**A COMMENT ON ACCOUNTING OBJECTIVITY:**

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**ABSTRACT**

Environmental and social accounting has the potential to contribute to a just and green community. This may be achieved by reforming accounting to consider how the art of interpretation and the philosophy of realism (McKernan, 2007) is associated with the work of Donald Davidson, Richard Rorty, and Charles Taylor. Recent work by Shapiro (1997) and McKernan (2007) have explored objectivist debates but little research concerning the art of ‘interpretation’ exists. This can be remedied using Shapiro’s five key propositions – external realism, correspondence theory of truth, subjective judgment (epistemological subjectivity); conceptual relativism of financial reporting schemes; commitment to rationalism (epistemological objectivity) – to imagine a sustainable accounting. This vision puts people in touch with the external world where ‘direct realism’ involves our perceptions about the world. Our comportment in the world is examined in the light of instrumental and technical approaches. The objective is to create an accounting that reaches distant shores and heals differences – achieved by nurturing commonalities between people and with the world – the argument is all about transcending simplistic market frameworks.

**Introduction**

Research concerning the social and environmental accounting project has been subject to critical insight and deliberation. This paper explores debates concerning whether the technology of accounting has the philosophical reach to provide communicative reports that are ‘real’ and represent ‘facts’. The invocation in the paper is to imagine a new accountability framework, one that revitalizes the ethics and teaching of the discipline.

The quest is to rethink how accounting and economic methodologies consider the value of the natural environment. In part, the argument contributes to Tomkin and Groves (1983a, 1983b) work on the role of the accountant together with Parker & Roffey (1997) to whom hermeneutics acted as a social imaginary to understand the craft of accounting and its societal impacts.

This paper differs from others in that it follows political interpreters, such as Hubert Dreyfus and Charles Taylor. Their work is adapted to consider how instrumental, procedural and technical accounting research has yet to consider how moral values may work to put us in touch with the natural world. Arguably, this reform strategy aims not to assimilate with the logic of economic reason and instrumental rationality that prioritizes profit and calculation (see Shapiro, 1997, McKernan, 2007). The paper offers an interpretativist argument that we have basic coping skills that put us in direct contact with the external (natural) world.

The argument is that an interpretative ethical analysis is different from those arguments that support social and environmental accounting together with the current social system. The argument then proceeds by claiming that environmental and social accounting reforms are on the wrong track and unlikely to reform the accounting profession in the public interest. This is because the craft of environmental and social accounting has been colonized by the logic of instrumental rationality – this is the type of rationality used by economists to calculate optimal outcomes at minimal cost. Instrumental rationality, therefore, limits the full realization of human perceptions of the world and creates a forgetfulness of our place in the world.

One suggested therapy for the instrumental malaise of accounting, and its reliance on instrumental reason, is to engage a philosophy of direct realism. This philosophy aims to create accountability processes that support environmental accounting developments that recognize humanity’s place in the world. Obviously, various moral philosophies have already been introduced to inform social accounting, but such an ethic must be accompanied by a social explanation that provides an objectivist strategy concerning corporate ecological footprints.

This paper suggests a possible solution as it involves a radical departure from the dominant philosophical assumption of mind and world. The dominant mind and world dualism assumes a sharp division between the thinking mind and the external natural world. That thinking leads to an associated scientific assumption that humanity can control the external (natural) world. A suggested therapy for accounting ethics is a radical reworking of our understanding of being in the world to re-enchant our ethical appreciation of accounting. This is to be achieved by developing the moral side of our being and put us in touch with the external (natural) world.

Environmental and social accounting has only recently begun to engage broader debates concerning the philosophy of direct realism (see McKernan, 2007; Shearer, 2002). For example, accounting and accountability research argued that accounting provides objective and real accounts. These early perspectives did not question the current order of things and simply offered a conservative justification for the *status quo*. Notably, Hines and Tinker challenged the conservative face of accounting and outlined how accounting is a social construct with distributional and social consequences. Accounting has not, however, explored the accounting implications associated with the supposition that humanity is in some fundamental sense a part of the world. This idea is connected with the philosophy of intentionality that maintains that the mind is in the world, and, not separate from it.