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Beyond intentionality in accounting regulation: Habitual strategizing by the IASB

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Abstract

Adopting critical discourse analysis and Bourdieu's theorization of dispositional use of language, the present study challenges a common assumption in the accounting standard-setting literature, namely, that regulators' discourse is purposely and deliberately deployed. I draw on cognitive sociolinguistics to empirically explore the specific manifestations of habitual, that is, pre-reflexive legitimation rhetoric in IASB regulatory texts. My analysis shows how taken-for-granted discursive rationalizations and linguistic forms are operationalized. I then argue that the language observed in regulatory texts, which can be considered as examples of 'collective thinking artefacts', enacts standard setters' institutionalized patterns of reasoning associated with their social position. This critical perspective on the subconscious use of rhetoric generates a series of further questions regarding the lack of reflexivity in accounting regulatory processes.

Key words: critical discourse analysis; Bourdieu; cognitive sociolinguistics; legitimacy, IASB

> *Rhetorical unconsciousness … is built into our shared, individual psychologies and into the fabrics of social relations that have come to be taken for granted as the structure of everyday human experience … That which is unconscious … finds its way into our conscious and intentional rhetoric in ways not fully understood. (Benson, 2019, p. ix)*

1. Introduction

Do accounting regulators consciously manage and strategize their legitimacy? Or do they subconsciously enact learned yet deeply embedded discursive patterns of reasoning and justification, the so-called *habitus* (Bourdieu, 1987, 1990)? The first question positions accounting regulators largely as rational strategic actors; the second more as nodes in highly institutionalized and routinized fields for producing accounting standards. Drawing on the case

of the International Accounting Standards Board (IASB), and specifically its production of controversial provisions on groups and on leasing, the present study seeks to explore these questions, which are implicit in much of the extant literature on discourse[1] in accounting regulation (cf., Young, 2003, 2006, 2014; Masocha & Weetman, 2007).

Legitimacy and legitimation play a central role in social action in general (Suchman, 1995; Suddaby & Greenwood, 2005; Vaara et al., 2006; Lupu & Sandu, 2017; Boiral et al., 2020) and regulatory action in particular (Young, 1994; Power, 2003; Durocher & Fortin, 2010; Malsch & Gendron, 2011; Baudot et al., 2020). There is an extensive body of work examining legitimacy in the accounting standard-setting arena (Chua & Taylor, 2008; Botzem & Quack, 2009; Georgiou & Jack, 2011; Erb & Pelger, 2015; Durocher et al., 2019), some of which acknowledges the significance of taken-for-grantedness and common-sense claims in building senses of the 'acceptable' and 'desirable' (Young, 1994, 1996; Durocher & Gendron, 2011; Mantzari & Georgiou, 2019). However, relatively little is known about the specific manifestations of, as proposed here, *habitual* language practices employed in the legitimation of accounting solutions in formal regulatory documents.

I address this gap, asking: how do IASB members construct senses of legitimacy/illegitimacy in their official drafts and final accounting standards? Namely, what specific rhetorical devices do they use, and what kind of legitimation strategies do those rhetorical devices invoke? Then, I pose a crucial question: is the rhetoric (and discursive strategies) employed consciously, that is, deliberately, or is the rhetoric pre-reflexive, that is, the *habitual* way regulatory provisions are justified in the accounting regulatory arena? These are important questions as drafts of accounting standards issued for public comment are a key element of due process, providing a platform for the IASB to formally justify its proposals (Bamber & McMeeking, 2016), while final standards, as a mandatory point of reference for the implementation of accounting practice, continue their persuasive work long after their publication (Young, 2003).[2]

The theoretical point of departure for my inquiry is synthesis of a critical discourse analysis (CDA henceforth) framework of the dialectical relation between language and social power structures (van Dijk, 1998, 2001a, 2001b) and Bourdieu's sociological work on how

[1] The present study considers discourse as 'language in use' (Brown & Yule, 1983) which is a general and prevalent system for the formation and articulation of ideas and our understanding of the world (Alvesson & Karreman, 2000).

[2] It should be noted that the regulators are not the literal authors of the regulatory texts. The documents are drafted by technical staff and therefore the outcome of a communal process (Hoffmann, 2016). However, the board members, as editors, still retain ultimate control over the texts.

individuals' perceptions and (language) practices are tacitly "collectivized by socialization" (Bourdieu & Wacquant, 1992, p. 18). CDA research theorizes language as "socially constitutive as well as socially shaped" (Fairclough & Wodak, 1997, p. 258; see also, Vaara, 2015). It focuses on the role of language in the (re)production of (very often covert) power relationships in society. At its core is the examination of taken-for-granted assumptions and common-sense discursive constructs. In particular, discursive demarcations, namely the acts of naming, classifying, and categorizing that are necessary to all language usage, are in themselves *acts of power* that "demarcate the center from the periphery, the normal from the deviant, the same from the different, self from the Other" (Park, 2005, p. 15; see also, van Dijk, 1998; Vaara et al., 2006).

This CDA perspective on discourse is complemented here by Bourdieu's (1977, 1990, 1991) work on the role of socialized dispositions in human (language) practice (Nash, 2003; Hanks, 2005; Grenfell, 2011; Gomez, 2015). Bourdieu emphasizes the habitual, therefore not fully conscious, aspects of human behavior that orient our choice of 'acceptable' ways to rationalize and deliberate and thus strategize within a social field. Social actors operating within a particular field share a certain set of common understandings and beliefs that gives them a 'practical sense' of what is appropriate and desirable. This 'practical sense' – in other words *habitus* – is shaped by shared social conditions and expectations attached to the social positions occupied by actors (Bourdieu, 1987, 1990; Bourdieu & Wacquant, 1992; see also, Gomez, 2015; Cardinale, 2018). This focus on the dispositional (that is, tacitly modified by social structures) foundations of (discursive) strategizing constitutes a conceptual synergy between Bourdieu's sociological work and CDA's aim to expose taken-for-granted discourse practices in order "to make visible social phenomena that often pass unnoticed" (Vaara, 2015, p. 493).

By drawing on this theoretical and analytical approach the study aims to challenge a common assumption in the relevant accounting literature (e.g., Warnock, 1992; Young, 2003; Masocha & Weetman, 2007) that discourse observed in regulatory documents legitimizes "through *deliberate* choice of particular [rhetorical] devices"[3] (Young, 2003, p. 624). Instead, I argue that regulatory texts exhibit *habitually* used language patterns and taken-for-granted claims adopted pre-reflexively. In other words, these texts are created by relying on conventions of 'talking and writing' in a regulatory field (Bourdieu, 1987, 1991).

[3] Italics introduced for emphasis. This continues in the following citations.

In making my argument, I do not conceptualize strategizing legitimacy as binary, that is, *either* a fully conscious or subconscious practice. Bourdieu links the reflexivity of agency with the determinism of social structures via *habitus* to show how strategy emerges (Bourdieu 1990; Gomez, 2015). *Habitus*, that is an embodiment of the socio-historical conditions that formed us, is the foundation for any deliberate strategizing. One cannot understand the latter without unpacking the former. In this vein, accounting regulators may be at once deliberate in their strategizing, selecting means with the end in view, while, at least in part, subconsciously reproducing, through selection of their linguistic practices, broader cultural or social influences internalized through their trajectory in the field, which orient their problematization and conceptualization of those means and ends (Hamilton & Ógartaigh, 2009; Malsch & Gendron, 2011; see also, Golsorkhi et al., 2009; Suddaby et al., 2016; Cardinale, 2018). I focus here on subconscious processes, as I believe that, despite their importance, these have been neglected in the previous literature (cf., Stenka & Jaworska, 2019).

My empirical investigation of rhetoric in the IASB regulatory texts draws on a cognitive sociolinguistic approach (Pütz et al., 2014; Labov, 2014), which foregrounds *habituality* of language use that emerges as "daily practice, which is recursive, embodied, and *intuitive*" (Busch, 2012, p. 18). To identify and explore specific word and grammatical choices I adopt the taxonomy proposed by Cockcroft and Cockcroft (1992) (considering lexicon as well as syntax and semantics) and supplement it with empirical work on conventionality of figurative language by Charteris-Black (2005) and Handl (2011). Then I draw on van Leeuwen's (2007) 'grammar of legitimation' framework to identify specific, albeit "not always intentional or conscious" (Vaara et al., 2006, p. 794), discursive legitimation strategies inferred or invoked by these linguistic constructs. This detailed analysis of the linguistic features of the regulatory discourse allows me to 'zoom in' on the micro processes of legitimation and to address my research questions – how legitimation is enacted via language in the IASB's official regulatory documents, and whether the observed rhetorical repertoire is used deliberately or rather *habitually* and thus subconsciously.

Generally, this approach aligns with critical rhetorical tradition, scholars of which argue that the unintentional ways we persuade/are persuaded are far more important, though "underexplored and vaguely understood" (Bruner, 2019, p. 5), than intentional persuasion; in fact all deliberate persuasion is built on the foundations of our collective rhetorical subconscious (Bruner, 2019, p. 5 see also, Ambrester, 1974; Gumperz, 1964; Busch, 2012). My empirically grounded study contributes to our understanding of the subconscious use of rhetoric, as well as answers calls by Cooper and Robson (2006) and Malsch and Gendron

(2011) for more detailed and contextualized research on multidimensional facets of power (including covert influence) and the role of naturalized and sedimented discourses in the processes that influence regulatory actions and outcomes. It also addresses calls in the literature (Gomez & Bouty, 2011; Malsch et al., 2011; Forchtner & Schneickert, 2016; Stenka & Jaworska, 2019) for more engagement with the work of Bourdieu to explore how systems of power are implicitly reproduced by social agents (here members of the IASB) via their *habitus*, of which (habituated) language use is a part.

In my study I focus on the IASB as an important international regulatory body at the heart of the globalization of financial markets (Botzem & Quack, 2009; Power, 2009; Bengtsson, 2011). Prior literature demonstrates how convincing the legitimating powers of the IASB and its standards can be (Mantzari & Georgiou, 2019), and how regulators' discourses can orient our interpretation of their actions and their regulatory outcomes (Durocher & Fortin, 2010; Erb & Pelger, 2015; Pelger & Spieß, 2017; Warren et al., 2020). The present study extends this by investigating the subconscious strategizing and habitual language practices of standard setters rather than the indoctrination of standard users. When certain social (here language) practices become routine and normalized over time, even dominant actors themselves become subjugated to the prevailing social order (Lupu & Empson, 2015). This generates a series of questions about the implications of adherence to habitual ways of thinking (Alvesson & Spicer, 2012; Suddaby et al., 2016; Gendron, 2018) for accounting standard-setting processes and outcomes.

The paper proceeds as follows. First, I position my work in the relevant literature on discourse in the accounting regulatory arena and outline how CDA and Bourdieu's theorization on dispositional (i.e., mediated by social structures) use of language can contribute to the exploration of pre-reflexive aspects of discursive legitimation in the regulatory field. Sections 4 and 5 discuss data and the linguistic methodological approach used to empirically examine how habitual ways of thinking (and thus using language) are reflected in regulators' rhetoric. In section 6, I provide detailed empirical analysis before discussing the findings and concluding the paper.

2. Beyond intentionality in discursive legitimation

The production of legitimacy depends on communication and so, ultimately, it is constructed and maintained discursively (Alvesson, 1996; Suddaby & Greenwood, 2005; Malsch & Gendron, 2011; Loewenstein et al., 2012; Craig & Amernic, 2020). There is a substantial body of research that explores discursive strategies of legitimation in the accounting regulatory arena

(e.g., Young, 1994, 1996, 2006, 2014; Durocher & Fortin, 2010; Erb & Pelger, 2015; Pelger & Spieß, 2017; Mantzari & Georgiou, 2019; Stenka & Jaworska, 2019), and in the texts of the regulatory provisions in particular (e.g., Warnock, 1992; Young, 2003; Masocha & Weetman, 2007). A number of studies look at legitimacy construction in accounting standard setting in general, identifying tacit persuasion *via* taken-for-granted claims (Young, 1994, 1996; Durocher & Gendron, 2011; Mantzari & Georgiou, 2019). However, the literature focusing on the specific legitimating mechanisms of discourse in the regulatory documents does not explore the more *pre-reflexive* aspect of legitimacy production.[4] For example, Warnock (1992) analyzes explanatory notes in the British accounting standards, considering the purposeful use of structure and arguments as legitimating strategies. Young (2003, 2006) examines the use of persuasive strategies in US accounting standards, identifying them as "*deliberately* and carefully crafted products" (Young, 2003, p. 624). Masocha and Weetman (2007) analyze the rhetorical dynamics by which the UK auditing standard setter strategically responded to constituents' comments during the consultation process. These studies assume that discourse is manipulated as a *conscious* strategic action. For example, Young (2003, p. 624), asserts, "in studying rhetoric, we acknowledge that all texts including accounting standards are the result of *conscious* deliberation by knowledgeable agents". She elaborates further, "in focusing upon the rhetorical, we remember that the arguments included in the text were *deliberately* chosen — chosen to persuade us to accept the standard" (p. 637).

The present study challenges this underlying assumption, instead proposing that discursive legitimation strategies (at least in part) reflect and enact regulators' *habitus*. The notion of *habitus* assumes that individuals with similar social positions share common experiences and knowledge as well as face similar social expectations and therefore exhibit similar patterns of understating and reasoning; patterns of which they are not fully conscious (Bourdieu, 1984; 1977; 1990; see also, Everett, 2002; Mouzelis, 2007; Cardinale, 2018).[5] This learned yet deeply internalized set of dispositions orients social agents' perceptions of what behavior and actions are (un)acceptable and thus (il)legitimate within any social context. This extends to language use – "*no one ever acquires a language without also acquiring a whole social matrix, originating from the structures of society*" (Grenfell, 2011, p. 51; see also, Bourdieu, 1991).

[4] Stenka and Jaworska (2019) explore habitual and thus pre-reflexive language use in standard setting focusing, however, on main accounting constituents and only on one aspect of regulatory discourse, namely the regulatory construct of 'made-up' users of financial statements.

[5] Social positions in any field are associated with expectations about what occupants of those positions should or should not do. By acting according to these expectations agents over time develop the skill and propensity, that is, structures of cognition and action (i.e., Bourdieu's *habitus*) that reflect those positions (Bourdieu, 1977; 1990; Cardinale, 2018, pp. 139–140).

Consequently, language utterances are to be understood as *dispositional*, that is, based not only "on individuals' linguistic competence but also on the 'linguistic climate' in which they find themselves" (Grenfell, 2011, p. 51).

This social embeddedness of language is at the heart of the CDA analytical approach that I adopt here to study the IASB regulatory discourse. Rather than merely describe discursive patterns, CDA attempts to explain them in terms of social interaction and especially social power structures (van Dijk, 1998, p. 353). Furthermore, a key aim of CDA is to deconstruct assumptions and interrogate common-sense 'truths' internalized and sedimented in social structures that support authoritative use of language (and thus its legitimating powers) (Park, 2005). As Van Dijk (1998, p. 355) asserts, power is very often enacted not overtly but via "the myriad of taken-for-granted actions of everyday life". Bourdieu's (1990) theorization of *habitus* provides a *sociological toolkit* to deconstruct how social structures of any given field are internalized (here in language use) by those who occupy it (Hanks, 2005; Gomez, 2015).[6] As Bourdieu (1990, 1998) posits, the most effective strategies are those that result from repetitive, pre-reflexive practices and constitute routines and actions that are done automatically (Golsorkhi et al., 2009; van Dijk, 1998; Farjaudon & Morales, 2013, Gomez, 2015). In Bourdieu's sense legitimacy is "an institution, action or usage which is dominant, but not recognized as such, that is to say, which is tacitly accepted" (Bourdieu, 1984, p. 110). Such tacit acceptance provides for circular, self-referential systems of legitimating power inherent in those habitual practices.

In this vein Kress (1996) and Forchtner and Schneickert (2016) call for Bourdieu's theorization of *habitus* to be integrated into the framework of CDA to strengthen its explanatory power in investigating "not only the 'obvious' rhetorical legitimation acts but also the more subtle ways in which specific discursive … practices are used to establish … legitimacy" (Vaara & Tienari, 2008, p. 988). Several CDA studies have adopted Bourdieu's notion of *habitus* to better understand taken-for-granted social conventions around language use and to explore how this relates to power structures in social fields. For example, Kress (1996) uses this notion to capture how newspaper readers in multicultural contexts are habituated into transforming themselves into particular kinds of readers while Wodak (2009) draws on the concept of professional *habitus* to investigate the way politics is performed by

[6] The construct of habitus is of Aristotelian and scholastic origin, but Bourdieu uses it in a distinctive way, focusing on 'embodiment' whereby habitus is not so much a state of mind as a state of the body, a state of being (Bourdieu, 1991). This is because the body has become a repository of ingrained dispositions, which are "a durable way of standing, speaking, walking, and thereby of feeling and thinking" (Bourdieu, 1990, p. 69–70).

Members of the European Parliament. *Habitus* is also utilized by Unger (2013) to explore social conditions around the use of the Scots language, and by Krzyżanowski (2014) to examine the role of professional socialization and mental templates in journalistic practice.

3. Discursive strategizing of legitimacy in the accounting regulatory arena

Considering the habitual use of language, linguistic practices emerge gradually. They are produced and reproduced in relation to field specific stakes, interests, and self-sustaining values that constitute the internal logic of the field, reflecting the social, economic, and historical conditions that have structured it. Such internal logic provides for coherence and, to some extent, autonomy for any field (Bourdieu, 1991; see also Golsorkhi et al., 2009). These language practices and the norms, beliefs, and associations they index are then reinforced via repeated interactions and, over time, become taken-for-granted. In this way they sanction the range of 'acceptable' ways to rationalize, argue, and deliberate within the field (Bourdieu, 1987, 1990, 1998; see also Hanks, 2005; Grenfell, 2011).

Young (1994, 1996) explores this idea in the context of accounting standard setting and concludes that the positions and actions of any 'legitimate' regulator must be seen and thus communicated as consistent with accounting stakeholders' shared expectations of the contemporary role and purpose of the accounting standard-setting organization. This involves coming to the rescue when accounting is 'flawed'' and 'fixing' it so that 'good' accounting is restored and maintained (Young, 1994, pp. 87–88; see also, March & Olsen, 1989; Cardinale, 2018). Perceptions of 'goodness' here are influenced by the constructed over time "taken-for-granted assumptions about the goals, purposes, and characteristics of financial accounting" (Young, 1996, p. 488). Concepts based on claims of relevance, reliability, comparability, representational faithfulness, and the overreaching notion of primacy of users' needs play an important role in characterizing accounting practices as 'good' and 'appropriate' (Young, 2003; Durocher & Gendron, 2011; Durocher & Fortin, 2010). Including these concepts in official regulatory documents that outline the conceptual framework for setting accounting standards further affirms them as necessary qualitative characteristics of accounting information, and provides for somehow circular legitimation (Hines, 1989, 1991; Zhang & Andrew, 2014).

Consequently, the discourse used by regulators to legitimize their actions and convince us that their proposed accounting solutions are 'good' calls upon these taken-for-granted claims as the *habitual* way of rationalizing and justifying in the field. This is also the case for the style

of linguistic expressions. In this vein, the linguistic constructs used in accounting standard texts would reflect a widely diffused and deeply institutionalized mode of writing that seems natural and therefore is adopted habitually by standard setters as implicitly expected and accepted by occupants of the regulatory field; it is 'the natural way of things' (Mantzari & Georgiou, 2019).

As already noted in the Introduction, discursive strategizing of legitimacy is not conceptualized here as *either* a fully conscious *or* subconscious process. Accounting regulators may be at once deliberately making strategic adjustments to their legitimacy production on specific accounting issues, while subconsciously selecting linguistic practices that reflect learned yet deeply embedded features of their *habitus* and the implicit logic of the regulatory field they occupy (cf., Hall, 1997; Malsch & Gendron, 2011; see also, Lukes, 2005). They are subject to what Bourdieu (1987) calls the invisible but forceful influence of the magnetic field around the social space of which they are a part. Therefore, their discursive strategies would be "a hybrid combination of structural embeddedness (…) on one hand and agency and the capacity for action on the other" (Suddaby et al., 2016, p. 243; see also, Cardinale, 2018; Daoust, 2020). Regulators are considered here neither as automatons, nor fully rational actors (Bourdieu 2002, p. 74; see also, Gomez, 2015).

The following two sections present the textual data and linguistic methodological approach that I use to conduct micro-analyses of the specific rhetorical devices that underpin regulators' discursive strategies to legitimize their accounting provisions.

4. IASB regulatory texts as exemplars of 'collective thinking' artefacts

In order to explore how the IASB members use discourse to convince us of the legitimacy of their accounting solutions, I selected texts of a sample of the IASB official drafts and final accounting standards. Texts are material realization of a discourse (Wodak, 2008, p. 6) and as such *artefacts of social practice* "where the habitus [that orients a practice] can be discerned" (Rowsell & Pahl, 2007, p. 394; see also, Kress, 1996; Holland et al., 1998). Furthermore, the drafts, as well as final standards issued by the IASB, are tangible and important means by which the board formally and publicly justifies its accounting provisions (Richardson & Eberlein, 2011). Because these texts are official, they reflect, reinforce, and reproduce institutionalized routines and conventional ways of reasoning in the regulatory arena. As such they are a valuable data source of established patterns of discourse that echo and enact accounting constituents' shared expectations attached to the social position that regulators occupy in the accounting regulatory arena (Young, 1994; see also, Bourdieu, 1990; Cardinale,

2018). In other words, official collectively produced documents, like regulatory texts, allow us to explore collective patterns of thinking that are prevalent, that is, driven by conventions in the standard-setting arena. They reflect how standard setters' collective ways of understanding and thinking about accounting are expressed through language (cf., D'Adderio, 2011; Power, 2021).

The specific regulatory documents issued by the IASB (in some cases jointly with the US FASB) that are considered in this study address issues on: (1) group accounting and related disclosures; and (2) leasing (see, Appendix A). Each of the documents deals with accounting matters that have significant implications for off-balance sheet financing. Considering group accounting first, I examine Exposure Draft (ED) 10 *Consolidated Financial Statements* (IASB, 2008) and the two subsequent accounting standards, IFRS 10 *Consolidated Financial Statements* (IASB, 2011a) and IFRS 12 *Disclosure of Interests in Other Entities* (IASB, 2011c). I also look at the Discussion Paper (IASB/FASB, 2008) and the subsequent Exposure Draft (IASB/FASB, 2010a) on the *Conceptual Framework for Financial Reporting: The Reporting Entity*. The former three regulatory documents prescribe the parameters of consolidation and related disclosures at the standard level, while the latter two deal with these issues at the conceptual level. My analyses also include Exposure Draft (ED) 9 *Joint Arrangements* (IASB, 2007) and a subsequent IFRS 11 *Joint Arrangements* (IASB, 2011b), which lays out the principles for financial reporting by parties to joint arrangements. IFRS 10, 11, and 12 are applicable to annual periods beginning on or after 1 January 2013.

Considering accounting for leases, three regulatory proposals are under investigation: Discussion Paper DP/2009/1 *Leases: Preliminary Views* (IASB, 2009) and two subsequent exposure drafts, ED/2010/9 (IASB/FASB, 2010b) and ED/2013/6 (IASB/FASB, 2013) *Leases*. The proposals resulted in the release of the new leasing standard IFRS 16 *Leases* (IASB, 2016) effective for annual periods beginning on or after 1 January 2019. The regulatory documents covered by the present study are listed in Table 1.

Table 1 Regulatory documents on group accounting and on leases

Regulatory documents
Group Accounting
Discussion Paper (DP) *Conceptual Framework for Financial Reporting: The Reporting Entity* – IASB/FASB, 2008
Exposure Draft (ED) *Conceptual Framework for Financial Reporting: The Reporting Entity* – IASB/FASB, 2010a
Exposure Draft (ED) 10 *Consolidated Financial Statements* – IASB, 2008
IFRS 10 *Consolidated Financial Statements* – IASB, 2011a
IFRS 12 *Disclosure of Interests in Other Entities* – IASB, 2011c
Exposure Draft (ED) 9 *Joint Arrangements* – IASB, 2007
IFRS 11 *Joint Arrangements* – IASB, 2011b
Leases
Discussion Paper (DP/2009/1) *Leases: Preliminary Views* – IASB, 2009
Exposure Draft (ED/2010/9) *Leases* – IASB/FASB, 2010b
Exposure Draft (ED/2013/6) *Leases* – IASB/FASB, 2013
IFRS 16 *Leases* – IASB, 2016

These particular regulatory provisions have been selected for the present study because of their wide-ranging and significant implications and highly controversial nature, which suggest the IASB members would be more likely to seek legitimacy by initiating a broad spectrum of linguistic practices and rhetorical devices.[7] Note that this study seeks to explore the habitual use of rhetoric in the legitimating regulatory discourse in a general sense, not how rhetoric applies to any one specific accounting issue or accounting standard. But of course, the more contested and more widely applicable the issues, the bigger and richer the language data in relation to legitimating efforts, and therefore the more visible the habitual patterns (Fairclough, 2015).

[7] Both group and lease accounting are common financial reporting matters for entities that follow IFRS. The group accounting regulation determines which entities are included in the consolidated statements and, therefore, kept on or off the balance sheet of the group reporting entities (Davies, 2011; Nobes, 2014). Leasing arrangements constitute a major and increasing feature of economic activities for large businesses and leasing accounting provisions prescribing a new way to account for and disclose leasing transitions that have a significant impact on the value of assets and liabilities included on or off the balance sheet (Cornaggia et al., 2013). Any regulatory provisions that significantly affect accounting for off-balance sheet financing have major economic implications and therefore would be highly contested by accounting stakeholders, as evidenced by fierce debates on the effects on debt covenants, regulatory capital metrics, compliance costs, employee compensation benchmarks, and IT systems (Stenka & Taylor, 2010; Davies, 2011).

In the next section, I outline the linguistic methodological approach that I adopt for a detailed examination of specific rhetorical devices that support the IASB members' discursive legitimation – and in this way address my research questions.

5. The linguistic realization of discursive legitimation

My empirical investigation of the specific linguistic repertoire used by the IASB's members falls under the umbrella of social cognitive linguistics, also referred to as cognitive sociolinguistics (Pütz et al., 2014, Labov, 2014), which holds that language is best studied with reference to its cognitive, as well as experiential and social contexts (Gumperz, 1964; Gumperz & Levinson, 1996; Handl, 2011; Croft. 2009). It also acknowledges that many aspects of human thought (and thus language use) are not fully conscious. The field of inquiry of cognitive sociolinguistics highlights how intimately the social context is embedded in human cognition for language and meaning (Croft, 2009; Labov, 2014). Its main assumption is that the language use occurs as recursive social practice that with time becomes *intuitive* (Busch, 2012).[8] In this vein, Gumperz (1964, p. 138) asserts:

> Ultimately it is the individual who makes the decision, but his freedom to select is always subject … to social restraints … The power of selection is [therefore] limited by commonly agreed on conventions … The social etiquette of language choice is learned along with grammatical rules and once internalized it becomes a part of our linguistic equipment.

This focus on the conventionality (resultant in habituality) of the language use that influences choices of linguistic repertoire of a particular speech community (here accounting regulators) supports CDA and Bourdieu's theorization of the dispositional nature of language practices that implicitly enact and reinforce shared dogmas embedded in social structures (Bourdieu, 1991; Van Dijk, 2001b; Grenfell, 2011). As Zinken (2007) in his linguistic work states, "habitual analogical schemas are the result of the members of a language community making the same abstraction over the utterances they encounter" (Zinken, 2007, p. 446).

In order to identify and explore in detail habitual (as suggested by this study) use of specific persuasive linguistic devices I examine lexical, grammatical, and structure choices present in the IASB official texts. In so doing, I draw particularly on the linguistic studies of Cockcroft

[8] Cognitive sociolinguistics draws on the convergence of methods and frameworks typically associated with cognitive linguistics and sociolinguistics in order to fully account for language as embedded in the overall cognitive capacities of humans whose perceptions, however, are conditioned by the social world they live in (Croft, 2008, Labov, 2014; see also Bourdieu, 1998). As Croft (2008, p. 395) asserts, a comprehensive model of linguistic cognition requires to "go 'outside the head' and incorporate a social-interactional perspective on the nature of language".

and Cockcroft (1992), Charteris-Black (2005), and Handl (2011), who comprehensively examine rhetorical repertoire in discursive persuasion. Then, to investigate how exactly these devices are used to legitimize, I adopt van Leeuwen's (2007) 'grammar of legitimation' framework to identify specific legitimation strategies that these linguistic constructs infer or invoke in order to convince us of the desirability of the regulatory provisions.

5.1. Linguistic rhetorical constructs underpinning discursive legitimation

Considering vocabularies and structures of word use I follow the taxonomy proposed by Cockcroft and Cockcroft (1992) and categorize specific rhetorical constructs as: (1) lexical choice; (2) figurative language (also called trope); and (3) schematic language (traditionally referred to as schemes). My analysis is also supplemented by the linguistic work of Charteris-Black (2005) and Handl (2011), who empirically explore and provide evidence of conventional use of figurative language.

This approach applied to the IASB official 'collective thinking' documents, such as draft and final accounting regulations, provides for detailed micro-analysis of how habitual ways of thinking (and thus language choices) may manifest in text. As Cockcroft and Cockcroft (1992, p. 161) assert: "If the context is familiar and the message *routine*, these choices will be as *instinctive* as swimming or riding a bicycle".

Turning my attention to the rhetorical taxonomy, the device of lexical choice is based on the choice of vocabulary as a persuasive power and refers to the selection of specific words or combinations of words where synonyms may carry different nuances of meaning. The operationalization of this rhetorical resource is very much influenced by common, that is, conventionalized or habitual patterns of lexicon use in a specific social context (Hoey, 2005). As Cockcroft and Cockcroft (1992) state, lexical choices can reflect a conscious decision or a "force of habit" (p. 163). In this way they are connected to "practices and structures that are lived out in society from day to day" (Baker, 2006, p. 5). For example, the lexical choice of the word 'stallion' instead of 'horse' would automatically generate associations not only of strength, but of power and sexual prowess. Also, the use of complex vocabulary would implicitly invoke associations of good educational background or/and high social status.

Figurative language (trope) gives meaning to words via non-literal expression. Meaning is conveyed through the perception of similitude, association, or opposition (Cockcroft & Cockcroft, 1992, p. 167). For the purposes of my study, I consider two main types of figurative language, *metaphor* and *metonymy*, which are usually intertwined in specific texts making them even more effective rhetorical devices (Handl, 2011).

In its simplest form, metaphor describes a subject by asserting that it is similar to an otherwise unrelated object. It entails "understanding and experiencing one kind of thing in terms of another" (Lakoff & Johnson, 1980, p. 5). Metaphor is a powerful rhetorical resource as it mediates between conscious and subconscious means of persuasion – between cognition and intuitive "state of knowing" derived from collective shared experiences (Charteris-Black, 2005, p. 26). Metaphors are effective means of perception engineering (Walters, 2004; see also, Young, 2001, 2013; Brennan & Merkl-Davies, 2014) because of their inherent *discursive creativity*. The basic mechanism of the metaphor "is not the selection of pre-existing attributes of the conjoined terms … It is rather, the generation and creation of new meaning beyond a previously existing similarity" (Cornelissen, 2005, p. 751). The power of metaphor rests in its capacity to make us "see one concept in terms of the other, making its meaning inherently more profound … than a rendering of the pre-existing similarities between the conjoined concepts might suggest" (Cornelissen, 2005, p. 755) (e.g., "if you use that strategy, he'll *wipe you out*"). Metaphors can be embodied in single words, phrases, or paragraphs, or in more complex forms like *personifications* that assign abstract or inanimate entities with the features of a person.

Metonymy is one part of a syntactic structure used to express another part of that structure. In contrast to metaphor, which functions on a principle of semantic association, metonymy employs a principle of structural association (Cockcroft & Cockcroft, 1992, p. 169). It is based on the use of a linked term to stand in for an object or concept (e.g., 'crown' for 'royalty'). Through a common association, or "compact reference" (Nash, 1989 p. 55) within the minds of both author and audience, an idea put into words metonymically represents *unexpressed* or *implicit* notions and associations. For example, substituting a people-involving entity for the people involved or responsible (e.g., a "committee is advising on the plan of action") or substituting the attribute for the subject (e.g., the gender stereotypical association of bravery with men, beauty with women) (Cockcroft & Cockcroft, 1992, p. 170; Handl, 2011, p. 228). Metonymy is often linked to metaphorical personification, as in the example above of a people-involving entity. Another instance of this could be a car advertisement suggesting a car has 'sexy' attributes that will transfer to those persuaded to buy or drive it (Cockcroft & Cockcroft, 1992, p. 230).

Both metaphor and metonymy are guided by "highly systematic conceptual mappings that lead to *regular* linguistic expressions" (Handl, 2011, p. 11). This is because "the mappings which are cognitively the most central are those which are so *deeply entrenched* that the figurative nature of the linguistic expressions they have given rise to is not noticed [anymore]"

(Handl, 2011, p. 11). Thus, the concept of habituality is a key foundation of the workings of figurative language.

Finally, schematic language covers a broad range of usage of words and linguistic constructions, including *comparisons* where the subject is presented (un)favourably in relation to some other (unspecified and unstated) possibility, or *referring* to a matter as self-evident. Comparisons and referring present something or somebody as better or worse, without providing any benchmark(s) or evidential basis for such conclusions and invoke 'automatic' acceptance. Other forms of schemes may also involve *repetition*, *amplification*, and *diminution*. Repetition involves repeated use of single words or phrases and is a key device to reinforce (very often pre-reflexively) taken-for-granted concepts/ideas and styles of writing. Amplification and diminution can be used both to develop an argument in detail, and to shorten it; to enhance the importance of the subject, and to denigrate it. Either can produce powerful persuasive effects, often involving the use of figurative language (Cockcroft & Cockcroft, 1992, p. 183; see also, Charteris-Black, 2005). Schemes can also encompass the use of *self-referential arguments* that invoke circular legitimation, and *antitheses* based on juxtaposition of two contrasting or opposing ideas. Other schematic devices may include structures of *physical separation* of parts of the text that affect the textual flow and are very often linked to amplification and diminution.

There is no comprehensive list of linguistic constructs used to operationalize legitimation, as our rhetorical repertoire is contextually driven (Cockcroft & Cockcroft, 1992; Handl, 2011; see also, Masocha & Weetman, 2007). Also, specific rhetorical constructs, as already noted, are usually intertwined. For example, metaphorical personification is often linked to metonymy, as in cases of 'committees', 'organizations', and 'companies' performing actions or having certain human attributes (i.e., being credible or doing well). Finally, the use of linguistic devices is not only context driven but 'nested contextually' and driven by the social conventions that reflect (and structure) the ways we have learned to construct our line of argument. In other words, the use and reception of such devices is influenced by our habitual use of language (Gumperz, 1964; Hoey, 2005; Busch, 2012). When an utterance is *habitual*, it is because a meaning that seems relevant in the given context was constructed *automatically* and seemingly effortlessly (Zinken, 2007).

In order to explore how exactly the rhetorical repertoire described above is utilized by the IASB members to legitimate their provisions I examine what kinds of legitimation strategies this repertoire is used for. In order to do so, I adopt van Leeuwen's taxonomy of discursive strategizing as outlined in the following section.

5.2 Typology of discursive legitimation strategies

The work of van Leeuwen and Wodak (1999) and van Leeuwen (2007) on *gramma of legitimation* considers legitimating strategies as "specific, *not always intentional* or *conscious* ways of employing different … discursive resources" (Vaara et al., 2006, p. 794; see also, Lupu & Sandu, 2017) to establish a sense of acceptability. Using these works as an important reference point, I identify the following types of discursive legitimation efforts that are invoked or inferred by the rhetorical constructs discussed above. *Authorization* is legitimation by reference to the authority of tradition, custom, law, and persons (usually their professional expertise) or institutions in whom social recognition of some kind is vested. It can be based on personal (of specific named experts or institutions) authority, or be impersonal, referring to (usually taken-for-granted) social rules and conventions, as well as more official regulations.

Moralization is legitimation by (often very oblique) reference to value systems recognized as socially desirable in a given context or social space. This type of legitimation is usually linked to specific discourses of moral value, but these discourses are not always made explicit and debatable and thus are expected to be taken-for-granted. They are very often only hinted at, by means of adjectives such as, 'normal', 'natural', or 'useful' (van Leeuwen & Wodak, 1999; van Leeuwen, 2007). Van Leeuwen (2007, p. 97) points out that "these adjectives are then the tip of a submerged iceberg of moral values. They trigger a specific moral concept but are detached from the system of interpretation from which they derive, at least on a conscious level". This is what Bourdieu (2014) refers to as *genesis amnesia*, which allows us to treat moral evaluations as common-sense values, the origins of which are unquestioned (see also, Mantzari & Georgiou, 2019).

Rationalization is legitimation by reference either to the utility of the social practice (its goals, purposes, uses, features, and effects), namely instrumental rationalization, or to the 'natural' order of things, that is, 'fact of life' rationalization. As van Leeuwen (2007, p. 100–101) asserts, in order to act as a legitimation resource, rationalization likely contains an element of moralization, even if oblique and submerged. Especially in the case of instrumental rationalization, positive moral evaluations frequently play a role in justifying why social practices take the forms they do. The 'fact of life' rationalization is often grounded in something portrayed as scientific or systematic, such as ideologies or religions that convey "some kind of absolute truth" (van Leeuwen & Wodak, 1999, p. 103).[9]

[9] Van Leeuwen and Wodak (1999) and van Leeuwen (2007) also discuss a fourth category of legitimation, namely *mythopoesis*, which is conveyed by narratives that provide evidence of acceptable, appropriate, or preferential behavior. Such stories are very often entertaining in tone to engage and attract readers. I did not consider this

Legitimation strategies are usually *intertwined* and multiple legitimation approaches are often the most effective form of legitimation (Vaara & Tienari, 2008, p. 988). Also, the boundaries between each category may be 'fuzzy'. For example, moralization based on 'naturalization' of certain moral claims (so they become taken-for granted) is closely related to 'fact of life' rationalization.

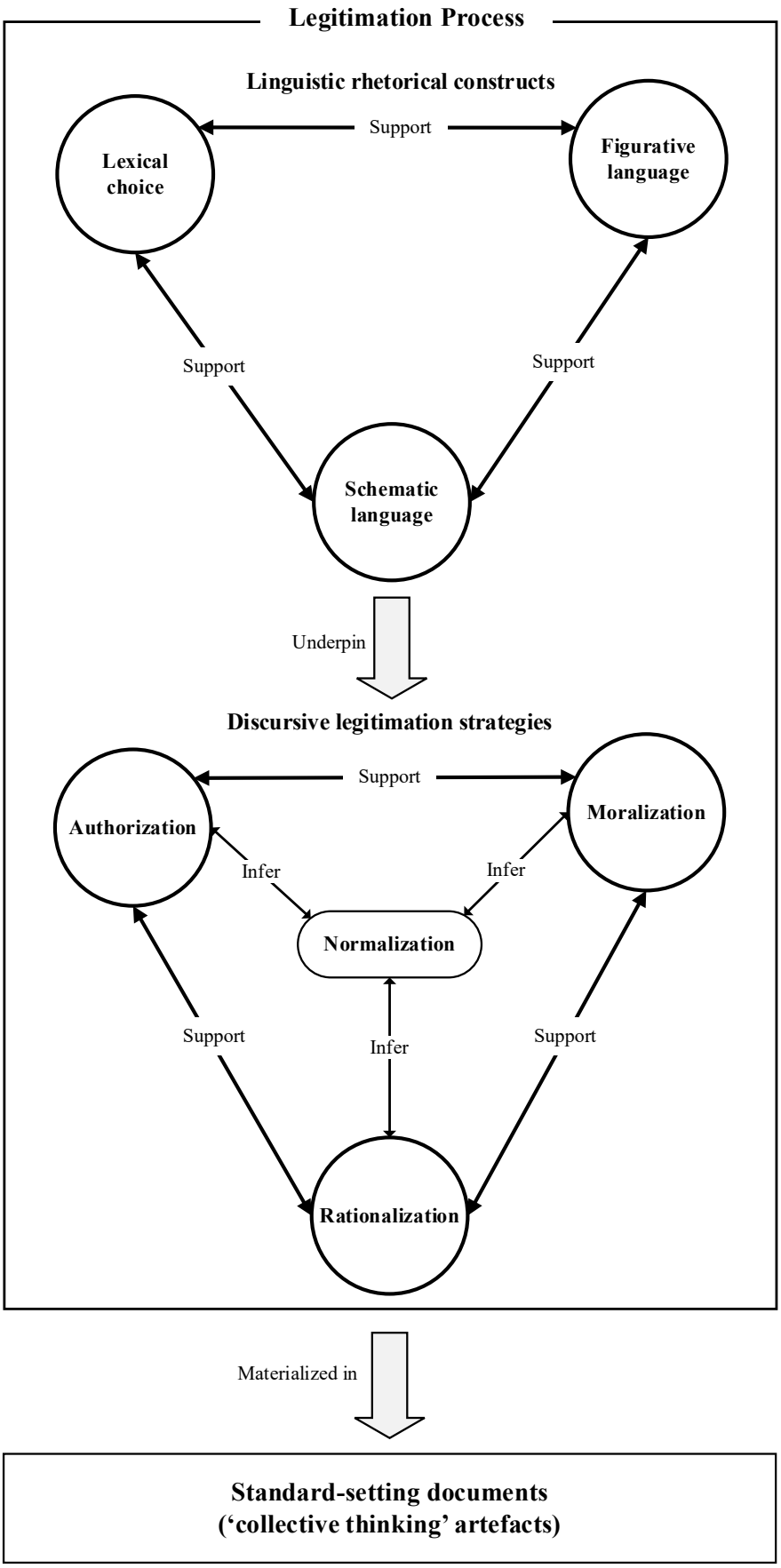
Some studies adopting van Leeuwen's model (Vaara et al., 2006; Vaara & Tienari, 2008; Lupu & Sandu, 2017; Peda & Vinnari, 2020) identify another category of legitimation, namely *normalization*, in which specific actions or phenomena are legitimized by being rendered 'normal' or 'natural'. In my study however, I consider normalization as transversal and a by-product of other strategies. That is, it encompasses van Leeuwen's authorization by conformity with custom/tradition or a 'general' opinion of majority, or by tacit trust accorded to a law or taken-for-granted professional expertise. It would also include moralization based on taken-for-granted moral claims (i.e., Bourdieu's *genesis amnesia*) and 'fact-of-life' rationalization. Normalization is particularly significant for this study as it underlines the importance of common-sense arguments and habitual use of rhetorical constructs in discursive legitimation.

Figure 1 links all the methodological concepts discussed in this section, illustrating the linguistic realization of discursive legitimation that can be observed in the formal regulatory documents.

The next section provides detailed empirical analysis of the selected IASB regulatory texts to identify and explore rhetorical devices that underpin the main legitimating strategies.

category relevant as my study deals with institutional discourse of regulatory provisions that are not (on a whole) a genre of 'entertaining' texts.

Figure 1 The linguistic realization of discursive legitimation as observed in the regulatory texts



6. Rhetorical repertoire in discursive strategies of legitimation

In what follows I explore the rhetoric present in the design and content of the IASB regulatory texts and address my research questions. Namely, how legitimation is enacted via language in the IASB official regulatory documents, and whether the observed rhetorical repertoire is used deliberately or rather habitually and thus pre-reflexively.

6.1 Design and structure of the regulatory provisions

6.1.1 Setting the scene – amplification and personified justifications for change

Each IASB accounting standard or exposure draft follows a similar structure. It opens with an introduction in which the regulators 'set the scene' and outline the context from which a particular accounting standard emerged. In the introduction, statements are made regarding economic events, the concerns of other authorities, and urgent requests from a category vaguely described as 'users' of financial statements (Young, 2006; Stenka & Jaworska, 2019). The introduction also outlines inconsistent or misleading applications of existing accounting regulations. This information is presented as though the IASB has little choice but to undertake reform, providing a credible (yet also external) source of *authority* for regulatory action.

I will now look more closely at the language used around the 'reputable' social sources calling on the IASB to make changes to existing accounting practice. These 'reputable' social sources include abstract 'users' as an uncontested legitimate basis for regulatory actions (Cooper & Morgan, 2013; Stenka & Jaworska, 2019) and global institutions with international leverage (e.g., IMF, G20), so that the IASB can position itself as duly *authorized* to take 'appropriate' action. In this process of *authorization* the regulators resort frequently to metonymy, using vague collective descriptions without identifying the people who stand behind those authorizing entities. This also involves metaphorical personification, with claims like "the *global financial crisis* that *highlighted* the lack of transparency about the risks …" to which investors were exposed (IFRS10.IN5; IFRS12.IN5), and "the conflict of emphasis between IAS 27 and SIC-12" that caused "divergence in practice" (IFRS10.IN3 & IN4). In this example, an economic event is granted human powers of cognition (being able to identify problems) or even expert knowledge of accounting practice (ability to recognize technical deficiencies) for the purpose of actively *authorizing* regulatory action.

Assertions are also made that current accounting "models have been criticized for failing to meet the needs of users of financial statements" (ED/2010/9, p.5; ED/2013/6, p.5) and "did not always provide a faithful representation of leasing transactions" (IFRS16.IN5). The identities of the critics or users whose needs have not been met are never disclosed, making

these metonymic constructs an effective means of vague *authorization*, and therefore difficult to challenge. Further claims are made about the existing requirements being deceptive and providing for "the recognition of assets that are not controlled and liabilities that are not obligations" (ED9.BC8). Again, the 'faulty' provisions are given human attributes of cognition (i.e., ability to recognize and categorize), and granted with active (dis)functionality. Interestingly, this metaphorical personification of accounting requirements provides the basis for *impersonal authority* with reference to "laws and rules" (van Leeuwen, 2007, p. 96), used here to de-legitimize poorly performing existing IASB regulations and at the same time legitimize new ones. It is also interesting that past regulatory failures of the IASB members are used here to legitimize the board's new regulatory attempts.

Finally, "in the light of criticism" (IFRS16.BC3) (by unknown critics) of the previous accounting models, and in response to "the wide demand" (ED10.4) (of unknown actors), "input received" (IFRS12. IN6) (from unknown parties), and "a long standing request from many users of financial statements" (who remain unidentified), as well as "requests of the G20 leaders, the Financial Stability Forum and others" (IFRS10, IN5; ED/2010/9, p. 5; ED/2013/6, p. 5), the IASB decided to take action. Again, the *authorization* for action is based on metonymy, referring to abstract 'criticism', 'demand', 'input', 'users', or 'others' without any identification or specification of the actual people who stand behind those groups, entities, or concepts. Paradoxically these abstract authorizing vehicles are granted full human attributes of cognition and action.

In summary, the introductions frequently use metonymic devices that metaphorically personify abstract actors, concepts, events, and expert institutions in order to *actively authorize* the 'need' for a change, portraying the IASB members as dutiful regulators. The use of these devices at the very beginning of the text also amplify (i.e., schematic device of amplification) this need supporting in this way further *authorization* for the regulatory actions.[10] The regulators are positioned as concerned listeners responding to external 'credible' pressures that legitimize (i.e., *authorize*) them to 'fix' flawed accounting. Interestingly, the flawed requirements previously issued by the IASB are also presented in order to grant 'credible' *authority* to the Board to issue new (better) ones. Generally, 'fixing flawed accounting' constitutes the main purpose or goal of standard setting (Young, 1996, 2003) therefore, *authorization* maneuvers provide also for *instrumental rationalization* of the regulatory actions

[10] This is known as 'primacy effect' (Baker, 2006, p.11) whereby people tend to focus more on information that they encounter at the beginning of a reading activity.

of the IASB. As shown in previous research, *authorization* strategies are very often intertwined with *rationalization* (Lupu & Sandu, 2017).

The metonymically stated and often metaphorically personified justifications that *authorize* regulatory actions and new provisions are also repeated throughout the text of drafts and standards. These legitimize not so much the general need, but the specific regulatory changes (as discussed later in section 6.2.1). The schematic device of repetition amplifies even further the 'need' for the change(s) and again supports the *authorization* process of regulatory actions throughout the whole text of the documents. It also creates the appearance of fact (Bourdieu, 1991; van Dijk, 1997; Handl, 2011), which invokes *normalization* by 'this is how things are' (or should naturally be) *rationalization.*

6.1.2 Schemes of textual structure, amplification of diligence, and diminution of dissent

Regulatory documents are organized explicitly to separate the accounting requirements in the exposure drafts/standards from their formal justifications. Each exposure draft or standard is accompanied by the Basis for Conclusions (BC), which is always published as a separate document. This scheme of physical separation of texts – those dealing with the regulatory requirements and those dealing with their justifications – makes questioning and opposition more difficult because of the practical effort required to cross-reference and engage with the material. This also gives an impression of accounting requirements as prescriptions in their own right, and in this way further normalized by a 'this is how things are' *rationalization* that infers taken-for-granted trust in the provisions.

At the same time, the schematic device of lengthy BC texts creates an image of well-supported and thoroughly deliberated accounting solutions. This acts as legitimation based on *expert self-authorization*, as it creates a sense that the IASB members have a well-researched and thoroughly consulted repository of knowledge that they use to shape the new provisions. The Board members further enforce this perception *via* the repeated portrayal of their own diligence in consulting on and researching the proposed provisions. The deliberative discourse is achieved by the frequent choice of lexical words and phrases, such as 'accordingly' and 'as a consequence', implying a logical and rational engagement with constituents' views. Furthermore, metonymic phrases such as "in the light of the feedback received" (ED/2010/9. BC203-205) (from whom is never disclosed), "in response to comments from respondents" (IFRS10.BC123) (whose identities are never provided), and "the IASB's outreach confirmed" (ED/2013/6. BC372) (the participants of the outreach never elaborated upon) amplify the

quality of the IASB consultation process. These rhetorical maneuvers provide *impersonal authorization* by the abstract voices of those (apparently) being consulted.

Interestingly, the views of Board members who have disagreed with the proposed or final provisions are very difficult to locate. They are disclosed at the end of the BC that, as already noted, is issued separately from the main body of the exposure drafts/standards. This is an example of a schematic device of diminution, rendering the views physically and symbolically marginal, thus undermining any *authority* they may carry. This diminution of dissent also helps to create and sustain an image of the IASB as a unified entity, one that only very occasionally acknowledges differences among its members (Young, 2003, p. 626), thus maintaining its solid *expert (self-referential) authority*.

6.1.3 Lexicality of techno-legal language and the scheme of the present tense

The lexical choice of highly technical language replete with specialized terminology is also an important part of the *expert self-referential authority* building exercise. First, the use of specialized terminology creates and sustains the perception that regulators have required professional knowledge and competence. Second, the lexical choice of highly specialized language creates a natural barrier to external critique and discourages potential challenges by 'lay' opponents. In other words, it does not invite "casual perusal by readers with only a mild interest in accounting" (Young, 2003, p. 624; see also, Bourdieu, 1987). Those who would 'dare' to challenge the proposed accounting solutions need to do so using the same complex and specialized lexicality, a deterrent for potential contestants. In this respect, technical language is a tool of inclusion for experts and exclusion for others, which "divides those qualified to participate in the game and those who, though they may find themselves in the middle of it, are in fact excluded" (Bourdieu, 1987, p. 828). Consequently, dialogue between the members of the Board and commentators is 'naturally' restricted to the inner circle of accounting experts (cf., van Dijk, 1997). The public, that is, 'lay people', have no option but to trust those within that circle. In other words, they are tacitly 'forced' to grant a symbolic recognition to those who possess "the technical mastery of a sophisticated body of knowledge" (Bourdieu, 1987, p. 828). This implied intellectual or expert demarcation achieved by the lexical choice of technical and complex words and phrases underpins the *'fact of life' rationalization* whereby accounting issues are 'naturally' the domain of accounting experts, or even better accounting regulators (Fogarty et al., 1997; Gendron, 2001, 2002; Durocher et al., 2007). This type of common-sense *rationalization* is consistent with *normalization* strategy (Vaara et al., 2006, p. 797) and reinforces *expert (here self) authorization*.

Another distinctive feature of technical regulatory discourse is the lexical choice of legalistic and formal phrasing. The word 'shall' appears repeatedly, suggesting duty or obligation (Charteris-Black, 2005; Loewenstein et al., 2012). This implicitly creates the perception that the 'natural' laws of accounting (a body of accounting knowledge itself), and not solutions created and proposed by humans, are enacted within the text. By absenting human agency from the discourse, normalization of regulatory solutions via *'fact of life' rationalization* is invoked – it is as though accounting knowledge itself 'has spoken'. Provisions are organized by numbered paragraphs and the accounting standard is laid out like a legal code, creating an image of a 'law being enforced' consistent with *impersonal authorization* in which "the use of imperative and the paragraph numbering convention could be interpreted to suggest the absence of a persuasive intent" (Young, 2003, p. 627).

The grammar used in the provisions, in particular, the use of present tense, is a schematic device that creates the appearance of an instruction to be obeyed without question. In this way *authoritative* legitimacy based on conformity is tacitly enacted. In addition, use of the present tense suggests the practices described are already in operation and no new effort is required for their implementation (Masocha & Weetman, 2007, p. 89). This invokes *normalization* via *'fact of life' rationalization* whereby the practices outlined must be accepted as 'the way things are'.

To summarize, considering the design and structure, accounting provisions are a genre of regulatory prescription characterized by the frequent use of metonymic devices of elusive actors, metaphorically personified concepts, 'flawed' existing accounting solutions, and expert institutions that actively *authorize* regulatory actions and new provisions. The *authorization* is reinforced further by repetitions and formal language that *normalize* regulatory provisions as the way 'accounting' is or at least ought to be (i.e., *fact of life rationalization*). I suggest that these rhetorical maneuvers, aimed at invoking the legitimacy of regulatory actions and regulatory outcomes, are not tactical ploys explicitly chosen by regulators (as sometimes implied by Young, 2003 and Masocha & Weetman, 2007). Rather, they constitute deeply embedded structural features of the regulatory discourse and, as such, are a taken-for-granted approach to the way regulatory documents are written, and expected to be written (Bourdieu, 1987). The IASB members acquire these linguistic devices as occupants of a regulatory field and their use in documents constitutes an institutionalized practice based on learning via collective repetition and copying (van Dijk, 2001a). In other words, this way of writing has emerged over time and is replicated without much reflexive consideration (cf., Ashforth & Fried, 1988; Alvesson & Spicer, 2012). It represents a habitual use of the language that constitutes an integral part of regulators' *habitus*. When we turn to the content of regulatory

provisions, the features of habitual regulatory discourse in the text of accounting provisions are even more evident.

6.2 Content of the regulatory provisions

6.2.1 Figurative language – metonymy

As already discussed, one of the most conspicuous features of the accounting documents analyzed is the widespread deployment of metonymy, very often linked to metaphorical personification. In what follows, I explore specific examples of the use of this figurative language device throughout the content of the IASB documents.

The Board and those (never specified or disclosed) prompting the regulatory actions

Metonymy is frequently used in substituting 'the Board' for the (human) members of the Board. This creates an impression of the board as a monolithic entity with a collective authority above and distinct from its individual members (Handl, 2011). We can also find the phrase "the view of the Board" or "in the Board's view" appearing repeatedly in the documents (e.g., ED9.BC13; ED10.17; IFRS 10.BC31; DP/2009/1.IN19; ED/2010/9.BC6; ED/2013/6.BC4, BC51), which is inherently metaphorical personification since it is people, rather than boards, who have views. The schematic device of repetition here is very important as it creates the appearance of fact (Bourdieu, 1991; Charteris-Black, 2005). This supports the strategy of *normalization* via *a 'fact of life' rationalization*. The use of metonymy distances the board's actions from those of human agency, portraying 'it' as an 'entity' that enacts the 'law of accounting' to produce 'good' accounting solutions and engage in 'appropriate' regulatory actions (similar to the use of highly legalistic language). Its effectiveness is based on the removal of the subjectivity implicitly associated with human actions (Handl, 2011, p. 228). Hence, the actions of the 'Board' are presented as more *impartial* than those of the 'members of the Board'. This supports (*self)authorization* and thus self-referential legitimation.

Metonymy is also a feature of the contextual setting in the introduction of each exposure draft/standard (already discussed in section 6.1.1) and recurs throughout the remainder of the documents. These are references to the personified "clear need" (ED10.29), "many constituents" and "respondents" (ED10.BC15; ED/2010/9.BC13), "many users and regulators" (IFRS12.BC70), and "others" (IFRS10.BC 192) who "raise questions" (ED10.BC35), "express concerns" (IFRS12.BC70), and thus "recommend" (ED/2010/9.BC13), "request" (ED10.BC15), and "ask" (IFRS12.BC70) the board members to act. The identity of those who are behind the pleas is, however, never disclosed. Rather, their non-specific communal social

imperative authorizes *instrumental rationalization* of the regulatory actions and proposed or prescribed regulatory accounting solutions. In this way, the necessity of regulatory actions is established (i.e., *authorized*), and the IASB positioned as 'coming to the rescue' to 'fix' flawed accounting, which constitutes the main purpose of its existence. It ought to be noted that this type of *instrumental rationalization* is rooted in *moralization* based on a vague notion of serving public interest.

The documents also refer to unspecified and unreferenced "accounting literature" (DP.CF(D). BC14) and "a number of academic studies" (ED/2013/6.BC3) to *authorize* regulatory actions from a distance. These are further examples of the use of metonymy (often linked with personification), whereby collective description of unidentified authors or articles provides for *impersonal authorization,* which makes it more difficult to contest and verify the claims made. This is an interesting example of *intertextuality* in which the specialized expertise of unbiased yet unspecified academic scholarship is used by regulators to *authorize*, and at the same time *normalize*, via (supposedly scientifically supported) *'fact of life' rationalization* their own regulatory provisions (cf., Lupu & Sandu, 2007; see also, Fairclough, 1992). The ambiguity of these presuppositions makes them difficult to challenge; they are portrayed as unquestionable scientific facts (Lupu & Sandu, 2007, p. 539).

Users

Figurative language in the form of metonymy is at the heart of references to an abstract category of 'users' or 'needs of users' (ED9.BC13; IFRS11.BC17; ED10.30; IFRS12.BC17; DP/2009/1.IN23; ED/2010/9.4, IFRS16.BC3). As in previous examples, this vague collective description makes questioning or challenging by constituents difficult. More importantly, however, serving 'users' needs' is a direct assertion of *moral* grounds (i.e., *moralization*) for action, since serving those (unspecified) interests is consistent with societal expectations with regard to accounting regulators (Young, 2006; Durocher & Fortin, 2010; Durocher & Gendron, 2011; Bhimani et al., 2019). The roots of those moral evaluations of the primacy of users' needs are, however 'forgotten' (i.e., unquestioned) and therefore taken-for-granted (Young, 2006). Consequently, the construct itself has become used pre-reflexively as a common-sense justification, akin to what Bourdieu (2014) calls *genesis amnesia*. Interestingly, the usefulness of the new provisions to users is seldom illustrated. No appeal is made either to concrete empirical evidence or to specific users' views (cf., Georgiou, 2018; Durocher & Georgiou, 2020). Users simply serve as a 'made-up' yet undisputable abstract category (Stenka & Jaworska, 2019) through which the IASB's actions are *authorized* based on *moralized*

instrumental rationalization. After all, the core purpose of regulators is based on a manifest commitment to serve and protect users and their needs. This stated commitment is an integral part of regulators' *habitus* (cf., Bourdieu, 1987, 1990; see also, Cardinale, 2018, p. 140).

For example, in the group accounting and related disclosure documents, it is claimed that: "the enhanced disclosure requirements of the proposed IFRS would provide *better information to users* about the assets and liabilities of a joint venture" (ED9.BC13); "IFRS 10 provides much clearer principles that underlie the definition of control of an investee … than the requirements it replaces. As a consequence, *users should have more comparable and verifiable information* about the activities controlled by the reporting entity" (IFRS10.BC.210); and finally "any such attempt to narrow the definition … would complicate the guidance and would probably exclude disclosure of information that *users would find useful*" (IFRS12.BC78).

The documents on leasing provisions reveal similar statements: "The board will pay *particular attention to the need for users* of financial statements to *receive relevant and reliable* information at a reasonable cost to preparers" (DP.CF(D).IN23), followed by "it is important that lease accounting *provides users of financial statements with a complete and understandable picture* of an entity's leasing activities" (DP.CF(D).1.2). These general claims also appear in the subsequent documents: "in the light of criticisms that the existing accounting model for leases *fails to meet the needs of users* of financial statements … the boards decided to address those criticisms by developing a new approach to lease accounting" (ED/2013/6.BC3-4). This is followed in the final standard by the conclusion that "this approach will result in a *more faithful representation* of a lessee's assets and liabilities and, together with *enhanced disclosures*, will *provide greater transparency* of a lessee's financial leverage and capital employed" (IFRS16.IN6), asserting better quality of information provided for the users.

The group accounting and leasing documents have a script-like quality with repeated reference to 'users'. In referring to the needs of users, the imperative for change is *authorized* (for example, in the Introductions), as is the specific direction of the change (for example, in the paragraphs outlining proposed or prescribed new procedures). Arguably, this metonymic category of 'made-up users' is internalized in the *habitus* of the occupants of the regulatory space, and thus utilized habitually by regulators to legitimize their actions (Young, 2006; Durocher & Fortin, 2010, Stenka & Jaworska, 2019). In this way 'users' not only *authorize* regulatory actions via *moralized instrumental rationalization* but, given their taken-for-granted status, also constitute a '*fact of life*' *rationalizing* justification, the *moral* basis of which – the social desirability of prioritizing users – is no longer questioned. Such metonymic figurative

language is similar in form and function to the rhetoric of political speeches, such as 'in the interest of *the nation*' or 'for *the people'* (Charteris-Black, 2005)

The metonymic construct of users is intertwined with other generally agreed, but not elaborated, taken-for-granted, and thus *normalized*, proxies for the quality of accounting information, such as faithful representation, comparability, and transparency, which *authorize* standard setters' actions. All the appeals to these common-sense notions constitute structural features of the regulatory discourse that are used habitually to legitimize regulatory actions.

Some and many

The documents also feature an interesting lexical choice of the words 'some', referring to those constituents who oppose the provisions, and 'many' or 'most' when referring to those who support the changes proposed by the IASB members. This is another example of metonymy, as no clarification is provided as to who stands behind those terms, or what number or frequency constitutes 'some', 'many', or 'most'. The use of low frequency modality of 'some' discredits and undermines any *authority* opinions expressed by those who disagree with the proposals might carry (metonymy is combined here with the schematic device of diminution), portraying them as marginal. At the same time, views expressed by high frequency modality, as 'many' or the 'majority' (metonymy is combined here with the schematic device of amplification) are portrayed as substantial (i.e., important) and thus *authorize* the regulatory stance. The *authorization* is based on *conformity* with the views of the majority, which is an aspect of *normalization* – "this must be right because this is what *most* people think" (van Leeuwen, 2007, pp. 96–97). Interestingly, as dutiful and unbiased regulators who serve the 'public', the Board members always carefully consider those 'marginal' views of 'some' before deciding to reject them to follow a 'right' course of action supported by 'many'. For example:

> *Some* respondents to the discussion paper *urged* the Boards to base the composition of a group reporting entity on risks and rewards alone … The discussion paper presented the view of the Boards that the notion of risks and rewards, by itself, is not a conceptually robust basis for determining the composition of a group …. *Most* respondents *agreed* that determining the composition of a group reporting entity based on risks and rewards alone was not appropriate. (ED.CF(D).BC15)

> *Some argue* that proportional consolidation is a practical way to present … the Board *noted* these arguments *but concluded* that the practical argument does not refute the fundamental inconsistency with the Framework. (ED9.BC12)

> *Some asked* the Board to consider whether reputational risk might be a basis for consolidation. The Board *observed* (…) *investigated* (…) *concluded* that reputational risk is

> not a sufficient basis for consolidation because it reflects only management's intensions. (ED10.BC37-38)

> *Some* respondents to the discussion paper expressed concern… *Supporters* of this approach think it would better reflect the economics of most leases … However, in the Boards' view, the alternative approach described in paragraph BC8 has the following problems … Accordingly, the Boards *rejected* this approach when developing the exposure draft. (ED/2010/9.BC8-11)

'Many' is only linked to critical comments when the Board acts upon opposing views.

For example:

> *Many* respondents *disagreed* with the proposals for cost-benefit reasons. *In response to those comments*, the boards are *no longer proposing* to require the reconciliation of lease liabilities by class of underlying asset … (ED/2013/6.BC204)

The absence of further explanations of the identity or quantity of 'some' or 'many' infers that regulators involved in the standard-setting process consider the views of *all* constituents, but are compelled by duty to act upon the views of 'many' (*conformity authorization*) and reject the views of 'some'. This underwrites the IASB members' *authority* as engaging in regulatory actions in an 'appropriate' way. This is further reinforced by lexicality and schemes of consultative and unbiased regulatory action, discussed in the next section.

6.2.2 Lexicality and schemes of consultative and unbiased regulatory action

The lexical choice of specific verbs to describe regulators' activities is a significant feature of regulatory documents. 'Consider', 'conclude', and 'decide' are verbs that serve to portray the members of the IASB as following a rational and deliberate process. 'Reject', 'disagree', 'agree', 'note', 'acknowledge', and 'recognize' feature in the texts to indicate that the standard-setting process considers input from others. The image of a process that is consultative in nature is further reinforced by a schematic device of antithesis whereby the IASB 'considers', 'notes', or 'acknowledges' opposing views, despite 'concluding' otherwise (e.g., ED9.BC14; IFRS10.BC48; DP/2009/1.2.16).

The absence of certain verbs is also noteworthy. The IASB members do not 'urge', 'suggest', 'oppose', 'criticize', or 'argue' (Young, 2003). Avoiding the use of these emotional verbs eliminates any sense of advocacy, creating an image of impartiality. This supports credibility and thus *authority* of the actors involved, as well as provides for *instrumental*

rationalization based on the 'rightness' of procedures and processes – *instrumental 'means oriented' rationalization* (see, van Leeuwen, 2007, p. 102).

At the same time lobbyists and various other social agents are portrayed as engaging in the regulatory process 'less fairly'. For example, those (unspecified metonymic) 'some' who oppose provisions are those who 'urge' and 'argue'. Also, the lexical choice of the words "supporters" (IFRS10.BC102) and "proponents" (IFRS11.BC41), referring to those with views opposed to the IASB, implies the existence of vested interests. This lexical choice is consistent with the schematic device of diminution.

The lexicality of the regulatory discourse portrays standard setters as having no specific preferences; rather they are engaged in an unbiased deliberation process, amplifying the *authorization* of regulatory actions. The examples of these rhetorical maneuvers are included in the textual extracts that illustrate the metonymic use of 'some and 'many'.

6.2.3 Personified discourse as agency

Agency is removed from the creators of regulatory documents by the use of metaphor in the form of personification, which endows the documents themselves with a mind of their own. This removes or mediates connotations of self-interest implicitly associated with human agency (van Dijk, 1997; Handl, 2011). It functions in the same way as metaphorically personified metonymy of the 'Board' discussed earlier in the section. Frequently, a standard or an exposure draft/discussion paper "proposes" (e.g., ED9, p.5-6; IFRS12.BC38; ED/2010/9.BC4; ED/2013/6, p.5), "establishes" (e.g., IFRS11.1; IFRS10.IN1; IFRS12.IN9; ED/2013/6, p.5), and "requires" (e.g., ED9.IN7,9; IFRS11.IN9,10; IFRS10.IN6; IFRS12.IN8, IN11; ED/2013/6, p.8; IFRS16.IN6). In using active verbs, the texts take on an agency separate from their producers (Young, 2003; see also, Masocha & Weetman, 2007). Similarly, active powers are given to paragraphs of the documents that 'require' or 'provide' actions. For example, "to comply with paragraph 7, an entity shall disclose ..." (IFRS12.9), "… an entity shall consider the level of detail necessary to satisfy the disclosure requirements in paragraphs 73–86" (ED/2010/9.71), and "… an entity holding such an investment shall provide the disclosures required by paragraph 37 and paragraph 39(a) and (d) of this [draft] IFRS" (ED9.2(b)). Members of the IASB (as creators of the regulations) are thereby distanced from their accounting provisions, suggesting that accounting prescriptions exist independently of their human creators.

De-humanizing standard setters' actions is a form of rationality, implying a *natural order* beyond questioning – *normalization* via the *'fact of life' rationalization*. The accounting

solutions proposed by an exposure draft or required by a standard are portrayed as accounting imperatives rather than the dictates of human actors. It is accounting itself that decides on the (un)acceptability and (in)appropriateness of the accounting practices being proposed. Consequently, such provisions facilitate 'good' accounting solutions while providing for *self-authorization* of the regulators. As already noted, *rationalization* and *authorization* strategies are very often intertwined (Lupu & Sandu, 2017).

6.2.4 Schemes of self-reference and the idea of consistency

Regulatory documents present accounting imperatives ('natural' laws of accounting) as embodied in pre-existing regulatory provisions, so that they become a 'natural' *expert authority* for judging the rightness or wrongness of new proposals. This is a *normalization* strategy. The discourse that appeals to prior regulatory definitions is, in essence, circular, but also able to draw *authority* from repetitive self-reference to previously legitimated prescriptions under the rubric of consistency and continuity (Young, 2003). This is an interesting example of *self-referential intertextuality* whereby selected existing provisions (within the cohort of the IASB's own accounting standards) are invoked as *expert authority* in order to judge the quality of the IASB newly proposed accounting solutions. For example:

> These supposed assets and liabilities *do not meet the definition of assets and liabilities in the Framework* … Consequently, the amounts recognised are not a faithful representation of the entity's assets and liabilities. (ED9. BC8)

> Recognising a change in any of the assets of the business ... was inconsistent with *the Board's decision in IFRS 3* Business Combinations (as revised in 2008). (IFRS10.BCZ173)

> The accounting for joint arrangements required by the IFRS is not a function of an entity's accounting policy choice but is, instead, determined by an entity *applying the principles of the IFRS*. (IFRS11.BC11)

> The definitions of assets in *existing conceptual framework* refer to an entity ... *The same reasoning* could apply to the definition of liabilities and other elements of financial statements. (ED.CF(D).BC12)

> … the Boards think it is important that accounting for leases by lessors should, as much as possible, be *consistent with the proposals in their project on revenue recognition.* (ED/2010/9.BC.13)

> … this definition retains *the principle in the definition of a lease in both IFRSs and US GAAP.* (ED/2010/9.BC.29)

6.2.5. Schemes and lexicality of the illusion of reasoning

In the regulatory documents examined here the schematic device of referring – portraying a matter to an audience as self-evident – features frequently. Similarly, regulatory texts embody the schematic device of comparison in which proposals are presented favourably in relation to some other (not always clearly specified) alternative. The detailed basis for the comparison is seldom disclosed. In both cases of referring and comparison, matters are portrayed as so obvious that no appeal to any conventionally accepted evidential bases or specific references is required (Ashforth & Fried, 1988; Alvesson & Spicer, 2012; Gendron, 2018). Examples of such claims include:

> The Board believes that basing the accounting on the principles in the IFRS results in *enhanced* verifiability, comparability and understandability, *to the benefit* of both preparers and users. (IFRS11.BC75)

> The boards' preliminary view is that, overall, the controlling entity model is *more consistent* with the objective of financial reporting than is the common control model. (DP.CF(D)92)

> This approach should result in *a more faithful representation* of a lessee's financial position and, together with *enhanced disclosures*, *greater transparency* of a lessee's financial leverage. The new approach also proposes changes to lessor accounting that, in the boards' view, would *more accurately* reflect the leasing activities of different lessors (ED/2013/6.BC4).

In general, such assertions are implicitly designed to make readers feel as if they ought to know the basis of proposed improvements, discouraging questions or challenges from potential critics. Such schemes underpin *instrumental rationalization* based on taken-for-granted claims of enhancing accounting practice (based on established proxies for 'good' accounting, such as transparency, comparability, faithful representation) that are *(self)authorized* by the professional expertise of regulators. This grants the stated claims a symbolic recognition (Bourdieu, 1987, 1991), according to which regulators proposals *should be* trusted and presumed to be correct. This is also supported by the lexical choice of highly technical language, as discussed in section 6.1.3. These schematic devices are similar in character to corporate rhetoric of enhanced productivity and efficiency in the business environment (Charteris-Black, 2005). In essence, such schemes constitute an *illusion of reasoning*, which is also characterized by the frequent conjunction of lexical choice of words such as 'accordingly',

'therefore', and 'as a consequence'. This style of regulatory writing further invokes goal oriented *instrumental rationalization* based on (self-evidently) improved accounting practice. Also, consistent repetitions over time invoke and reinforce common-sense or '*fact of life' rationalization* based on abstract benefits of transparency, comparability, and faithful representation (Vaara et al., 2006). This *common-sense rationalization* does not seemingly require any evidential basis and becomes (re)used habitually (Bourdieu, 1991, see also, Alvesson & Spicer, 2012; Gendron, 2018). Such phrasing of claimed but never substantiated improvement (i.e., 'better', 'more comparable' and 'more verifiable' information) is also used in relation to the metonymy of abstract users as discussed earlier in section 6.2.1.

To summarize, the analysis of the content of regulatory documents produced by the IASB reveals extensive use of metonymy. This is particularly so in connection with appeals to a vague category of users utilized as a common-sense justification to *authorize*, as well as *morally rationalize*, regulatory actions. *Authority* is also extended by support of the illusive 'many', 'feedback received', and 'wide demand'. Moreover, metonymy also reveals tacit distancing of regulators from their regulatory actions via calling upon the metaphorically personified 'Board'. Such distancing is also achieved by attribution of human agency to regulatory documents and paragraphs. This provides *self-authorization* in which internal consistency is highly valued. Specific lexical choices create an illusory style of reasoning and unbiased regulatory action that tend to appeal to the very authority in question. I contend that this style of writing is a deep feature of regulators' *habitus* (Bourdieu, 1987, 1990), collectively learned over time and repeatedly copied (Bourdieu, 1991, van Dijk, 2001a; see also, Alvesson & Spicer, 2012, Gendron, 2018). It is not the outcome of deliberate or tactical action by any single individual regulator; rather it reflects and enacts an *implicit logic* of the regulatory field based on the established expectations of the occupants of the field with regard to 'appropriate' regulatory actions and thus 'appropriate' ways to justify regulatory outcomes (cf., Cardinale, 2018).

7. Conclusion and implications for further research

The paper synthesizes a CDA perspective on dialectical (very often implicit) relations between discourse and social power structures, and Bourdieu's work on the role of socialized dispositions in forming habitual (here language) practices to explore how legitimation is enacted by language in the IASB official regulatory documents. The empirical textual micro-analysis of the selected IASB regulatory provisions is informed by a cognitive sociolinguistics that foregrounds social embeddedness and habituality of our cognitive processes and thus our

language use. To analyze the specific rhetorical moves that underpin various IASB legitimation strategies, as proposed by van Leeuwen (2007), I follow the rhetoric taxonomy of Cockcroft and Cockcroft (1992), supplemented by empirical linguistic work by Charteris-Black (2005) and Handl (2008) on conventionality of figurative language. In so doing, I demonstrate how rhetoric is deployed in standard-setting texts and how standard setters' collective ways of thinking about accounting are expressed through language. In this way, I emphasize the significance of the habitual, that is, pre-reflexive discursive strategizing, in the emergence and reproduction of regulatory practices.

The examination of the design and content of the regulatory texts revealed accounting provisions as a genre of regulatory prescription with the frequent use of metonymy and metaphorical personifications to authorize accounting solutions produced by the IASB. The vague metonymical concepts of elusive (and thus difficult to challenge) 'users', 'many', and 'others', as well as of 'wide demand' and 'feedback received', or even (never referenced) 'accounting research', are used by regulators to actively authorize regulatory actions. Human agency is granted to current and past IASB provisions to lend their support to the process as a means of self-referential authorization. Citing the regulators' own accounting provisions is an interesting example of 'circular intertextuality' that supports legitimation efforts (cf., Fairclough, 1992; see also, Lupu & Sandu, 2017). Also, taken-for-granted claims of the priority of users' needs, faithful representation, comparability, and transparency feature frequently in the texts to further authorize regulatory actions. Authority is also reinforced by schemes of amplification and the lexical choice of highly specialized language (Bourdieu, 1987; van Dijk, 1998). The 'natural' imperatives of accounting itself are invoked to provide regulatory accounting solutions. The authorization throughout the text is intertwined and supported with (oblique) moralized instrumental and 'fact of life' rationalization that infer normalization of regulatory actions and outcomes.

I argue this range of interesting rhetorical maneuvers is often subconsciously deployed by the IASB members. That is, rather than acting only in purely deliberate ways, regulators habitually adopt (learned via collective copying) language practices to produce and maintain their legitimacy. These practices reflect and enact patterns of understanding and rationalizing that are considered acceptable within the IASB and the wider accounting regulatory field. In other words, shared expectations of what constitutes 'good' accounting solutions and 'appropriate' regulatory actions (Young, 1994, 1996, see also, Cardinale, 2018) produce discursive rationalizations and linguistic styles that are both common-sense and taken-for-granted in the context of standard setting. Durocher et al. (2007) point out that accounting

standard setting has been generally considered a domain of the accounting profession, which gives it a symbolic recognition and provides scope for discursive self-authorization and thus self-legitimation. This relates to the (self)belief that professionals are best qualified to make judgments about their own activities and are (implicitly) assumed to prioritize the public interest (Gendron, 2001, 2002). Moreover, accounting standard setters are perceived in the regulatory field to possess superior expertise and experience even when compared to other members of the accounting community (Fogarty et al., 1997; Botzem, 2014; Youngberry, 2015). Consequently, accounting regulators can be seen as a fairly exclusive or even insular group – their convictions about their own competences and rectitude are reinforced by their immediate environment of the board co-members and technical staff of the working committees (Youngberry, 2015).

This is akin to what Alvesson and Spicer (2012, p. 1194) calls "functional stupidity", whereby social agents carry out their tasks based on existing learned scripts of behaviour established in a social or organizational context. They do so without much questioning of the generally accepted beliefs and expectations they encounter in their social or organizational life (Cardinale, 2018). In this way "organizational rules, routines, and norms are thought to be given, natural, and good (or unproblematic or inevitable) and, therefore, not worth thinking about" (Alvesson & Spicer, 2012, p. 1199). This also involves not demanding or providing reasons or justifications for the statements or claims made and the lack of substantive (i.e., looking at the 'bigger picture') reasoning, similar to what Bourdieu calls *genesis amnesia*. Accordingly, regulators are unlikely to be fully aware of using metonymic personifications when transferring human agency to the 'Board' or to their own provisions, or of advancing (very often) unsubstantiated claims of increased comparability, reliability, or decision usefulness. Rather, these are features of learned yet deeply internalized habitual ways to discursively strategize legitimacy of their accounting provisions (cf., Gomez, 2015). Micro-analysis of how rhetoric happens in standard-setting texts allows us to learn more about the tacit dynamics of discursive legitimation that might go otherwise unnoticed by both regulators and readers (Bourdieu, 1987; van Dijk, 1997, 2001a).

This generates a series of questions regarding accounting standard setting. Could the lack of reflexivity and an adherence to cognitive routines inhibit innovation within the regulatory space? As Gendron (2018, p. 3) asserts "through a range of influences, certain ways of thinking … may be relegated to the periphery – being on the fringe of commonly-used thought processes" and therefore marginalized. Could it also mean that standard-setting actions and outcomes are bound to exhibit some level of incoherence due to taken-for-granted and thus

unquestioned assumptions? For example, Hayoun (2019) demonstrated dissonance between fair value measurements prescribed in the IASB standards and its Conceptual Framework guidance. To what extent does this undermine the assumptions that are implicit in regulators' collective ways of thinking?

Investigating these assumptions further opens up avenues for future research. Although the present study analyzes the discursive strategies that are manifestations of regulators' habitus, it does not show the formation of it (cf., Gomez & Bouty, 2011). That is, the process of development of shared dispositions that orient regulators' collective perceptions and actions is not explored here. Further studies could look at the key players and/or sources of influence within the regulatory arena that over time shape perceptions of what 'good' accounting and 'appropriate' standard-setting actions are. In other words, how does this 'collective emergence' develop and gain dominant status and then eventually evolve? Habitus is a subtle fit between the personal trajectory of agents and the social/circumstantial context in which they are embedded and thus subject to change (Bourdieu, 1990; Bourdieu & Wacquant, 1992; Löhlein & Müßig, 2020). Our cognitive routines and strategizing habits evolve and change with time and circumstances. For example, serving users needs has not always been an unquestionable objective of regulatory actions. This currently dominant and thus habitually operationalized notion evolved only in the 1960s and 1970s when the focus of financial statements shifted from a producer/practitioner-oriented view to a (narrowly defined) user-oriented emphasis (Young, 2006; Williams & Ravenscroft, 2015).

Also, habitus enacted in 'collective thinking' documents, such as official regulatory provisions, reflects a set of dispositions of dominant regulators (i.e., 'winning' discourse) (cf., Harvey et al., 2020). Newcomers and those from other backgrounds (for example, non-English speaking) would most likely have a slightly different set of dispositions and discursive 'bargaining' power (Morley, 2019). Every agent's habitus reflects their previous social positions occupied over time. Thus, while some aspects of habitus will be common across occupants of a given (here regulatory) position, other aspects will differ because of the variation in agents' life histories (Cardinale, 2018, p.140). For example, standard setters might have different national, educational, political, and cultural (including family) backgrounds that affect their professional values and beliefs (Allen & Ramanna, 2013; Durocher & Gendron, 2014; Baudot, 2018). Also, the individual aspects of habitus would be influenced by personal dispositions, such as general intelligence, personality, and so on (Reay, 2004; Suddaby et al., 2016; Cardinale, 2018). How new members of regulatory organizations are socialized into

thinking and expressing themselves in a certain way that adheres to the dominant patterns of behavior in the field is an interesting avenue for further enquiry.

Relatedly, although a collective theorization of habitus presented here is necessary to recognize that all humans bear "the individual trace of an entire collective history" (Bourdieu, 1990, p. 91), there is an argument for more research done at the individual level of habitus. As Suddaby et al. (2016) argue, this would provide for more comprehensive understanding of the field-level mechanisms of institutionalization. Why do "some individuals see the social world as fully formed and immutable, while others see it as plastic and full of opportunity for change" (Suddaby et al., 2016, p. 243)? In other words, why and how are "some actors … differentially able to overcome the taken-for-grantedness of their socially constructed environment" while others are not (Suddaby et al., 2016, p. 227; see also, Löhlein & Müßig, 2020)? In an accounting regulatory field, this line of enquiry could allow us to investigate the level of indoctrination (or reflectivity) among standard setters. That is, how do they subjectively make sense of the institutional environment in which they are embedded? (cf., Suddaby et al., 2016, p. 243, see also, Baudot, 2018). For example, do standard setters (and if so how and why) query or attempt to deconstruct some of the taken-for-granted notions that (supposedly) represent the quality of accounting information and thus standard-setting outputs?

Finally, note that empirical investigation of systems of power that are (re)produced without conscious intention raises questions about how to distinguish habits and tactics in relation to (discursive) practices and actions (Suddaby et al., 2016; Cardinale, 2018). This presents a real challenge as, although it can be defined in conceptual terms, habitus is extremely difficult to empirically investigate – it is a product of long-term socialization, a bit like a 'black box', which cannot be pinned down to a single influence or specific causes (Unger, 2013). It is a complex multi-layered "structuring mechanism that operates from within agents" (Bourdieu & Wacquant, 1992, p. 18) at a subconscious level unless social actors encounter events or circumstances that cause self-questioning or self-reflection (Reay, 2004, pp. 437-438; see also, Daoust, 2020). This can occur "when individuals with a well-developed habitus find themselves in different fields or different parts of the same social field" (Reay, 2004, p. 438), or are prompted to reflect (Unger, 2013). Further research could use interviews or focus groups as "an effective way of teasing out those elements of the habitus that can be teased out" as "they allow participants to describe and develop their beliefs while reflecting on their experience" (Unger, 2013, p. 65). For example, Suddaby et al. (2016) combined the prosopography method (Stone, 1971) of looking at common background characteristics of a social group (e.g., social and economic status, education, professional affiliations) with semi-

structured interviews to gain insights into the reflexive capacity of executives in the advertising industry. However, bringing the subconscious of others to the realms of the conscious remains a challenge.

In conclusion, the main contribution of the present study is to demonstrate how rhetoric is operationalized in international accounting standard setting and to challenge the common assumption (e.g., Young, 2003, 2006) that its use is fully deliberate and tactical in strategizing legitimacy. Unelected and largely unaccountable bodies without independent resources, such as the IASB, rely upon legitimacy for continued survival (Hopwood, 1994; Durocher & Gendron, 2011). The outputs of accounting standard-setting bodies are important to companies, to economies, and to society as a whole. Accounting regulators are subject to biases or routinized behaviour like any professionals from any field (Ashforth & Fried, 1988; Alvesson & Spicer, 2012; Gendron, 2018), however, seldom do unelected individuals wield so much potential power to shape society. This power stems from largely unexamined dominant social practices that manifest in habitual use of discursive rituals (Malsch & Gendron, 2011).

The critical perspective on subconscious use of rhetoric presented here invites reflection on the role of habitual strategizing in the (re)production of taken-for-granted legitimation mechanisms by researchers and practitioners alike. As Bruner (2019, p. 180), in his call to study rhetoric beyond the confines of assumptions of full consciousness asserts, "What agency can we possibly have if we are puppets … taking our common sense and pregiven worlds as truth itself, when just outside of our subjectivity are truths unimaginable?"

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