

Construction of a hegemonic narrative about the adoption of IFRS in Brazil

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Abstract

The convergence of the Brazilian accounting standards to the International Financial Reporting Standards (IFRS) was boosted by the creation of the Accounting Pronouncements Committee, in 2005, and by Act 11,638/2007. However, political aspects of this process, such as the role of academia in legitimating the IFRS, have been little explored. This article proposes a critical discourse analysis of the book chapter “*Convergência da Contabilidade Brasileira às Normas Internacionais de Contabilidade (IFRS): Retrospectiva Histórica e Desafios para o Futuro*” [Convergence of Brazilian Accounting to the International Accountancy Standards (IFRS): History and Challenges for the Future] by Salotti, Carvalho, and Murcia (2015), aiming to identify the main discursive strategies employed to construct a hegemonic narrative about the adoption of IFRS in Brazil. In the theoretical framework, we discuss the concepts of *ideology* and *hegemony*, as well as the roles of intellectuals and academia in constructing and disseminating ideological narratives. Empirically, through a critical discourse analysis, the formal properties of the text are described, pointing to their experiential, expressive, and relational values. We also propose an interpretation of the process of production and an explanation of the social conditions of production of the text. The silencing of dissonant voices, the omission of agency and the representation of the Brazilian accounting community and practices in a condition of technical and cultural inferiority are identified as the main discursive strategies employed in the text to reproduce and ratify discourses from the professional field. We take advantage of the symbolic capital possessed by the authors due to the position they occupy in the academic field to attribute universality to understandings of standard-setting bodies.

Keywords: IFRS adoption. Critical discourse analysis. Ideology. Hegemony.

Construção de uma narrativa hegemônica sobre a adoção das IFRS no Brasil

Resumo

A convergência das normas contábeis brasileiras às Normas Internacionais de Contabilidade (International Financial Reporting Standards – IFRS) foi impulsionada pela criação do Comitê de Pronunciamentos Contábeis (CPC), em 2005, e pela Lei n. 11.638/2007. Entretanto, os aspectos políticos desse processo, tais como o papel da academia na legitimação das IFRS, têm sido pouco explorados. Assim, propomos neste artigo uma análise crítica do discurso, tendo como objeto o capítulo de livro “*Convergência da contabilidade brasileira às Normas Internacionais de Contabilidade (IFRS): retrospectiva histórica e desafios para o futuro*”, de autoria de Salotti, Carvalho e Murcia (2015), almejando identificar as principais estratégias discursivas empregadas para construir uma narrativa hegemônica sobre a adoção das IFRS no Brasil. No referencial teórico, discutimos os conceitos de *ideologia* e *hegemonia*, assim como os papéis dos intelectuais e da academia na construção e disseminação de narrativas ideológicas. Empiricamente, por meio da análise crítica do discurso, as propriedades formais do texto são descritas, apontando seus valores experienciais, expressivos e relacionais. Além disso, propomos uma interpretação do processo de produção e uma explicação das condições sociais de produção do texto. O silenciamento de vozes dissonantes, a omissão de agência e a representação da comunidade e das práticas contábeis brasileiras em condição de inferioridade técnica e cultural são identificados como principais estratégias discursivas empregadas no texto para reproduzir e ratificar discursos do campo profissional, valendo-se do capital simbólico possuído pelos autores em virtude da posição que ocupam no campo acadêmico para atribuir universalidade a entendimentos dos organismos normatizadores.

Palavras-chave: Adoção das IFRS. Análise crítica do discurso. Ideologia. Hegemonia.

Construcción de una narrativa hegemónica sobre la adopción de las NIIF en Brasil

Resumen

La convergencia de las normas contables brasileñas con las Normas Internacionales de Información Financiera (NIIF) fue fomentada con la creación del Comité de Pronunciamentos Contables, en 2005, y con la Ley 11.638/2007. No obstante, los aspectos políticos de este proceso, tales como el papel de la academia en la legitimación de las NIIF, han sido poco explorados. Así, proponemos en este artículo un análisis crítico del discurso, teniendo como objeto el capítulo de libro *Convergência da Contabilidade Brasileira às Normas Internacionais de Contabilidade (IFRS): Retrospectiva Histórica e Desafios para o Futuro*, de los autores Salotti, Carvalho y Murcia (2015), con la intención de identificar las principales estrategias discursivas empleadas en la construcción de una narrativa hegemónica sobre la adopción de las NIIF en Brasil. En el marco referencial teórico, discutimos los conceptos de *ideología* y *hegemonía*, así como los roles de los intelectuales y de la academia en la construcción y difusión de narrativas ideológicas. Empíricamente, a través del análisis crítico del discurso, las propiedades formales del texto se describen, señalando sus valores experienciales, expresivos y relacionales. Además, proponemos una interpretación del proceso de producción y una explicación de las condiciones sociales de producción del texto. El silenciamento de voces disonantes, la omisión de agencia y la representación de la comunidad y de las prácticas contables brasileñas en condición de inferioridad técnica y cultural se identifican como las principales estrategias discursivas empleadas en el texto para reproducir y ratificar discursos del campo profesional, valiéndose del capital simbólico poseído por los autores en virtud de su posición en el campo académico para atribuir universalidad a entendimientos de los organismos normalizadores.

Palabras clave: Adopción de las NIIF. Análisis crítico del discurso. Ideología. Hegemonía.

Article submitted on September 05, 2017 and accepted for publication on January 07, 2019.

[Translated version] Note: All quotes in English translated by this article's translator.

DOI: <http://dx.doi.org/10.1590/1679-395171820>

INTRODUCTION

Financial accounting has been undergoing a process involving the international convergence of its standards. So far some 120 countries have allowed, or required companies to adopt under their jurisdiction the International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB) (IFRS FOUNDATION; INTERNATIONAL ACCOUNTING STANDARDS BOARD, 2017). The process of convergence to the IFRS standards in Brazil gained momentum following the creation of the Accounting Pronouncements Committee (CPC) in 2005, and when Act No. 11,638/2007 came into force, which altered the accounting provisions of the Companies Act (Act No. 6,404/1976) and provided legal support for the adoption of IFRS standards by Brazilian companies, starting with financial statements for the fiscal year 2010.

Perry and Nöelke (2005) argue that the main change brought about in accounting practice by the IFRS was an increase in the use of market values, in the form of fair value accounting, to the detriment of historical cost as a measurement criterion in accounting, which reinforces the paradigm of maximizing shareholder value. According to these authors, the IASB's consultation procedures and governance structures reveal a predominance of actors linked to the accounting profession and the financial sector, while public sector representatives occupy secondary positions and other interest groups are not represented at all. According to Chua and Taylor (2008), the economic justifications usually given for the international expansion of IFRS standards lack robust empirical support; the authors believe that the fact that global accounting standards are provided by a private entity, such as the IASB, rather than by a public sector entity, is the result of a political arrangement engendered by a coalition of interest groups that includes regulators and international accounting and auditing firms. The political aspects of accounting regulations have been widely discussed in international literature, as has the role of the IFRS in the financialization process of contemporary capitalism (CHIAPELLO, 2016). The actions of the IASB and other bodies for promoting an international convergence to the IFRS have also been the object of comprehensive analysis (ARNOLD, 2012).

Although academic literature in Brazil has focused extensively on the consequences of Brazilian companies adopting IFRS standards for their accounting practices, there is very little discussion about the political process that led to this convergence. Even in international literature, a little-explored aspect of this process is the role played by academia in consolidating and legitimizing IFRS standards in different national contexts. In this article, therefore, I propose carrying out a critical discourse analysis, having as its *corpus* a chapter "*Convergência da contabilidade brasileira às Normas Internacionais de Contabilidade (IFRS): retrospectiva histórica e desafios para o futuro*" (The convergence of Brazilian accounting and International Financial Reporting Standards (IFRS): a historical retrospective and challenges for the future), from a book by Salotti, Carvalho and Murcia (2015), the aim being to identify the main discursive strategies employed for constructing a hegemonic narrative about the adoption of IFRS standards in Brazil.

IDEOLOGY, HEGEMONY AND INTELLECTUALS

When discussing the concept of ideology, Gramsci (1999, p. 237, free translation) deviates from the notion of false consciousness, which he understands to be a conception of the world, and points to the need to "distinguish between organic ideologies, that is, that are necessary for a given structure, and arbitrary, rationalistic, 'voluntarist' ideologies". Antonio Gramsci, therefore, proposes "a materialistic theory of ideologies in which material forces are the content and ideologies the form, this distinction between form and content being a methodological, rather than an organic distinction" (BIANCHI, 2008, p. 134, free translation). In this way, Gramsci avoids a mechanistic interpretation of Marx's (1977, p. 24, free translation) classical proposition, according to which:

[...] in the social production of their life, men enter into definite relationships that are indispensable and independent of their will, relationships of production which correspond to a definite stage of development in their material productive forces. The sum total of these production relationships constitutes the economic structure of society, its real foundation, on which rises a legal and political superstructure and to which correspond definite forms of social consciousness.

For Gramsci, structure and superstructure constitute a historical block, and there is a necessary reciprocity between them that forms a dialectical unit between the productive forces, the social relations of production and the superstructure of a given historical moment (BIANCHI, 2008). As for superstructures, Gramsci (1999, p. 20-21, free translation) understands that:

[...] two large “super-structural” plans can be fixed: which can be called “civil society” (i.e. the set of bodies commonly designated as “private”) and that of “political society or state”, plans that correspond, respectively, to the function of “hegemony” that the dominant group exerts throughout society, and that of “direct domain” or command, which is expressed in the state and the “legal” government.

Gramsci’s concept of hegemony is mainly elaborated in dialogue with Lenin, which is the main confluence point between their works (GRUPPI, 1978). However, while in Lenin the concept of hegemony appears in the context of discussions about the class alliances that need to be established by the proletariat to carry out the socialist revolution, in Gramsci (1999, p. 21, free translation) it is also used to understand one of the aspects of the bourgeois class domain, that

[...] of the “spontaneous” consensus given by the large masses of the population to the orientation printed by the dominant fundamental group to social life, a consensus that is born “historically” from the prestige (and therefore from the trust) obtained by the dominant group because of its position and its function in the world of production.

It is worth mentioning, also, that Gramsci understands hegemony “[...] not only as a political direction, but also as a moral, cultural, ideological direction” (GRUPPI, 1978, p. 11, free translation). Since ideologies are a super-structural phenomenon, it is through those that are organic, that is, those that are necessary to the structure, that the bond that gives unity to the historical block is established, whose concrete translation is guaranteed “[...] by the social layer charged with managing the superstructure of the historical bloc – the intellectuals” (PORTELLI, 1977, p. 48, free translation).

When discussing the boundaries of the notion of ‘intellectual’, Gramsci (2001, p. 18, free translation) considers it is a mistake to seek a criterion of distinction for this category in what is intrinsic to intellectual activities, instead of seeking it “[...] in the whole system of relations in which these activities (and, therefore, the groups that personify them) are found in the general set of social relations”. The ideological direction of the historical bloc by intellectuals is linked on three essential levels: “[...] the ideology itself, the ‘ideological structure’ – that is, the organizations that create and disseminate it – and ideological ‘material’, i.e.: the technical instruments for the diffusion of ideology (school system, mass media, libraries, etc.)” (PORTELLI, 1977, p. 22, free translation).

Academia and the reproduction of ideology

While Antonio Gramsci emphasizes the performance of intellectuals in articulating the ideology of the dominant classes, other authors attribute a prominent role to the education system in the process of ideology dissemination. Althusser (2007), for example, points to the education system as the main ideological apparatus of the state, which inculcates the knowledge of the dominant ideology in individuals from all social classes and prepares them for fulfilling their roles in the class society, whether as the exploited, as the agents of exploitation, as agents of repression, or as ideologists.

Although he criticizes the structuralist view of Louis Althusser, Bourdieu (1989, p. 10, free translation) also considers that the acceptance of the dominant culture is fundamental for “[...] the legitimization of the established order through the establishment of distinctions (hierarchies), and for the legitimization of these distinctions”. Bourdieu and Passeron (1970) highlight the role of education in the reproduction of social inequalities, considering that since teaching activities impose the culture, values and norms of the dominant classes on all social classes through the school system, they constitute a form of symbolic violence, enforcing acceptance of the domination process on those who are dominated.

As his work develops, however, Bourdieu (1989, p. 135, free translation) moves away from the concept of social class, which he understood as essentialist, and replaces it with the relational notion of social space, described as “[...] a multidimensional space of positions, such that any current position can be defined according to a multidimensional system of coordinates whose values correspond to the values of the different pertinent variables”. The social space is subdivided into several fields, which can be described as networks, or configurations of objective relationships between different positions. Each field is a stage for a constant dispute between the agents and institutions that operate within it, following the constitutive rules and regularities of this space of dispute which, in highly differentiated societies, are specific and irreducible to those regulating other fields (BOURDIEU and WACQUANT, 1992).

Access to a field is given by the possession of properties defined as capital, which are presented under the following basic forms: economic capital, which is directly and immediately convertible into cash and can be institutionalized in the form of property rights; cultural capital, which is convertible into economic capital under certain conditions, and can be institutionalized in the form of diplomas; social capital, made up of the social connections of an individual that can be institutionalized in the form of titles of nobility (BOURDIEU, 2002); and symbolic capital, “[...] generally called prestige, reputation, fame, etc. which is the perceived and recognized legitimate form of the different species of capital” (BOURDIEU, 1989, p. 134-135, free translation).

In the academic field, for example, Bourdieu (1984) identifies the prevalence of two specific forms of capital: university power, founded upon the accumulation of positions in the university bureaucracy; and scientific prestige, which is based on successful investment in research activities. When analyzing the scientific field, Bourdieu (1976) identifies as its main characteristic the fact that, the greater the autonomy of the field, the fewer possible customers producers tend to have, other than their own competitors in the dispute for scientific authority – a particular kind of social capital that ensures power over the constitutive mechanisms of the field. Bourdieu (1976) considers, however, that the social sciences face greater obstacles for obtaining autonomy because their objective is the legitimate representation of the social world, which is also an object of dispute in the political sphere of class struggle, making the dominant classes seek in them reinforcement of the symbolic arsenal that legitimizes the established order. Thus, they are more prone to become fields that produce scholarly discourses that, while appearing to be autonomous, use erudite jargon to reaffirm their common sense.

DISCOURSE ANALYSIS: THEORETICAL-METHODOLOGICAL ASPECTS

Van Dijk (1997) states that the concept of discourse is essentially fuzzy, being employed by different disciplines and comprising several definitions and terminologies. Pierre Bourdieu, for example, starts from the concept of *habitus*, which is employed to define a practical sense that is socially constituted throughout the life trajectory of each individual and that indicates how the rules of a field are incorporated by agents endowed with different valences of capital (BOURDIEU and WACQUANT, 1992). He also identifies linguistic *habitus* as a component of this concept, which implies a propensity to say determinate things (expressive interest) and the ability to say them, involving both linguistic competence for generating an infinite number of grammatically correct discourses and the ability to properly use this competence in a given social situation (BOURDIEU, 1991).

One of the principles of discourse analysis, according to Van Dijk (1997, p. 31), is that “[...] besides rules, language users also know and apply expedient mental and interactional strategies in the effective understanding and accomplishment of discourse and the realization of their communicative or social goals”. Therefore, considering discourse as a social practice, discursive strategies can be understood to be discursive practices aimed at meeting specific objectives. Intentionality is not, however, a necessary characteristic for the identification of such strategies because, as Bourdieu (1996, p. 145, free translation) asserts:

The paradox of the humanities is that they should constantly be suspicious of the philosophy of action inherent in models, such as the game theory, which apparently impose themselves on the comprehension of social universes similar to those of a game. It is certain that most human conduct occurs within spaces of play; that said, they do not have as a principle a strategic intention, as the game theory postulates. In other words, social agents have “strategies” that only very rarely are settled in true strategic intent.

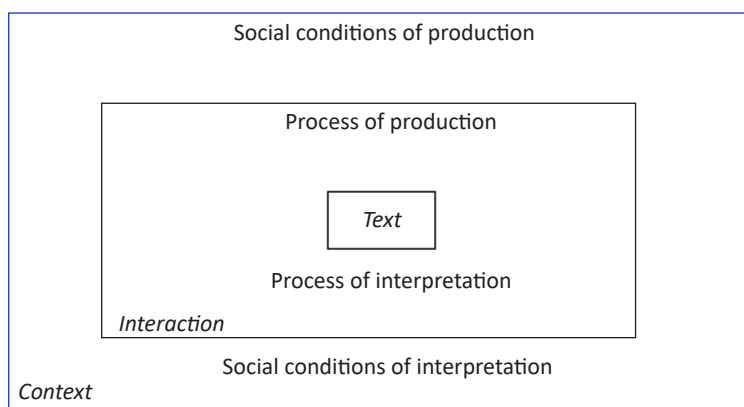
Among the theoretical-methodological alternatives that go to make up discursive studies, Critical Discourse Analysis (CDA), according to Jørgensen and Phillips (2002), includes several approaches that are distinct, but share the following characteristics: the view that social and cultural processes have a partially discursive character; that discourse is both constituted and constitutive; that language use must be empirically analyzed in its social context; that discourse has an ideological function; and that research needs to adopt a critical approach that is politically committed to social change. For Santos, Bispo and Dourado (2014, p. 56, free translation), “[...] there is in CDA a concern to discover, reveal and disseminate what is implied, rejecting the ‘naturalization’ of social processes, and allowing the ideologies underlying the discourse, as well as the relations of domination instituted by them, to be revealed”. In this sense, Fairclough (2001, p. 131, free translation) understands

that “[...] discourse is a practice, not only of representation of the world, but of signification of the world, constituting and constructing the world in meanings”.

Regarding CDA, Fairclough (2010) identifies three basic properties in it: a) it is relational, in the sense that its primary focus is not on entities or individuals, but on social relations; b) it is dialectical, because the relationships between discourse and other objects, such as the physical world, people, and power relations are conceived in terms of continuity, none of them being completely separated from the others; and c) it is transdisciplinary, since it analyzes the relationships between discourse and other objects, thus overcoming the conventional boundaries between disciplines. Discourse is, therefore, conceived of as a social practice determined by social structures, comprising text, interaction and context, as illustrated in Figure 1.

Figure 1

Discourse as text, interaction and context



Source: Adapted from Fairclough (1989, p. 25).

In line with the diagram in Figure 1, Fairclough (1989) proposes three stages for CDA: a) a description of the formal properties of the text; b) an interpretation of the relationship between text and interaction; and c) an explanation of the relationship between interaction and social context. In the description stage, the author distinguishes three types of values that a text’s formal properties can assume: a) experiential, which are reflected in the truth claims of the authors; b) expressive, which point to the value judgments of the authors; and c) relational, which point to the authors’ understanding of the social relationships that exist between the subjects to which the text refers. Fairclough (2010) also recognizes three aspects that can be analyzed in discursive events: a) genres, defined as specific modes of textual production; b) styles, which indicate the ways of being, of constructing and expressing the identities of the participants of the event; and c) discourses in a strict sense, which are characterized by the ways of representing the world and express the participants’ views.

When investigating the *corpus* selected for this research, I present in the next sections: a) a description of the formal properties of the text, paying attention to its experiential, expressive and relational aspects; b) an interpretation of the production process, pointing to the representativeness of the selected text in relation to the Brazilian academic field of accounting; and c) an explanation of how the text interacts with the social context, based on the previous discussions about ideology, hegemony and intellectuals.

Among the various forms of critique that can be distinguished in discourse analysis, Misoczky (2005, p. 129, free translation) points out the strategic critique, which “focuses on discourse as a part of the strategies developed by social groups or actors to modify or preserve the social context”. Thus, when analyzing the excerpts selected from the *corpus* that I investigated, I identify the main discursive strategies employed and present counterpoints to the arguments, based on academic literature, in order to illustrate the fact that, among other possibilities, the discursive choices of the authors indicate a particular conception of the world. This procedure is justified by the understanding that, discursively, hegemonic narrative is constructed by attributing a universal character to particular views and representations of the world (FAIRCLOUGH, 2003). In addition to evidence that the interests of the accounting profession provide the ideological basis for a world conception that pervades the *corpus*, I present evidence that the arguments contained therein reproduce, above all, the positions of professional associations and

accounting standard-setters. In this way I sought to bring up the intertextuality of the analyzed material, following the notion expressed by Fairclough (2003, p. 47), that:

[...] for any particular text or type of text, there is a set of other texts and a set of voices which are potentially relevant, and potentially incorporated into the text. It may not be possible to identify these sets with great precision, and they may be rather extensive and complex. But it is analytically useful to begin with some rough idea of them, for a significant initial question is: which texts and voices are included, which are excluded, and what significant absences there are?

DESCRIPTION OF THE FORMAL PROPERTIES OF THE TEXT

In the following section, the description of the formal properties of the text is subdivided between discursive fragments that have experiential, expressive and relational values, and in which I analyze intertextuality and the use of different discursive strategies. Although the excerpts presented are not an exhaustive analysis of the material contained in the *corpus*, in my understanding they are the most representative of each category analyzed. At the end of each, I indicate the page and the paragraph in which it is found in the *corpus*. Any emphases in italics and uppercase are original, while emphases in bold are mine.

Experiential values

This text gives evidence of an understanding that the purpose of financial accounting is to meet the information needs of investors and creditors for making economic decisions; this understanding is unconditionally adopted by authors:

With a fragile capital market, rampant inflation that was only contained in 1994 and the exacerbated incursion of tax authorities in financial or corporate accounting, **financial statements for investors and creditors** were virtual replicas of those that served to instruct tax statements [...] (SALOTTI, CARVALHO and MURCIA, 2015, p. 5, free translation, our emphasis).

Authors also adopt an ontological premise that economic reality exists objectively, intersubjectively, concretely and independently of accounting practices, and that financial accounting only reflects, mirrors, represents or measures this pre-existing reality (HINES, 1991). They maintain, therefore, that financial accounting *must* (and therefore *can*) faithfully represent an economic reality that is independent of it, and that it should stick to substance over form:

This new accounting order, where the **economic substance of economic events prevails over legal form** (*substance over form*), [...] It is a fact, therefore, that we need to leave the comfort zone of the "accounting rules" and learn to issue judgments and opinions aimed at reflecting the true and fair view (*true and fair view*) of financial statements (SALOTTI, CARVALHO and MURCIA, 2015, p. 2, free translation, our emphasis).

By way of the intertextuality, therefore, we perceive that authors echo discursive manifestations from the IASB and the CPC:

The objective of general purpose financial reporting is to provide financial information about the reporting entity that is useful to existing and potential investors, lenders and other creditors when in making decisions about providing resources to the entity (CPC, 2011).

Financial reports represent economic phenomena in words and numbers. To be useful, financial information must not only represent relevant phenomena, but it must also faithfully represent the phenomena that it purports to represent (CPC, 2011).

The silencing of dissonant voices is one of the discursive strategies adopted by authors to convey the global conception of standard-setters and the accounting profession, attributing a universal character to it. Thus, the text dialogues with pronouncements that originate from the professional field, but not with questions raised about them in academic literature: for Hines (1991), for example, the premise that financial accounting only reflects a pre-existing economic reality is the result of a process of mundane reasoning that ignores the cultural specificities of concepts such as logic, reasoning and

rationality, playing an important role in the constitution of the social world and helping to provide the accounting profession with social legitimacy.

As for the understanding that the objective of financial accounting is to meet the information needs of investors and creditors for economic decision-making, Young (2006) states that it is an idea introduced a few decades ago into the thinking behind accountancy, although little is known about the information needs and decision-making processes of the actual users of financial statements. In the text analyzed, by taking *investors* and *creditors* as homogenous categories, and excluding the interests of groups other than the participants of financial markets from the scope of the discipline, authors block several possible approaches to the study of accounting practices, such as their rhetorical aspects (CARRUTHERS and ESPELAND, 1991) and their role in the mediation of organizational and social conflicts (BURCHELL, CLUBB, HOPWOOD et al., 1980), among others.

Expressive values

The adoption of IFRS standards in Brazil is recurrently characterized by authors as a *revolution*:

The year 2010 was considered a **true watershed** for Brazilian accounting. The process of convergence with international accounting standards, the IFRS, was undoubtedly **the biggest change that had occurred in national accounting** since the publication of Law No. 6,404, in 1976 (SALOTTI, CARVALHO and MURCIA, 2015, p. 1, our emphasis).

In the light of the “**Accounting Revolution**” introduced by IFRS standards, the purpose of this chapter was to present a brief history of the Brazilian Accounting Model and also to recognize future challenges for the accounting discipline in the national scenario (SALOTTI, CARVALHO and MURCIA, 2015, p. 19, free translation, our emphasis).

In this case, the omission of agency emerges as another discursive strategy that is extensively employed throughout the text: this revolution is portrayed as a consequence of “natural evolution” process, in which every change occurring in Brazilian accounting regulation represents a necessary and evident improvement of the previous configuration.

On the other hand, the accounting model in this Decree [Decree-Law No. 2,627/1940] was **naturally** much inferior to the current model (SALOTTI, CARVALHO and MURCIA, 2015, p. 3, free translation, our emphasis).

As part of a **normal process of evolution** of the economy and the capital market, this accounting model was profoundly modified in 1976, with the issue of Act No. 6,404/76, known in Brazil with the Companies Act (SALOTTI, CARVALHO and MURCIA, 2015, p. 3, free translation, our emphasis).

When authors express their rejection of state interference in the accounting regulation process, and show themselves to be enthusiasts of the regulatory arrangement engendered by Act No. 11,638/2007, in which the CPC, a private, centralized and expertise-based body, predominates, they once again employ the omission of agency as a discursive strategy, stating that the “straitjacketing” (*engessamento*) and the plurality of those that issue accounting standards are not wanted, but without explicitly stating by whom they are not wanted.

However, the same legislation that brought modernity to the accounting practices adopted in Brazil ended up being **an obstacle** to the necessary evolution of the accounting model, because by inserting **the mandatory dispositions** of accounting and disclosure practices **at the core of the law**, it ended up provoking “**straitjacketing**”, which was not what was wanted (SALOTTI, CARVALHO and MURCIA, 2015, p. 4, free translation, our emphasis).

Moreover, not only was there not a single centralizing body issuing accounting standards, since in fact we relied on a **plurality** of such bodies **that were not wanted** and that issued accounting standards without coordination and often without dialogue between one another [...] (SALOTTI, CARVALHO and MURCIA, 2015, p. 5, free translation, our emphasis).

By analyzing the discursive event in its entirety, however, we can infer that the omitted agents are those that set the accounting standards, whose interests and points of view are adopted as a parameter by authors. The following passage, in which the agency is explicit, corroborates this understanding:

In any case, the process of adopting IFRS standards in the local regulatory environment undergoes, and will continue to undergo the challenge of pure adoption *versus* adaptation of the model, and this is **not wanted by the IASB** (SALOTTI, CARVALHO and MURCIA, 2015, p. 16, free translation, our emphasis).

In addressing the regulatory structure engendered since the creation of the *CPC*, limiting the scope of the discipline and the legitimate participants in the process of accounting regulation to a restricted set of private interests is represented as being a democratic progress.

It is important to highlight that the *CPC* was designed to **include diverse and multiple interests**, however, all geared towards a focus on financial statements. It has been formatted to include all the major players that prepare, audit and analyze financial statements; this multi-discipline approach prevents the standardization process from being “hijacked” by an isolated player and allows the consensus of usefulness for all to be obtained by way of technically elevated, but consensual dialogue. Since its inception, the *CPC* has consisted of six bodies that represent those who **prepare financial statements, auditors, analysts, academics, and also the regulators of the accounting profession and the securities exchange [...]** (SALOTTI, CARVALHO and MURCIA, 2015, p. 7, free translation, our emphasis).

Once again the text does not dialogue with questions found in academic literature. For example, Nölke and Perry (2008) see in the advance of IFRS standards the prevalence of a depoliticized and expertise-based approach that serves to protect accounting from broad public scrutiny. In line with this understanding, Botzem (2014) believes that the production of binding rules, such as the processes for setting accounting standards, should be subject to democratic scrutiny and social participation – and not just to voluntary consultation, as is the case in the elaboration of the IFRS.

Relational values

Throughout the text, the authors construct an idea of a somewhat diffuse collectivity, but one that can be inferred as being the **Brazilian accounting community**, which is represented as technically and culturally inferior to foreign accounting communities:

According to Martins, Diniz and Miranda (2012), this entire new normative process has a completely different philosophy from what that **we** were used to **as Latinos**. It is a fact, therefore, that **we will need to leave the comfort zone** of “accounting rules” and **learn to issue judgments and opinions** in order to reflect the true and fair view of financial statements (SALOTTI, CARVALHO and MURCIA, 2015, p. 2, free translation, our emphasis).

Even when authors attribute successes “to Brazil”, they feel the need to resort to praise that comes from foreign entities, and they cautiously put forward the hypothesis that the Brazilian accounting community will eventually have an effective participation in the preparation process of the IASB standards.

At the time, Brazil developed an accounting methodology for recognizing the effects of very high inflation, **which was even recognized by UNCTAD/ISAR/UN** as the most advanced inflation adjustment model in existence in the world (SALOTTI, CARVALHO and MURCIA, 2015, p. 4, free translation, our emphasis).

This change in the *status quo* inevitably resulted in the search for solutions that, **subsequently**, can **even** be taken to the IASB for improvement and enhancement of the IFRS, such as, in the case of the international standard dealing with the effects of inflation on financial statements (SALOTTI, CARVALHO and MURCIA, 2015, p. 2, free translation, our emphasis).

Intertextually, characterization of the Brazilian accounting system as being inferior to foreign systems is an echo of the classification models presented in academic literature, such as those by Ali and Hwang (2000) and Nobes (1998), for example. However, those models have some strikingly colonial features: they were developed by researchers linked to universities in English-speaking countries, published in English-speaking country journals, and either implicitly or explicitly adopt the premise that accounting systems should meet the needs of capital markets, whose relevance in the economies of English-speaking countries is greater than in other countries. Nevertheless, in an apparent softening of the colonialism with which they represent this community, which needs to learn to issue judgments and opinions in order

to subsequently provide the IASB with solutions, the authors sometimes identify with it and become spokespeople for it by using the first person.

In practice, however, there are few small and medium-sized firms that apply the CPC for SMEs, although this standard has already existed since 2009, and is even required by the Brazilian Federal Accounting Council (CFC). As we will discuss in the next section of this chapter, this poses a great challenge, because for convergence to be complete **we need** to extend it to include also small and medium-sized Brazilian firms (SALOTTI, CARVALHO and MURCIA, 2015, p. 12, free translation, our emphasis).

The context of the discursive event, however, suggests that this identification arises from a condescension strategy. For there to be condescension, according to Bourdieu (2003, p. 132, free translation), “there needs to be objective distance: condescension is the demagogical use of an objective power relationship; those who condescend take advantage of the hierarchy itself to deny it, and while denying it they exploit it”. Although the authors sometimes refer to themselves throughout the text as being equals in the Brazilian accounting community they generally distinguish themselves from it by presenting themselves as experts and propagators of the IFRS to an audience that needs to learn to think and behave in a proper way towards such standards. In this sense, a striking textual trait that can be associated with the strategy of differentiation in relation to the national accounting community is the use of Anglicisms, which serve throughout the text as evidence of how the authors have mastered the English language, at the same time that Portuguese is considered to be a barrier to the adoption of the IFRS in Brazil.

Today, more than ever, the preparation of IFRS financial statements is a collegiate activity, in which the decisions of the operational areas (*Human Resources, Treasury, Risk Management, Production, IT, New Business*, among others) must be evaluated JOINTLY with accounting to understand their impacts on *financial reporting* (SALOTTI, CARVALHO and MURCIA, 2015, p. 15, free translation, emphasis in original).

The teaching of IFRS standards presents several challenges. One of them is the language barrier, since the official language in Brazil is Portuguese. However, the international standards themselves and much of the supporting material for teaching the IFRS are in English (SALOTTI, CARVALHO and MURCIA, 2015, p. 15, free translation).

In order for the Brazilian accounting community to mitigate its condition of inferiority and, like accounting regulations, “to evolve” to become more like the IFRS, the authors resort to an argument of authority to assign a key role to teaching and argue for a program of a markedly instrumental character, advocating “critical thinking” that does not criticize anything *in* the standards developed by the IASB and translated by the CPC, but only criticize things *according to* the standards.

In this new “accounting paradigm”, we understand that the role of education and accountancy training is fundamental. Teachers and educators in general are therefore faced with an immense challenge: to prepare professionals endowed with critical thinking **for** interpreting norms, issuing judgments about transactions and economic events in order to produce quality accounting information that is useful for the economic decision-making of market agents (SALOTTI, CARVALHO and MURCIA, 2015, p. 19, free translation, our emphasis).

Once again, the authors echo manifestations from the professional field, such as the proposal of the International Accounting Education Standards Board (IAESB), which is maintained by the International Federation of Accountants (IFAC), an association that brings together 175 entities from more than 130 countries and represents almost 3 million professionals worldwide (IFAC, 2016). In the IAESB’s view:

[...]

17. The overall objectives of professional accounting education are to (a) develop the professional competence of aspiring professional accountants, and (b) develop and maintain the professional competence of professional accountants.

18. Professional competence is the ability **to perform a role to a defined standard**. Professional competence goes beyond knowledge of principles, standards, concepts, facts, and procedures; it is the integration and application of (a) technical competence, (b) professional skills, and (c) professional values, ethics, and attitudes (IAESB, 2015, p. 7, our emphasis).

INTERPRETATION OF THE PRODUCTION PROCESS OF THE TEXT

From the formal properties of the text that were analyzed in the previous section, it is possible to conclude that authors consider the adoption of the IFRS standards in Brazil to be a process that is still ongoing, and that they use the authority of their academic positions to become IFRS propagators.

According to the information available in the book in which the chapter is located, the three authors are professors of the Accounting and Actuarial Department of the Faculty of Economics, Administration and Accounting at the University of São Paulo (EAC/FEA/USP), working in the postgraduate program in Controllership and Accounting (PPGCC) that the Department offers. This postgraduate program in accounting has the highest score in the three-year evaluation carried out by the *Coordenação de Aperfeiçoamento de Pessoal de Nível Superior – CAPES* (Coordination Office for Training Higher Education Personnel), as well as being the oldest one; it started with just the Master's degree in 1973, while from 1978 until 2007 PPGCC/FEA/USP was the only program to offer a PhD course in accounting in Brazil. Even today it has trained most of accountancy PhDs in activity and the role played by graduates from PPGCC/FEA/USP as professors on other postgraduate accountancy programs in the country is remarkable. The text selected for the *corpus* of this analysis is the introductory chapter of the book *IFRS no Brasil: temas avançados por meio casos reais* (IFRS in Brazil: advanced topics by way of real cases), whose other chapters were written by students and professors attached to PPGCC/FEA/USP. Bearing in mind the prominent position held by the PPGCC/FEA/USP, therefore, I understand that the narrative constructed by Salotti, Carvalho and Murcia (2015) is representative of a core position in the academic Brazilian accountancy community.

Another aspect to be taken into consideration is that, as professors at EAC/FEA/USP, the authors are entitled to vote in elections for the Board of Trustees of the Foundation Institute for Research in Accounting, Finance and Actuarial Sciences (FIEPECAFI, 2018), which provides EAC/FEA/USP with operational and financial support. Presented in the text as a representative of the academic community – even though it is directed only by professionally active or retired professors from EAC/FEA/USP – FIEPECAFI is one of the six entities that go to make up the CPC through representatives who have the right to speak and vote (SALOTTI, CARVALHO and MURCIA, 2015). Therefore, even if it is not explicit in the chapter, or in the remainder of the book, the institutional link of the authors with FIEPECAFI and, therefore, with the CPC, is a widely known fact in the accounting community.

The contradiction that exists between the expected independence of an academic field and the commitment arising from an institutional link is explicit in the relationship that exists between the genre and style of the text: although presented in an academic genre, like a chapter in a text book, its style is permeated with a promotional tone that wholeheartedly praises the superior qualities of the IFRS and calls on the readers to join the cause. According to the text, there are no defects in the IFRS: those who have them are we, Latinos, who need to “[...] **learn to make judgments and state opinions** aimed at reflecting a true and fair view of financial statements” (SALOTTI, CARVALHO and MURCIA, 2015, p. 2, free translation, our emphasis). I understand, therefore, that the text is not an exercise in reflection on the IFRS, but just a tool for spreading the world conception with which the standards are imbued.

Explanation of the social conditions under which the text was produced

In addition to presenting a triumphal narrative about the adoption of the IFRS in Brazil, the text analyzed proposes a teaching program aimed at conditioning the entire Brazilian accounting community to hold this view and propagating a world conception and a way of acting. We can interpret the text, therefore, as a hegemonic initiative that seeks to build a favorable consensus about IFRS standards. Both the academic positions occupied by the authors and their work in favor of this ideological construction and dissemination allow them to be considered as intellectuals in the Gramscian sense of the word. Nevertheless, it is still useful to discuss the degree of organicity in the way they act, i.e., whether the ideology in the text is necessary to the structure of the current historical bloc.

Analyses of contemporary capitalism sustain the thesis of financialization, according to which the circuit of financial capital has prevailed over the circuit of production capital since the beginning of the 1980s, subjecting capital accumulation to the logic of financial valuation, maximizing shareholder value and placing interest-bearing capital at the center of economic and social relations (PAULANI, 2009). When discussing the normative content of the IFRS, Zhang and Andrew (2014) argue that the conceptual framework developed by the IASB is representative of the success of financialization, which excludes the interests of user groups from the process of accounting disclosure, other than those linked to financial markets, and

encourages the adoption of fair value, which imposes accounting valuation criteria reasoning on financial markets, instead of on the transformation of production and on market exchange. For Müller (2014), the fair value accounting promoted by the IFRS not only reflects, but also promotes financialization by contributing to the implementation of a portfolio conception in non-financial firms. Therefore, considering that financialization is a structural movement of contemporary capitalism and that IFRS standards reflect and promote this movement within the realm of superstructures, I conclude that the ideology of the text analyzed has a high degree of organicity.

FINAL COMMENTS

I presented a CDA in this article, which had as its *corpus* the book chapter “*Convergência da contabilidade brasileira às Normas Internacionais de Contabilidade (IFRS): retrospectiva histórica e desafios para o futuro*”, by Salotti, Carvalho and Murcia (2015). This was done to clarify how the text in question contributes to the construction of a hegemonic narrative regarding the adoption of IFRS standards in Brazil. Using the theoretical-methodological tool of critical discourse analysis, I identified how dissonant voices have been silenced, agency omitted, and colonialism used as the main discursive strategies for reproducing particular discourses from the professional field and ascribing to them a universal character.

Throughout the text that was analyzed, I understand that the authors mobilize the symbolic capital they enjoy by virtue of the privileged position they occupy in the academic field to reproduce and subscribe discourses that originate in the professional field, coming especially from those who set the standards, which indicates that the Brazilian academic accounting community is a field producer of scholarly discourses (cf. BOURDIEU, 1976). Moreover, attributing universality to discourses that originate from the professional field is evidence of the hegemonic ambition of these discursive strategies (FAIRCLOUGH, 2003).

Future works can contribute towards advancing the analysis from the perspective of intertextuality: How does the analyzed text relate to other discourses about the adoption of IFRS standards in Brazil; Is there uniformity in these discourses, or is the text inserted in a context of dispute, of diverging interpretations of this process? Finally, as Jørgensen and Phillips (2002) emphasize, CDA is characterized by the adoption of a stance that is politically committed to social change. With this analysis, therefore, I am trying to oppose the agenda proposed by the authors for accounting education, marked by an instrumental conception of teaching and a lack of a critical look at IFRS standards themselves and the process by which they have been adopted in Brazil.

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