

ACCOUNTABILITY AND SUSTAINABILITY: DAVIDSON'S AND TAYLOR'S MEANS TO ENGAGE THE WORLD.

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Many accountants and accounting theorists believe that objective accounts of the external world are possible. This paper critiques such arguments via an examination of the ethical assumptions underpinning social and environmental accounting. In the early 1990s, David Solomons and Tony Tinker debated the idea that accounting was a fair, just and neutral means to represent reality. From one perspective, Tinker argued that accounting reports are constructs and not objective. From another, Solomons argued that accounting is an unbiased and neutral technology. McKernan has introduced Davidson's argument that language, signs and words have a causal relationship to the world: this is where a principle of charity justifies our best representations of reality as accurate accounts of the world. I argue McKernan's arguments for reforming accounting theory are unable to access the real world. They overlook a more basic pluralistic realism that can be found in the work of Hubert Dreyfus and Charles Taylor. This is a direct and engaged realism that focuses on the commonalities between people and nature thereby exposing problems with the principle of charity which involve understanding how our current beliefs do not the only way to justify other beliefs.

INTRODUCTION

Accounting theory has been preoccupied with the supposition that it can provide objective accounts of the world thereby putting the craft theory in touch with the philosophy of direct realism. The debate about direct realism concerns linguistics, objectivity, perception and representational faithfulness (see Lehman, 2007a, 2007b, 2010). These important philosophical arguments must be examined by accounting theorists if the discipline is to remain relevant and provide objective accounts of the world. This argument is based on the view that if accounting and social theory are on the wrong track then it is unlikely that theory will point practice in the right direction (see Chambers 1961).

Accounting theory has been the subject of McKernan (2007) to whom these issues involve a debate between David Solomons¹ and Tony Tinker which occurred in the early 1990s in *Accounting, Organizations and Society*. Solomons argued that accounting reports provide objective representations of reality. Tinker disputed the claim that accounting is a neutral technology and engaged with the arguments made by Chairman Solomons. Tinker argued that research effort should explore the differences between commodity prices and the underlying real values which created those commodities.

McKernan claims that 'we must reject the notion that language, and in particular accounting as a language, is such a dense medium that it provides no guide at all to how the world really is' (McKernan 2006, p. 169) the argument in this paper shares the view originally found in [Tinker, Merino, & Neimark \(1982\)](#) that accounting is an ideologically

¹ At the time David Solomons was the AISC Chairman.

distorted medium. They claim ‘that [accounting] conceal[s] important aspects of social reality’ (Tinker, 1985, p. xxii). Solomons responded that accounting simply “tells it like it is” (see Solomons, 1991a). McKernan’s argument supports Solomons’ claim that accounting can provide objective representations of reality. On this view, accounting’s role in the public sphere is limited and means to a build a viable communicative and public sphere.

McKernan takes up this debate to consider the role of accounting in the public sphere and the powerful influence it wields. McKernan takes up this debate using Davidson’s coherentism which examines the power of accounting and whether objective accounts of reality exist. This paper brings together ideas from several diverse literatures (political theory, social theory, accounting) to better articulate and understand the role language plays in the social accounting project. This objective is undertaken via an examination of McKernan’s theory of language that puts people in touch with the world – involving connections between accountability and moral reality. The second section of the paper considers different perspectives on language as they impact on accounting and accountability theory. The third section examines other developments in language theory to better understand its role in accounting.

SECTION I: OVERCOMING EPISTEMOLOGY – THE INNER AND OUTER WORLD.

The concept of accountability used in this paper involves constructing a rich vision of the world utilizing the resources from Hubert Dreyfus and Charles Taylor. The work of Taylor is particularly useful in this accountability project to guide a vision of a world

where better interpretations are part of a strategy to understand our world and better cope in it.

Many accountability theorists such as Cooper, McKernan, Shapiro, Shearer and others claim to have escaped from modern epistemology and provided such a vision. In this paper, I use the work of McKernan to delve into the work of Davidson and his debates with Dreyfus/Taylor. From that debate I argue that Davidson and McKernan remain trapped in the mind and world structures of modernity. However, before outlining some criticisms of Davidson's work it is important to understand the relevance to accounting. McKernan explains:

Davidson argues that any explanation of the possibility of knowledge must account for the three distinct, but mutually interdependent, kinds of knowledge: knowledge of the world, knowledge of other minds, and knowledge of one's own mind. He suggests that we might think of these three varieties of knowledge in terms of a triangle, resting on a base of communication – the relation between knowledge of one's own mind and knowledge of other minds. Davidson points out that knowledge clearly pre-supposes belief and that having a belief requires that we can discriminate between true and false, and following Wittgenstein, he holds that the “source of the concept of objective truth is interpersonal communication” (Davidson, 1991, p. 157). Davidson refuses to define truth, but he recognizes one “intuitive truth about truth”, that is, that “the truth of an utterance depends on just two things: what the words as spoken mean, and how the world is arranged” (Davidson 1983 p. 309).

Notice that McKernan emphasizes one intuitive truth as it relates to truth itself – and about what spoken words mean and how the world is arranged. McKernan argues that Davidson's coherentism offers a way forward for accounting theory and accountability research: this is where the philosophy of coherentism involves how a shared system of beliefs, expressed through language, puts people in touch with the way the world really is. McKernan continues:

The separation of meaning and belief in interpretation is made possible by the application of the principle of charity. The principle of charity has two components a principle of correspondence and a principle of coherence. The principle of correspondence directs the interpreter to proceed, so far as possible, on the basis that the speaker's utterances are a response to the same aspects of the world that she

herself would respond to in similar circumstances. The intention is to constrain belief so as to allow a solution for meaning. Whenever plausibly possible, the interpreter must assign sentences of her own (truth conditions) to the speaker's sentences that make him right – credit him with true beliefs – according to her own way of seeing things (McKernan 2007 p. 157).

Essentially McKernan offers an anti-representational theory to support the notion that accounting provides reliable accounts of our reality. However, this paper argues that such a position eventually perpetuates the anti-realist position it purports to overcome. Therefore, McKernan inherits all the problems with Davidson's coherentism and the distinctions made between the subjective and the objective world.

These distinctions were introduced by Rene Descartes in the 17th century to whom there was an unfathomable bridge between mind and world such that we can never see the world as it is. This is based on the view that all our concepts and categories are shaped by language. Piercing the obscurity of McKernan's anti-representationalism involves thinking about how mental images are correlated with the external world. For Davidsonians, the emphasis is on a correspondence between our thoughts and the external world. This involves relations between creatures reacting simultaneously to each other and stimuli from a shared world (McKernan 2007 p. 158). Davidson's central idea is that our best sentences put us in touch with that world.

This argument could challenge accounting not only to recognize intrinsic values, but to contribute by providing data, interpretations and values. This data must then be synthesised to develop new ideas for a cosmopolitan, global and increasingly harmonized world. McKernan argues that another approach to representing the world is needed. He explains Davidson's theory of language and triangulation in the following way:

When two creatures observe a book together, and perhaps agree “that is a book”, they do not share the neural excitement in their brains, nor do they share the light, that is the photons, pouring in to their eyes, what they share is sight of the book. The book itself, as a publicly accessible object, is the common cause of their willingness to assent to the observational sentence “that is a book”. This process of triangulation on shared stimuli, gives content to thought and speech, and provides us with assurance that we are in contact with an objective, publicly accessible, reality of objects and events. The interpersonal standard can give us objective assurance that our view of the world is in its basic features correct because “the stimuli that cause our most basic verbal responses also determine what those verbal responses mean, and the content of the beliefs that accompany them” (Davidson 1991 p. 160).

This thinking points accounting in a direction which explores the role of language. However, implicit in the triangulation is a Davidsonian principle of charity that involves interlocutors providing the best interpretation of an object or thing that confronts them. When two people perceive a book they do not share the same neural responses, nor the same light, what they share is the ‘book’. In philosophy and rhetoric this process is called the **principle of charity and** requires interpreting a speaker's statements to be rational and, in the case of any argument, considering its best, strongest possible interpretation.

The principle of charity involves an inter-subjective standard between people when they communicate and express things thus and so. The immediate question is whether a principle of charity offers a robust means to engage with the world – is the principle of charity a basis on which to develop the reform project of accounting? A further problem for Davidsonian reform visions involve whether people are self-interpreting entities who have abilities which put them in contact with the world. McKernan’s (2007) conundrum involves the myth of the given where the ‘given’ is a term which describes an external world that people cannot access directly. Ultimately, the true essence of entities and things is probably beyond human comprehension and the

mysteries of our origin remain undetermined. Ostensibly, this is because the given exists outside of our mind's representations that ground our beliefs.

McKernan (2007) continues that Davidson is 'anti-representationalist but not antirealist' (p. 4) and this reflects the claim that a causal relationship between words and the external world exists. The implication is that people are only able to access the world using the processed mentalist images received in the mind. This way of perceiving the world has been the subject of considerable debate as this paper will outline in the pages that follow.

The first stage of my critical argument is to explain how Davidson and McKernan do not escape distinctions between mind and world. That is, their arguments do not provide a full account of the role language plays in accessing the world – they therefore offer limited insight for environmental and social accounting reform projects. They remain captured by Cartesian certainty and our dominating attitude to the world continues uninterrupted. A Davidsonian theory of language limits people's objective thinking and the means they use to **directly** access the world. Other values do not exist in the world and only beliefs justify other beliefs. Accounting theory remains shaped by dominant beliefs and is not able to draw on intuitions and direct impacts in the world. Nevertheless, Davidsonian's argue that our words build a pattern that fits the available evidence in the world and these connections put people in touch with the external world.

It is for these reasons that McKernan argues that Davidson respects the interlocking 'relations of relational entailment between sentences'. This, it is argued, reflects the claim that only beliefs justify other beliefs. It will be remembered that Davidson argued that 'what distinguishes a coherence theory is simply the claim that nothing can count as

a reason for holding a belief except another belief' (Davidson 1992 p. 310). He explicitly rejects 'as unintelligible the request for a ground or source of justification of another ilk [than belief] (Davidson 1992 p. 310).

If these concerns are correct then Davidsonians narrow not only the social and environmental accounting project but our understanding about how our ethical and moral theories shape the world we live in. Accounting, as a result, remains caught within a calculative and procedural way of thinking about the world from which it cannot escape. Therefore, a further question for scholars in this tradition is whether their complex arguments continue to separate mind from the world. The accounting implication is that these assumptions not only narrow how we imagine new accounting practices but also strategies for the future.² Davidson, like Habermasian accountants, does not develop the role that perception plays in the formation of belief and knowledge. Despite these limitations McKernan argues that Davidson usefully argues that only another belief can be used to justify another belief. This is because accounting has focused on economic mechanisms at the expense of the development of shared values that bring communities together. While it might be conceded that technical conceptual accounting frameworks have begun to address these concerns, they have done no more than assimilate environmental and social accounting within the current structures of modernity (see Gray 2002).

II: ACCOUNTABILITY: PAST AND PRESENT

Accounting and accountability processes have been the focus of accounting researchers for some time. It is now well-known that accounting research has been dominated by the

² Or, putting the question in a different way is whether a causal explanation of mind and world is just another mind dependent understanding of reality?

methods of the natural sciences (positivism) which in turn reflect an infatuation with mathematical, instrumental and dominating attitudes to the world. This is the traditional stance taken toward the accounting reform project and this is despite the fact that Francis (1994), Schweiker (1991) and Townley *et al.* (2003) have developed links between accounting, accountability and democratic theory. They share Habermas's supposition that:

[R]ational speech free from coercion always presupposes a certain emancipation of the right life. Only then can such speech be successful. The idea of truth, which measures itself on true consensus, includes the idea of coming to age (Habermas, 1970, p. 100: found in Gadamer, 1990, p. 287).

Habermas claims that the assertions people make in language must be arbitrated using an external standard such as his ideal speech situation.³ However, Habermas's way to think about language contrasts with that of Davidson. The latter claims to offer a different theory of language to overcome procedural issues: the question is whether such arguments justify the objectivity of the social accounting project?

This offers another way to think about language involves appreciating it as a common good shared between people. Language provides people with the means to build richer pictures the world in which we live. This argument dovetails with critiques of positive accounting theory in offering a vision of the world as shared endeavour. Here, Gadamer combines some of Rousseau's insights with those of Herder and Humboldt – from this combination of ideas he argues that:

Language is not just one of the many human possessions in the world; rather, on it depends the fact that human beings have a *world* at all. The world as world exists for

³ Habermas, J., *Justification and Application*, Cambridge, Massachusetts, The MIT Press, 1993, pp. 56–57 where he states that 'we presuppose a dialogical situation that satisfies ideal conditions in a number of respects, including...freedom of access, equal rights to participate, truthfulness on the part of participants, absence of coercion in taking positions, and so forth' (p. 56). Found initially in Porter, *The Elusive Quest*, *op. cit.*, pp. 150–160.

man as for no other creature that is in the world. But this world is verbal in nature. This is the real heart of Humboldt's assertion (which he intended quite differently) that languages are worldviews. By this Humboldt means that language maintains a kind of independent life vis-à-vis the individual members of a language community; and as he grows into it, it introduces him to a particular orientation and relationship to the world as well. But the ground of this statement is more important, namely that language has no independent life apart from the world that comes to language within it. Not only is the world world only insofar as it comes into language, but language, too, has its real being only in the fact that the world is presented in it. Thus, that language is originally human means at the same time that man's being-in-the-world is primordially linguistic.⁴

Interestingly, Taylor takes Gadamer's ideas further where people operate in an integrated social and environmental world. It provides a means to transcend the limitations of naturalism. Taylor reminds us:

People used to see themselves as part of a larger order. In some cases, this was a cosmic order, a 'great chain of being', in which humans figured in their proper place along with angels, heavenly bodies, and our fellow earthly creatures. This hierarchical order in the universe was reflected in the hierarchies of human society. People were often locked into a given place, a role and station that was properly theirs and from which it was almost unthinkable to deviate. Modern freedom came about through the discrediting of such orders.⁵

According to Taylor a realist picture of the world put humanity in touch with the natural environment. For all intents and purposes people and the world are entwined in reality and cannot be separated but for analytical purposes. The task for accounting is to not only to move beyond its economic remit but to provide data and information concerning corporate and human impacts on the natural world.

Here Taylor argues that differences and misinterpretations can be reconciled through practical reasoning – this is a useful means for accounting to consider its public interest role where language gives voice to humanity's inner being allowing us to hear nature's intrinsic value.⁶ A further problem with Habermasian accounting is whether a

⁴ Gadamer, *Truth and Method*, *op. cit.*, p. 443. Initially found in Bohman, 'Two Versions of the Linguistic Turn', *op. cit.*, p. 198.

⁵ Taylor, *The Ethics of Authenticity*, *op. cit.*, p. 3.

⁶ Taylor, *Sources...*, *op. cit.*, p. 370.

rule-based approach to language offers a realistic approach to human affairs and the external world.

McKernan (2007) continues and argues that Davidson offers an 'antirepresentationalist view of an objectivity that needs and can have no other foundation than intersubjectivity' (p.763). He believes a philosophical conundrum that has captured accounting theory for some time. This conundrum involves how objectivity depends on our words and beliefs and the relation that they take to access the external world? Another problem is that McKernan's (2007) analysis continues a tradition which separates human minds from the real world and leaves us spinning within our current belief structures. McKernan (2007) relies on Davidson 's links between mind and world which remain within the subject and object frame of empirical reference. However, these arguments are not an advance on the natural scientific method which has enthralled accounting for some time. However, insights from moral realism and the philosophy of perception offer ideas to put people back in touch with nature. Gadamer explains:

That nature is beautiful arouses interest only in someone who 'already set his interest deep in the morally good.' Hence the interest in natural beauty is 'akin to the moral.' By observing the unintentional consonance of nature with our wholly disinterested pleasure - i.e., the wonderful purposiveness (*ZweckmaBigkeit*) of nature for us, it points to us as the ultimate purpose of creation, to the 'moral side of our being'.⁷

Here Gadamer's hermeneutic argument maintains that people can lead better lives when they stand in certain relationships with nature.⁸ These relationships involve language and expression which develop the ideal of authenticity to reflect what is unique and valuable in particular phenomenon such as the natural environment. On this view a full human life

⁷ Gadamer, *Truth and Method, op. cit.*, pp. 50-51.

⁸ See Heidegger, M., *Being and Time*, (trans., J. Macquarie and Edward Robinson), New York, Harper and Rowe, 1962.

involves authentic involvement with nature and positive approaches to the world devalue being to that extent.

McKernan's argument offers Davidson's principle of charity to understand the objectivity of the world. The counter argument is to explain that a mediational picture of the world is not the only way people access the natural world? As Taylor explains:

We need to step outside the mediational picture, and think in terms of the kind of embedded knowing which Heidegger, Merleau-Ponty and Tode's have thematized. Of course, we check our claims against reality. "Johnny go into the room and tell me whether the picture is crooked". Johnny emerges from the room with a view to the matter, but checking is comparing the problematized belief with his belief about the matter, in this case by going and looking. What is assumed when we give the order is that Johnny knows, as most of us do, how to form a reliable view of this kind of matter. He knows how to go and stand at the appropriate distance and in the right orientation, to get what Merleau-Ponty calls a maximal grip on the object. What justifies Johnny's belief is his being able to deal with objects in this way, which is, of course, inseparable from the other ways he is able to use them, manipulate, get around among them, etc. When he goes and checks he uses this multiple ability to cope, and his sense of his ability to cope gives him confidence in his judgement as he reports it to us. (Taylor writing to Dreyfus, 2005, p. 56).

This example assumes that each person knows how far to stand from the picture and make determinate judgments. It illustrates the role pre-propositional knowledge performs and how this type of knowledge does not rely on any predetermined belief. The simple example explains how people do not always draw on existing beliefs when we get about in the world. On this view, attempts to calculate, measure and transform the world creates a disengaged world – positive and technical accounting put humanity on the wrong track. The provided information only perpetuates humanity's detachment from the world. But one wonders whether charity is the best we can do? Part of the problem for modern accounting is to think about the background values which we draw when we live in the world. Can they help us see the world? Is it possible for humanity to see the world as it is and what would accounting look like in such a world?

A further community based response to Davidson's principle of charity and theory of language involves developing the concept of intentionality – this is a phenomenological principle which maintains that the individual mind directs thinking in the world. The principle of intentionality invites professions such as accounting to consider the role their second nature plays in making moral judgements. What type of world this would involve and create? Hubert Dreyfus, John McDowell and Charles Taylor – have offered various critiques of Davidson's coherentism in developing a direct realism that accesses the external world. The problem they find is that Davidson's coherentism does not allow us to escape the limitations of scientific naturalism and allow some space for the natural realm to participate in our normative deliberations. For example, McDowell argues that Davidson's work cannot help us escape the seesaw between coherentism and the myth of the given. This point explained by Taylor (paraphrasing McDowell) when he observed:

Once we see the emptiness of the myth of the Given, our problem is somehow to bring this free spontaneity together with constraint. In order to stop the oscillation between the need for grounding which generates the myth of the Given, and the debunking of the myth, which leaves us with the need unfulfilled, "we need to recognise that experiences themselves are states or occurrences that inextricably combine receptivity and spontaneity"; we have to be able to "speak of experience as openness to the lay-out of reality. Experience enables the lay-out of reality to exert a rational influence on what a subject thinks. (Taylor, in Dreyfus, 2004, p. 58).

McDowell thinks we are in danger of falling into an interminable oscillation: an oscillation between some version of the Myth of the Given where we are deceived into thinking that empirical knowledge is grounded and epistemically justified by a Given that is not conceptualized and some sort of frictionless coherentism (Bernstein, 2002, p.12). The implication of this thinking for accounting is that we remain caught within the current social system and lose sight of the very values that reflect the core features of

humanity; the values that the social accounting project believes the craft must begin to consider if it is to act in the public interest.

The problem for modern social science (of which accounting is a part) is how to escape this seesaw? Part of the solution involves returning to the work of Immanuel Kant (and Willfred Sellars) who begin to show us how this might be achieved:

The original Kantian thought was that empirical knowledge results from a co-operation between receptivity and spontaneity. (Here “spontaneity” can be simply a label for the involvement of conceptual capacities). We can dismount from the seesaw if we can achieve a firm grip on this thought: receptivity does not make an even notionally separable contribution to the co-operation. (McDowell, p. 9).

McDowell argues that we can do away with Davidson’s talk of rational constraints when we recognise there is no sharp distinction between what is inside the conceptual sphere and something outside it. Grasping the import of McDowell’s/Taylor’s critique of modern epistemology is like entering into a strange and unknown world: a world where people’s power of receptivity is open to the external world of nature. Another way to put this social science dilemma has been expressed by Taylor in the following way:

To sum it up in a pithy formula, we might say that we (mis)understand knowledge as “mediational” .., [Accordingly] when states of minds correctly and reliably represent what is out there, there is knowledge. (Taylor writing to Hubert Dreyfus, 2005, p. 53)

Bridging the gap between *Radical Individual Autonomy* and *Expressivism* involves exploring how the radical separation between the inner world of the mind and the external world has created a disenchanted world. Dreyfus and Taylor, drawing on Heidegger, trace these trends back to the *Enlightenment* (of which Rene Descartes was a prominent exponent) in which each individual person had a capacity to process external representations of the world in the mind. For Descartes, representations in the mind did not depend in any way on the objects that are represented. Accordingly, reality is

mediated only by the individual's knowledge of the world intrinsic values do not exist and science is the only means to perceive nature. When applied to accounting we have an external world that plays no role in our thinking. Accordingly, accounting's role is simply to provide accounts about corporate economic performance.

Accounting has a role to play, but even recognizing that role is a distant shore – at present we cannot work out solutions because we cannot see the problem. What if our accounting and social science beliefs are wrong, or themselves only partial? What if our capacity for spontaneity allows us to visualize the world as it really is? Can these ideas allow us to improve our interpretations? Can accounting contribute with imaginative social responses to inform relevant publics? What if by operating only through our limited belief set we have cut off an important part of our identity and relation to the world? Behaviours become reinforced and embedded in our way of thinking, such that they inform a developed intuition, or background set of practises. This can be a helpful process when full information is available and a reliable and realistic conception of the world is required. The issue with radical autonomy, the free market, and positivism is that they ignore any sense of feeling or empathy towards the natural environment in favour of a purely technical conception.

SECTION IV: FROM COHERENTISM TO DIRECT REALISM

It is argued that McKernan (2007) overplays the role of an 'anti-representationalist view of an objectivity that needs and can have no other foundation than intersubjectivity' (McKernan, 2007, p. 1). Any accountability framework that ignores the link between perception and language is likely to perpetuate the contours and problems of the present

(see Gray, 2002). Putting the point differently, Davidson's coherentism the role for accounting is limited, the means to perceive the world is constrained, thereby making accounting's role less responsive to human needs. These responses to Davidson (1992) and McKernan (2007) bear on Gray's (2002) quest for social and environmental accounting which involves 'some justification for ad hoc, pragmatic' forms of accounting' (p.702).

Research undertaken in environmental and social accounting explores alternative futures that impact on the world, and how that world is left behind for others (Lehman, 1995, Sherer, 2002). Often these debates involve attempts to hear the voice of nature in one form or another – it will be recalled that Rousseau referred to humanity as the voice of nature. This simply means that people emerge from nature and have a capacity to speak, think and act. This idea that people are a voice and objectifying entity led toward and investigation concerning *direct perception* and *moral realism*. The accounting implication is a set of responses to the following issues associated with external reporting.

P1. External realism – External reality exists independently of financial statements it represents.

P2. Correspondence theory of truth: A financial representation is true if it corresponds (at least approximately) to the underlying economic reality that it purports to represent.

P3. Conceptual relativism: all systems of representations such as conceptual frameworks are human creations and thus socially constructed.

P4. Subjective judgement (epistemological subjectivity): Accountants' judgments about what constitutes valid descriptions of economic reality are influenced by many factors – cultural, economic, political, psychological and so on.

P5. Commitment to rationalism (epistemological objectivity): Knowing is epistemologically objective to the extent that a community can agree on the criteria for evaluating the justification of evidence for assertions.

P1. External Realism – External reality exists independently of financial statements that it represents.

McKernan (2007) critiqued of Shapiro's representational perspective about how to reform accountability structures. The issue involves how might this be achieved and how might a process of reciprocal recognition be useful in considering new ideas and values as they unfold in a community of language users? At this point of the discussion, it is important to consider postmodern positions, one of which is Rorty's celebrated work. Rorty suggested we have no duties to anything non-human which follows from his Davidsonian foundation that no means exist to access the world as it really is.

Rorty became fashionable in contemporary political and sociological theory and his irony and pragmatism offer solidarity with nature. Again, this reflects the argument that no direct access to the world is available such that:

[A]ccounting practice does not directly rely on any *philosophical* presuppositions [and] accounting might become more responsive to human need if it were to free itself of the dubious comforts of representationalist philosophy' (McKernan, 2007, p. 156).

Rather, it is not that we have one less reason to change our practices but an overwhelming reason to explain how our practices (such as accounting) shape the way we relate to others and our world. These are increasingly important observations given how sustainable and postmodern methods focus on one very important issue as it concerns the long-term viability of the planet. The key response is that humanity's ability to perceive intrinsic values reflects an embedded set of relationships with nature that become submerged when our interpretations rely on our concepts and categories.

Here it is worth recalling Taylor's argument that the dominant Western thinking fails to break free from the circularity imposed by our embedded beliefs and this requires further internal justification, because it is assumed that the only way to justify a belief is to ground it in another belief. Interpretative thinking has the potential to take accountability research in a phenomenological direction to explore the taken-for-granted

background practices which involve how people's coping skills might allow us to make better sense of the world, and our desired outcomes for ourselves within it.

Yet, if we follow Rorty's reading of Davidson (and McKernan's interpretations) we are led down a pragmatic path. As Rorty has stated on this view we simply enjoy the possibilities that the world provides to us. Accounting, on this view, remains committed to providing true and fair views but does not recognise that it is through our developed practices which engage with the world and provides a vista to visualize nature. It is paradoxical that in our reasoning about the world, we have utilized the technical dimensions of our practical reason, but excluded the very values that are required to fully appreciate the value of nature in the first place. Such a process cannot help but lead to a bifurcated understanding of the relationships between the mind and the external world, the factors that make up our identity, and the role that language plays in shaping 'being'. A partial and detached self posits a number of conundrums for humanity which relate to how we account for important relationships. Arguably, McKernan's work on Davidson leaves us spinning in a mechanical and technical vacuum where accounting has limited space to provide new vistas to explore the world.

P2. Correspondence theory of truth.

McKernan (2007) argues that philosophers have been unable to convincingly specify any sense in which a statement of a true sentence can take us beyond language to how things are in the world prior to our descriptions. Is there a means to access the world in which we live? Do philosophical resources exist to that end? It was argued earlier that McDowell's external account of the world was used to explore the notion that the mind is

in the world and not separate from it). McDowell (like Dreyfus and Taylor) have used the work of Gadamer to offer a strong interpretation of linguistic structures that provides another way to think about how communication can disclose reality. Gadamer states:

Our first point is that the language in which something comes to speak is not a possession at the disposal of one or the other of the interlocutors. Every conversation presupposes a common language, or better, creates a common language. Something is placed in the center, as the Greeks say, which the partners in dialogue both share, and concerning which they can exchange ideas with one another. Hence reaching an understanding on the subject matter of a conversation necessarily means that a common language must be first worked out in the conversation. This is not an external matter of simply adjusting our tools; nor is it even right to say that the partners adapt themselves to one another but, rather, in a successful conversation they both come under the influence of the truth of the object and are thus bound to one another in a new community. To reach an understanding in a dialogue is not merely a matter of putting oneself forward and successfully asserting one's own point of view, but being transformed into a communion in which we do not remain what we were. (Gadamer, 1975, pp. 378-379).

Here, Gadamer's argument shows how language cannot be constrained by procedure as argued by Habermas (1991, 1999), nor by Davidson's principle of charity. The role of language must be developed from an entirely different point of view that does not impose *charity* on others. On this view, accounting has the potential to arbitrate discourse and evaluate the claims made in the discursive arena (Shapiro, 1998). The question remains: will people give up their individual validity claims to follow the decision reached in the model? This critical concern remains even if Davidson (and McKernan) can prove that there is a causal connection between mind and world – this was the point about 'Johnny' getting it right when aligning the mirror. The point is that our perceptions and language provide means to access and provide better interpretations of the external world.

From the above, the question is whether it is possible for participants in an accounting conversation to be divorced from background values, such as culture, community and locality. In an accounting context, Shapiro (1997, 1998) adapted Habermasian thinking to adjudicate between accounting disputes (such as pension plans,

retirement income, and derivative formations). His rule-based approach to language is based around a set of procedures that test whether particular accounting maxims are right or wrong (Shapiro, 1997). While this approach tests accounting maxims from ‘the point of view from which action norms can be *impartially grounded*’ (Habermas, 1996, p. 140 original emphasis) it remains open whether principles of rationality lead to impartial outcomes. A significant postmodern response has been provided by Richard Rorty was:

[T]here is no authority outside of convenience for human purposes that can be appealed to in order to legitimize the use of a vocabulary. We have no duties to anything nonhuman (Rorty, 1998, p. 127).

Rorty maintains that there is no truth or objectivity independent of the rules of discourse as agreed upon by human subjects; only beliefs justify other beliefs, and the only task of philosophy is to continue the conversation of humanity. Additionally, his postmodern argument claims there are no means to glimpse directly the otherness of nature; that is, our perception of the external world cannot provide independent accounts of an objective reality. Once such distinctions are established, any subsequent dichotomies become futile, and knowledge and foundations that we believe to be concrete truth are no more than the result of an accepted, or generally agreed upon, form of discourse.

Davidson (1992), Rorty (1979) and McKernan (2007) offer a challenge the realism of Dreyfus (1980) and Taylor (2002) and claim the art of interpretation and world disclosure are irrelevant to any disclosure of nature’s value. This means that there are no means to glimpse nature’s intrinsic value which accounts for Rorty’s commitment to pragmatism. But pragmatism may well continue modernity’s pursuit of economic growth without considering how perception and coping might inform a politics which focuses on commonalities. McKernan’s (2007) implicit critique, then, of both Dreyfus and Taylor is that they overplay the role of direct realism and its association with perception and

language: the claim is that interpreters such as Dreyfus, Todes, and Taylor are too optimistic in the assessment of human affairs. It is probably for this reason that McKernan (2007) urges accounting to break free from its representational realism but as outlined earlier perpetuates the dominant structures of the current project of modernity.

McKernan (2007) reminds us that Rorty questions the role of philosophy, and, by implication environmental visions built on direct realism, when he asserts that a radical hermeneutic method can only offer some interesting but limited possibilities, or reminders. Thus Rorty suggests:

[P]hilosophical reflection [which] does not attempt a radical criticism of contemporary culture, does not attempt to refund or remotivate it, but simply assembles reminders and suggests some interesting possibilities (Rorty, 1991, p. 6).

Rorty rejects Taylor's interpretation of the role of perception and language and attempts to explain contested meanings by working from the 'ground up' in developing a political and social position that creates solidarity in how we live and act in the world. Rorty maintains there is no objective reality, only different truth regimes built on the edifice of subjective preferences. If all we can know reflects our own horizons then any realist epistemology must be a reflection of that interpretation. He concludes:

Epistemological behaviourism (which might be called simply "pragmatism", were this term not a bit overladen)...is the claim that philosophy will have no more to offer than common sense (supplemented by biology, history, etc.) about knowledge and truth. The question is not whether necessary and sufficient behavioral conditions for "S knows that p" can be offered; no one any longer dreams they can. Nor is the question whether such conditions can be offered for "S sees that p", or "It looks to S as if p", or "S is having the thought that p". To be behaviorist is not to offer reductionist analyses, but to refuse to attempt a certain sort of explanation: the sort of explanation which not only interposes such a notion as "acquaintance with meanings" or "acquaintance with sensory appearances" between the impact of the environment on human beings and their reports about it, but uses such notions to explain the reliability of such reports (Rorty, 1979, p. 176).

Thus, Rorty claims that the objects of science only have intelligibility against the background of our embedded coping such that it is impossible for us to glimpse any notion of intrinsic value. Therefore, the best we can do is to continue the ‘conversation’ between interlocutors. Rorty argues that Dreyfus and Taylor wrongly impose solutions on communities that simply should be allowed to ‘be in the world’. He recommends against the politics of reconciliation that he believes are falsely built on inescapable frameworks, hyper-goods, the role of perception, and world disclosure. Taylor defines hyper-goods as being those values incomparably more important than others, but provide the standpoint from which other values must be weighed, judged, and decided upon. A further accounting insight involves interpreting, recognising and exploring the background values that shape what we account and the policies we adopt. At the very least, the art of interpretation invites accounting to take seriously the implications that follow from the debates between realist and anti-realists.

Rorty and Davidson continues that the arguments made by Dreyfus and Taylor concerning the existence of ‘hyper-goods’ and ‘strong evaluations’ which are important for the realisation of peoples’ life-plans – are built on their subjective preferences. This would imply that environmental values simply reflect peoples’ preferences. Taylor, however, developed the idea of a ‘hyper-good’ to refer to the *strong-evaluations* needed to achieve recognition of identity. In other words, it is more than a preference, a necessary condition of being. But Rorty claims:

Debates about astrophysics, how to read Rilke, the desirability of hypergoods, which movie to go to, and what kind of ice cream tastes best are, in this respect, on a par. There is a point to asking in which of these cases there is “a fact of the matter” or “a truth of the matter”, though there may be a point in asking whether any useful purpose is served by spending much time in debate. (Rorty, 1998, p. 93)

The implication of Rorty's postmodern method is to urge complete withdrawal from these ontological investigations, by implication, the supposition that nature is a source of the self. For Rorty, a certain circularity exists in the nexus between reality and the background, accordingly it is therefore Dreyfus and Taylor who remain caught in the traditional mind-and-world dualism. Truth claims, according to Rorty's perspective, merely reflect peoples' individual background horizons of meaning. Dreyfus responds:

The human sciences constantly try to copy the natural sciences' successful exclusion from their theories of any reference to the background. They hope that by seeking a shared agreement on what is relevant, and by developing shared skills of observation etc., the background practices of the social scientist can be taken for granted and ignored the way the background is ignored in natural science. (Dreyfus, 1980, pp. 16-17).

Accordingly, if the social sciences blindly copy the natural sciences we lose something important about our humanity, our accounting becomes technical and our social structures arid and bureaucratic. One can appropriately ignore the background in many natural sciences because they may be focusing on independently-existing laws of nature, such as physics. But to do so in the social sciences denies the role that the background plays in human affairs. Dreyfus argues:

But if, as in Rorty's projection, all objective truth were settled, and there is no other area of serious investigation of shared phenomena, abnormal discourse could only be the expression of an individual's subjective attitude towards the facts. And once this meta-truth was understood, there would be no place for hermeneutic efforts at commensuration. Indeed, there would be no sense of translating one discourse into another by trying to make them maximally agree on what was true and what false as proposed by Gadamer and Quine, since all discourses would already agree on the objective facts. All that abnormal discourse would amount to would be the expression of private fantasies, and resulting pro and con attitudes towards the facts. And all that would be left in the place of Rorty's kind of hermeneutics would be the Derridean notion of the play of discourse about discourse. (Dreyfus, 1980, p.19).

Rorty's pragmatism leads to indeterminacy and the supposition that nature reflects no deeper reality and no intrinsic value. A further problem with Rorty's argument is that he does not explore the double interpretative insight that it is possible that our grasp of

reality is one of bodily engagement through perception, and that this allows us to develop deeper interpretations of reality. The double hermeneutic insight is that it is through our intellectual and perceptual capacities which express and then interpret the ideas and values taken in through the mind and body (Rorty, 1998). Here is the major difference that Dreyfus and Taylor bring into our practices of enquiry; the expressive attempt to connect people within a common approach orients our attention to existing connections but also toward possible connections not yet evident and available. Davidson, McKernan and Rorty cut off this opportunity in their causal approach to the universe.

Rorty, however, continues in his challenge to interpreters to explain how their argument can zero in on reality; that is, if all interpretations are actually shaped by background practices how can they escape their own terms of reference. However, using the work of Dreyfus and Taylor we can show that Rorty's argument amounts to an attempt to copy the neutral methods of the natural sciences which in turn ignore the role of the background as it shapes context and the role perception plays in this process. That is, interpreters can respond to Rorty's charge of essentialism and scientism by explaining further that the double hermeneutic insight involves an ontological and advocacy dimension. At the ontological level, interpreters consider the kinds of beings self-interpreting animals are; and, at the advocacy level the types of conditions and interpretations that build a richer picture of the self. In the present context this involves the role that nature plays in shaping our being and the significant features of identity.

From the interpretative and hermeneutic dimension, Dreyfus continues in his critique of Rorty's postmodern perspective in its emphasis on anti-realism and ironic stance to value determination. Rorty's anti-realism encourages an ironic and playful

approach to matters of significance as they shape the self. Dreyfus claims, however, that the self is not simply a contingent set of values but involves taking seriously rather than pragmatically the conditions that make possible our very being and identity. Dreyfus draws on an example from the work of Samuel Todes:

[Todes] points out that our experience of having to balance in a gravitational field gives us the sense of a force independent of us that we have to conform to, a force which sustains our coping only if, by balancing, we relate to it on its own terms. But again one can ask whether our relation to this force as something that pulls us down but also enables us to stand up, isn't our way of making sense of nature in our world, rather than an experience of how the universe is in itself.

The fact that the self is embedded in the world takes seriously the conditions that shape being and that place limits on the contingency of pragmatism. But is the philosophy of pragmatism the only way to reform accounting – only by responding to Rorty's anti-realist challenge can we begin to see that it is through our very being-in-the-world, that we can seriously consider the factors that enable us to improve our self-interpretations. To assume that the environment, for example, is simply a 'quantifiable' good ignores the conditions it places on the contingency of self-identity. Rorty believes that what is bound up with our coping capacities reflects preconceptual skills which allow us to arrive at something that is deeper than our descriptions and perceptions of that reality.

In recent work, Dreyfus noted that Taylor's approach goes even further than Rorty's postmodern understanding of what it is to be a person. Dreyfus argues that in skilful coping, as in balancing in the vertical field, or climbing over boulders, we have abilities that allow us to harmonise our activities with the structure of the universe. Dreyfus adds the example of people's ability to drink from a glass without error is an example of realism's inescapable hold on us. He explains that we must first perceive the glass and then we have abilities to align ourselves with the causal structures of the

universe. That is, in getting in synchronicity with all the forces and vectors that allow us to take a sip from the glass it is clear that the self is not simply contingently related to the world. Therefore, we are provided with opportunities to ‘better cope with’ reality’ and are provided with a way of thinking that allows us to the ‘see’ the values important in the construction of a good society. Davidson, Rorty, and Searle overlook the role our coping plays in getting about in the world.

The examples provided by Dreyfus are designed to show how humans are embodied beings that have basic coping skills that do not simply rely on our ability to think about the world. Rather, we are skilled interpreters at getting it right and obtaining an optimal take on things which in turn reflect on the assumption that self-interpreting animals take seriously, rather than ironically, the conditions which enable them to improve upon their interpretations of themselves and the world. The implication is that self-interpreting animals have the ability to reflect on the supposition that we have abilities to ‘get things right’ which in turn provide opportunities to better and improved abilities to cope in the world.

A principal argument in the paper has been that there do not exist indubitable conceptual frameworks that operate across time and space. This paper offers only a different way to think about how ‘reasons’ emerge from the disclosing potential in language that impact on the social role of accounting. The reformulated communicative strategy is not only concerned with the reformation of accounting but also with its transformation. Here Shapiro (1998) refers us to Habermas’ ethic to put different claims on trial through a process that determines whether claims legitimately bind participants. Again Habermas demonstrates his predilection for procedure. He states:

Discourse theory attempts to reconstruct this self-understanding [that of a universalistic moral consciousness and the liberal institutions of the democratic state] in a way that empowers its intrinsic normative meaning and logic to resist both scientific reductions and aesthetic assimilations...After a century that more than any other has taught us the horror of existing unreason, the last remains of an essentialist trust in reason are destroyed. Yet modernity, now aware of its contingencies, depends all the more on a procedural reason, that is, a reason that puts itself on trial. The critique of reason is its own work: this Kantian double meaning is due to the radically anti-Platonic insight that there is neither a higher nor a deeper reality to which we could appeal – we who find ourselves already situated in our linguistically structured forms of life (Habermas, 1996, p. 11).

From this, it is apparent that Habermas maintains that his framework arrives at just outcomes. This form of reasoning is also evident in Laughlin and Broadbent (1993) who stated ‘there is a need to debate whether this really is “good” from the perspective of these key institutions and society more generally’ (p. 364). The question remains whether such an approach to regulation can arrive at fair outcomes when the decision model is based on a series of rational validity claims and procedural structures. It is, therefore, arguable whether a process of rational deliberation without a full discussion of the processes of impartiality responds fully to the urgencies of cultural and social values in a spirit of openness and democratic accountability.

P3. Conceptual relativism of financial reporting schemes.

This section responds to McKernan’s argument that ‘different systems of representations can be used to represent that reality’ (Shapiro, 1997, p. 167). Again, McKernan uses Davidson and Rorty to critique a view propounded by Searle that there are no conceptual schemes that allow alternative accounting schemes to construct alternative realities. But Searle’s work is not the only one that attempts to explain that ‘we do not make worlds; we make *descriptions* that the actual world may fit or fail to fit’ (Searle, 1995, p. 166 in Mckernan, 2007, p. 163).

Another pathway is through phenomenology which postulates that we may not arrive at truth but better interpretations bring us closer to that reality. Put simply McKernan (2007) ignores the role of skilful coping, the background and the taken-for-granted abilities we have in getting about in the world. Dreyfus refers us not to Searle on this point but Todes in developing phenomenology and points to how an expressive interpretation of language works in tandem with the values revealed in skilful coping. He claims that we can come to terms with the structure of the universe and the layout of the world as it is in itself. Here, Taylor adapts Heidegger's work on the *clearing* provided by language acts as means to articulate the links between our perception of the world and our shared values in communities.

It is through a broader understanding of the role language plays that allows humanity to realise how it has emerged from nature but without being cut off from it. It is through language that we are provided with a conduit to articulate the expressive values that emerge when we interact with the world. The clearing provided through language can be used by humanity to glimpse not only nature's extrinsic values but also its intrinsic values. These values can be 'explained by [humanity] as something they cause, or one of their properties, or as grounded in them' (Taylor, 1992, p. 247). The *clearing*, therefore, related to humanity but not ultimately controlled by it involves all people coming together in a community. Taylor explains:

The clearing is the fact of representation; and this only takes place in minds, or in the striving of subjects, or in their uses of various forms of depiction, including language (Taylor, 1992, p. 257).

Following Heidegger, Taylor argues the *clearing* is the space through which expressive language opens up the full dimensions of the human person as a 'Shepherd of Being'.

The notion of shepherd connects with Heidegger's exploration into the parameters about

what it is to be a person (*Dasein*). Moreover, it shapes Taylor's interpretation of Heidegger's supposition that modern philosophy offers predominantly an instrumental stance towards being a human person.⁹ Language, therefore, is the conduit through which what is 'significant' for an identity is revealed as a dimension made manifest in the clearing itself, opened to us by our ability to speak. The difficult Heideggerian notion of the *clearing* is where language acts to disclose humanity's relationships with other entities and the world. Moreover, the *clearing* provides a means to connect with the external world in a manner not available using other environmental positions. It is not that language allows us to visualise nature but is the expressive medium through which we explore the values received by our capacities of receptivity.

Heidegger argues that the clearing is where the 'mortal and divine beings, earth and sky' are seen to come together. The *clearing* is both *Dasein*-related, but yet not *Dasein* controlled where language is not arbitrary and the properties of entities show up without distortion. That is, peoples' authenticity is revealed in context which involves a deeper social accounting that interprets and contributes to the good society. It is through the capacity to utilise language, Taylor argues in utilising Heidegger's insights, that it is possible that we can rebuild our world so that values of significance are revealed in an open and transparent civil society. Taylor builds on these ideas to construct a political strategy designed to transcend the modernist assumption that language does not count in the development of and articulation of the intrinsic values that shape a 'full life'.

Taylor's reconstruction of the role of language therefore develops political space to not

⁹ In this sense, Taylor's interpretation extends Gadamer's argument that it is through language that people's moral sources can also be given expression to satisfy people's need for recognition. For the purposes of ecological politics, as an example, it explores that ground where nature's value can be revealed as it shapes the development of freedom. See Taylor, 'Understanding the Other: A Gadamerian View On Conceptual Schemes', *op. cit.*, p. 290.

only respect different values but to combine these values in a democratic manner (Taylor, 2001, p. 79). It offers accounting, environmental theorists, and social theory a new means to glimpse the otherness of the natural world and rethink our relationships with the world.

In Heideggerian fashion, the aim is to counter the dominant analytical perspective in philosophy and social science that assume neutral and scientific techniques are the means to access the world. As argued earlier, this thinking ignores people's background values and requires a different way to explain the relevance of language theory. This involved two main hermeneutic insights. The first insight involves recognising that culture, language, and tradition shape people's being-in-the-world. The second insight involves the commitment to 'get things right', the portrait involves improved interpretations and political structures committed to these goals of articulation and expression, being in tune with the way things are in, and of, themselves.

In turn, the non-conformist stance advanced in this paper reflects an expressive dimension between people and nature. These dimensions connect with the social audit work of Humphrey and Owen (2000). Interestingly, their paper developed Power's *Audit Society* to consider the connections between social audit and society. They claim a therapy for the failures of accounting involves 'regarding the type of values that society wishes to prevail' (p. 37). Their analysis supports a normative stance that shapes an accountability structure that nurtures the nexus between social practice and the language mechanisms that shape a good society.

P4. Subjective judgement (epistemological subjectivity):

Accountants' judgements about what constitutes valid descriptions of economic reality are influenced by many factors – cultural, economic, political, psychological and so on. The work of Humphrey and Owen (p. 37) have provided a valuable review of Michael Power's *Audit Society* – advocating 'keep[ing] the debate going with respect to the audit society'. From such a perspective, social and environmental auditing does not simply focus on reforming democratic structures. They endeavour to enrich that process by understanding the 'factors, causes and motives underlying or driving the rise of the audit society' (p. 37).

One proposed escape route from the technical confines of the conceptual framework is through a social audit connected with attempts to reveal meaning; or, put differently, how the language of accounting involves a kind of revelation when one person finally understands the other. An optimistic account of practical reason can assist us to redefine the role of accounting and offer a positive role for it to play. Again, it is Taylor who develops Gadamer's earlier work on the commonalities that actually shape society.

[I]t is related rather to the kind of understanding we invoke in personal relations when we say, for instance: 'I find him hard to understand'; or at last I understand her'. To switch for a minute to another language, it is the kind of understanding one invokes in French when one says 'maintenant on s'entend'. We are talking here in these cases of what you could call human understanding, understanding what makes someone tick, or how he feels or acts as a human being (Taylor, 1980, p. 30).

Taylor claims that when an interlocutor finally understands another conversationalist is talking about recognising their identity and values. This poses a further challenge for technical accounting as it involves how to accommodate different values such as culture and different accounting systems. For Accounting, this involves the art of interpretation to reveal social audit and considers 'the possibilities for auditing to serve a more positive role in society' (Humphrey and Owen, 2000, p. 29). Here, language theory invites

reconciliation between accounting and society; namely, one where the limitations of corporate rationality are made explicit and can open up new ways to think.¹⁰ In sum, the social audit movement provides a path to open up new vistas thereby offering a realistic account of corporate affairs. (see Arnold and Hammond, 1994; Arnold and Sikka, 2002).

P5. Commitment to rationalism (epistemological objectivity): Knowing is epistemologically objective to the extent that a community can agree on the criteria for evaluating the justification of evidence for assertions. Accountants' judgements about what constitutes valid descriptions of economic reality are influenced by many factors – cultural, economic, political, psychological et al. Accordingly, the nexus between accountability and society involves challenging accounting researchers to consider questions of virtue in the cultivation of a sense of forgiveness, magnanimity, and reasonableness. It will be recalled that Francis (1994) considered practices whereby accounting and auditing professionals exercise a sense of moral judgement, previously introduced as *phronesis*. It is not that the practices mirror reality but allow us to understand the structures and values in which we live; the very values that require articulation in accounting theory debates.

Again, in following Francis (1994) in positing a role for Accountability research to extend the Accounting 'due process' by considering the common goods that shape people's significant claims. The focus is to create and maintain the highest standards of accounting, governance and political morality – as Shearer (2002) this is unlikely to be

¹⁰ A strategy to re-align corporate rationality with the common values that are revealed through language involves a regulative structure (such as a social audit) that is backed not simply by the rule of law but a social system which nurtures these values.

achieved when we focus on economic goods alone. A need exists, therefore, to determine how these standards will remain in force, remain impartial and promote rational discourse. For these reasons Taylor concluded his analysis of Habermas's ethic with the following observation.

[I]ndeed, at the end of this paper, rather like at the end of an episode in one of the serialized adventure stories of my youth, the hero is left hanging over a cliff, about to plunge into the abyss, to the mocking laughter of the post-modernist fiends. The question is, how to rescue him, both normatively and in historical fact? (Taylor, 1999, p. 1).

Advisedly, Dreyfus, McDowell, and Taylor argue that universal methods to adjudicate discourse ethics must be explored from another perspective. The work of Francis (1994), Shapiro (1997), Shearer (2002) are examples of Accountability research that dissociates instrumental reason from the dominant logic of economics. At the very least, it represents a different pathway on which to base accounting.

CONCLUSION

This paper engaged with key aspects of McKernan's work on Davidson and Rorty as applied to accounting and accountability structures. It argued that Accountability structures have been submerged by instrumental approaches to practical reasoning. This approach to reasoning shored up by a technical and technological approach to politics and value. The next step in the argument was then to explain that the technical approach to modern accounting, environmental and social problems have gripped modern society. This image of the world was also shaped by a way of thinking that separated the mind from the world in which it interacts. This approach was associated with the Enlightenment which in turn was associated with the assumption that it is only through the mind that people can appreciate nature. Accordingly, there are no intrinsic values in

the natural world and humanity has no duties to the environmental realm – this way of thinking limits how we think about accounting and the role it can play.

I then argued that a strength of Dreyfus/Taylor involved their broader politics where ‘significant’ values are revealed in context utilizing our best perceptions and languages. I argued that the dominant analytic frameworks that shape accounting were not able to reveal nature’s intrinsic value thereby further limiting the social accounting project. Following Gray it was argued that while discourses of sustainable development do recognize environmental and social consequences of economic growth they still operate within an epistemological framework that does not question the current order of things. In today’s discourse it is recast as sustainable growth with little information as to how sustainable patterns will be achieved in the current system. The argument differed from that of Gray by utilizing the role of perception to explain how the axioms of Deep Ecology may be incorporated into the lexicon of the accountant and consider the objective status of nature’s value.

A concern for such values and the future of the world, however, is something that is not necessarily self-evident within procedural liberal and postmodern accounting discourse. The next step in the argument was to argue that a danger in postmodern position accounting involved the creation of a conversation concerning the natural realm without a political coping strategy that connects with it. Postmodern contingency cuts us off from our expressive sources of the self precisely when interpretation is most needed. From this perspective, our coping skills orient us to the world where language is the means through which the otherness of nature is expressed.

Climate change, global warming, and over-population require us to contemplate new social arrangements which might involve 'steady-state' alignment of social practices with the reality that unlimited economic growth might not be possible in the long-term. In this sense, the art of interpretation and its connections with the role of perception take environmental ethics in a precautionary direction that maintains where there are threats of serious or irreversible damage, lack of full scientific certainty shall not be used as a reason for postponing cost-effective measures to prevent environmental damage. At the very least, interpretation, perception, and moral theory provide humanity with a political and theoretical means to rethink the value and political structures allowing us to visualize the value of the natural environment.

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