9–10, 34, 37, 38, 40, 49, 72, 78, 88, 96, 112
Glaum, M. 9, 35
globalization of accounting 1–7
diffusion of accounting norms 11–16
relevance of reporting 7–11
Goldman Sachs Group, Inc. 88
Grant Thornton 60, 174
Greenstein, S. 19
Greenwood, R. 23, 24, 37, 164
Group of Four 42, 44, 52–3, 101, 130, 134
see also G4+1 (Group of Four plus One)
Hall, P. A. 9, 34
Haller, A. 40, 49
Halliday, T. C. 18
Hanneman, R. A. 144, 164
harmonization of accounting regulation 38–9, 57–8
comparison of initiatives 55–60
multinational corporations 45–8
professional self-regulation 48–54
single European market project 39–45
Haslam, J. 22, 39, 60, 74, 125, 155
hedge accounting 74–5, 77–8, 79, 80
Hegarty, J. 47
Hertz, R. H. 68, 136
Heßling, A. 63, 92
historical costs accounting 68–9, 75
Hoffman, A. J. 22
Honold, K. 37
Höpner, M. 28
Hopwood, A. G. 9, 20, 21, 22, 36, 40, 42, 43, 44, 172
Howieson, B. 26

IAS see International Accounting Standards
IAS 39 (Accounting for Financial Instruments) 44, 62, 70, 74–83, 93, 153, 175
IAS/IFRC see International Accounting Standards; International Financial Reporting Standards
IASB see International Accounting Standards Board
IASC see International Accounting Standards Committee
improvements project 50, 92
India 50, 132–3, 135, 139, 170–71, 174
Institute of Chartered Accountants in England and Wales (ICAEW) 78, 123
institution building 27–9, 176–80
institutional complementarity 28
institutional density 29
international accounting norms 11–16
international accounting standards capital market-oriented standards 90–93
development of IAS 62–73
international standardization controversies 73–90
overview 61–2
see also standardization
International Accounting Standards Board (IASB)
autonomy 26, 27
the Board 127–30
Anglo-American dominance 130–36
composition over time 136–9, 168–70
length of service on 137, 138, 164
broadening financial base 111–15
change of name 16, 59
conceptual framework 83–90, 93
consultation 115–17
formalized “due process” 117–20
legitimating through 120–24, 169
development of standardization 62–93, 166
and diffusion of standards 11–16
and European Commission 42–3, 44
expert-based self-regulation 123–5
foundations of 3–6
and harmonization in accounting 55, 57–8
membership by interest group 158
organizational configuration 95–6
abolishing recruitment requirements 101–7, 102
accountability deficit 107–10, 169, 179–80
organizational structure 94, 98–101
US blueprint 96–8
origins and early history 48–54, 59
and politics of accounting regulation 165–80
standard setting network 140–42, 146, 148, 149, 151–2
absence of financial statements users 153, 155–61, 172
composition over time 142–4
domination 150–55, 162–4
number of representatives 143
properties 144–9
representation by interest group 156
rules of bodies 141
standards production 63
and United Nations 46, 47
International Accounting Standards Committee Foundation annual reports (IASC-F-AR) 95, 111, 112, 113, 114, 128, 137, 143, 195
International Accounting Standards Committee (IASC) 13, 16, 42, 59
Board 127–32, 136–8, 164
Consultative Group 51–2, 129
establishment 13, 46, 49, 95
historical development of 50–54, 97–8, 104
recognition 47
as standard setter 56, 58–9
support from EC 55, 56
support from EU 59, 66, 91, 93, 174–5
transformation to IASB 98, 100–101, 103
International Accounting Standards (IAS)
development 62–3
elimination of alternatives 64–6
fair value accounting 68–73
role of USA 66–8
see also International Financial Reporting Standards (IFRS)
International Association of Financial Executives Institutes (IAFEI) 52, 128
International Chamber of Commerce 46, 51, 166
International Confederation of Free Trade Unions (ICFTU) 51
International Corporate Governance Network (ICGN) 125
International Federation of Accountants (IFAC) 2, 13, 50–51, 98, 100
International Financial Reporting Interpretations Committee (IFRIC)
in relation to IASB 99, 104, 143, 144, 145–7, 154, 156
role 63, 92, 118, 141, 142
International Financial Reporting Standards (IFRS) 4, 61, 165
convergence with GAAP 62, 66–8
criticism of 167–8
dissemination 6, 10, 12–16, 139, 167
fair value orientation 68, 69, 91
IFRS 9 82–3
support from associations 47–8, 142, 153
use and recognition 94, 97, 107, 109
The politics of accounting regulation

see also International Accounting Standards (IAS)
International Monetary Fund (IMF) 2, 12
International Organization of Securities Commissions (IOSCO) cooperation with IASC 52 as drafter of rules 2 observer status 129 as part of standard setting network 145–7, 150, 154 recognition of IAS 64–6, 76, 96 as “reference organization” 24 revision of standards 49–50 and SEC 54, 64–5, 66 on stewardship 88 international political economy 25–7, 177 International Standards in Accounting and Reporting (ISAR) 47 International Standards on Auditing (ISA) 51 investment capital, availability 35, 59–60 IOSCO see International Organization of Securities Commissions Ireland 41 Italy 38, 93, 115, 129


Sebastian Botzem - 9781781001066
Downloaded from Elgar Online at 05/06/2019 12:42:12AM via free access
North, D. C. 17
Norwalk Agreement 66–7
Ocampo, E. 13
Ordelheide, D. 8, 11, 172
Orenstein, M. A. 28
Organisation for Economic Co-operation and Development (OECD) 46, 166
organization studies 23–5, 176
O’Sullivan, M. 10
Oxera Consulting Limited 25, 38
Padoa-Schioppa, T. 111
Pakistan 50
Parker, R. 2, 20
Pattberg, P. 19
Pellens, B. 72, 120
Perry, J. 3, 11, 26, 27, 72, 73, 107, 124, 140, 144–5, 153
Pettigrew, A. M. 74
Pfizer Inc. 145, 150, 152
Pierson, P. 29, 30, 177
Piper, A. G. 13, 41, 46, 48, 51
political economy, international 25–7
politics of accounting regulation 7–11, 165–80
Porter, T. 3, 26, 79, 109, 177
Porter, T. M. 11
positive accounting theory 8, 20
Posner, E. 2, 26, 27, 30, 173
Powell, W. W. 22
corporate governance 28, 164, 179
Power, M. 11, 15, 19, 22, 25, 61, 135, 170
PricewaterhouseCoopers (PwC) 37, 60, 130, 145, 147, 151, 157
see also Big Four
Pro-active Accounting Activities in Europe (PA AinE) 89, 90, 173
professional associations see associations, professional
professions, sociology of 23–5, 109, 176
Quack, S. 18, 21, 25, 28–9, 37, 39, 60, 169, 170, 175
Radwan, A. 107–8, 110
Rahman, S. F. 45–6
Ramanna, K. 138
Ramirez, C. 23, 25, 36, 37, 133, 155
raw materials exploitation 45
recruitment requirements, abolition of 101–7
Reed, M. I. 36, 110
regulation see accounting regulation
regulations
EU Regulation (EC) No. 1606/2002 43, 77
EU Regulation (EC) No. 1864/2005 78
EU Regulation (EC) No. 2086/2004 78
research on transnational
standardization
corporate governance 28, 164, 179
international political economy 25–7
methodology 29–31
research overview 17–19
sociology of professions and
organization studies 23–5
Riddle, M. 144, 164
Roadmap IASB–FASB 67
Robson, K. 9, 12, 20, 22, 23, 25, 36, 38, 39, 46
Rose, N. 11, 23
Ruhnke, K. 75
Russia 38
Sahlin-Andersson, K. 19, 27, 61
Sal. Oppenheim 10
Samuels, J. M. 13, 41, 46, 48, 51
Sarbanes–Oxley Act 15, 90
Scharpf, F. W. 109
Schmid, H. 136, 137, 138
Schmidt, S. K. 19
Schmitter, H. P. 28
Schneiberg, M. 29
Scott, W. R. 30
Securities and Exchange Commission
(SEC)
and FASB 95–6, 123–4
and IASC 50
influence 67, 68, 91
and IOSCO 54, 64–5, 66
as part of standard setting network 152
The politics of accounting regulation

views on standard setting 97–8, 123–4
self-regulation 168
expert-based 123–5, 178
private sector 154, 163
professional 23–4, 48–54, 56, 59, 80, 109
Sevón, G. 19

shareholder value 84, 87, 167
Sikka, P. 22

Simmons, B. A. 2, 25–6, 54
Single European Market project 39–45
small and medium-sized companies (SMEs) 15, 106–7, 167
Smith, J. T. 130, 132, 137
Snidal, D. 17, 19
sociology of professions 23–5
Soskice, D. 9, 34
South Africa 48, 50, 88, 129, 132
Spain 34, 93
Spencer Stuart 138
standard setting consultation as element of 115–24
domination of individuals and organizations 162–4
dynamics of transnational 166–72
IASB Board 127–39
IASB network characteristics 140–61
standardization development of standards 49–54
research on transnational 17–31
see also international accounting standards
Standards Advisory Council (SAC) 99, 140–45, 150, 156
Standing Interpretations Committee (SIC) 92
stewardship 86–90, 91, 167
Stolowy, H. 14, 34, 64
Storz, C. 19
Strategic Working Party (SWP) 14–15, 96–7, 98, 129
Streeck, W. 29, 36
Street, D. L. 53, 134
Suddaby, R. 22, 37, 164
Sugarman, D. 23, 36, 109
Sumitomo Corp. 147, 150, 152
Sunder, S. 2
Suzuki, T. 11, 22, 33, 46

Sweden 34, 78, 133
Switzerland 12
SWP see Strategic Working Party
Sydow, J. 29
Tamm Hallström, K. 19, 24, 28, 52, 53, 60, 65, 74, 94, 127
Tanzania 12
“technical” expertise 103–4, 106–10, 171, 177
Thelen, K. 29
Thomas, R. D. 48, 49
Thorell, P. 38, 49, 64, 65
Timmermans, S. 18, 19
transaction cost accounting theory 8, 20
“true and fair view” 39, 40, 41, 55, 60
Tsingou, E. 150
Tweedie, Sir David 67, 75, 80, 86, 89, 98, 108, 119, 121, 130, 131, 135, 137, 138, 139, 160
UCINET software 140, 144, 145
UN Conference on Trade and Development (UNCTAD) 45, 46–8
Union Européenne des Experts Comptables, Economiques et Financiers (UEC) 41
Union of Industrial and Employers’ Confederations of Europe (UNICE) 93
United Kingdom (UK) dominance of IASB Board 130–36, 162
establishment of IASC 49, 50
fair value accounting (FVA) 68–9
fear of political influence 109
funding IASB 112, 115
legal framework 96
as liberal economy 34
opposition to directives 40, 42
as part of Big Four 38
privatizing standardization 44
self-regulation 23–4, 168
on stewardship 87–9
true and fair view 40
see also Group of Four
United Nations (UN) cross-border harmonization 57–8
Index

and disclosure 55–6
regulation of multinationals 45–8
United States of America (USA)
blueprint relating to IASB 96–8
dominance of IASB Board 130–36, 162, 174
establishment of IASC 50
fair value accounting (FVA) 68–9
funding IASB 112, 115
generally accepted accounting principles (US GAAP) 9, 13–14, 43, 62, 66–8, 98
legal framework 96
as liberal economy 34
self-regulation 23–4, 168
special role in international accounting 66–8
on stewardship 87–8
see also Group of Four

van Hulle, K. 39, 40, 41, 42, 43–4, 153
Véron, N. 108, 110, 125
Vollmer, H. 21, 23
Volmer, P. B. 10, 36
von Eitzen, B. 37
Walton, P. 25, 38, 53, 69, 79, 93
Weber, S. 25
Werle, R. 19
Whittington, G. 38, 49, 64, 65, 79, 86, 88–9, 120, 121, 136, 137, 160
Williamson, O. E. 17, 20
Willmott, H. 13, 22, 24, 36
World Bank 12–13, 15, 147, 151, 154
World Trade Organization (WTO) 12, 13
Wüstemann, J. 20, 43, 77, 122
Yamada, T. 130, 132, 137, 138
Yin, R. K. 30
York Kenny, S. 21
Young, J. J. 22, 36, 84, 163
Zeff, S. A. 21, 42, 48, 49–50, 51, 52, 53, 60, 63, 64–5, 66, 74, 76, 93, 97, 98, 111, 128, 129, 132, 134, 137, 153
Zhang, W. G. 132, 133, 137
Zimbabwe 50
Zimmermann, J. 20