

Political participation in global accounting standard-setting

Content analysis of the comment letters for the establishment of the Accounting Standards Advisory Forum

Accounting
standards
advisory
forum

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Received 20 February 2018
Revised 9 December 2018
31 January 2019
Accepted 14 February 2019

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Abstract

Purpose – This study aims to examine constituents' political participation in the establishment of an Accounting Standards Advisory Forum (ASAF).

Design/methodology/approach – Based on a literature review, three hypotheses regarding political participation in global accounting standard-setting are constructed: regional disparity, professional dominance and financialization. These hypotheses are tested through a content and narrative analysis of the comment letters on the establishment of the ASAF.

Findings – Consistent with the regional-disparity hypothesis, neither Anglo-Saxon nor European Union countries were active advocates or positive supporters of ASAF's establishment. However, no evidence supporting the professional and financialization hypotheses was found. Narrative analysis suggests a divergence of opinion among vested-interest groups in the International Accounting Standards Board (IASB), emerging nations and other groups, rather than the traditional conflicts between Anglo-Saxon and European countries. This suggests the possibility of a future-destabilizing factor in global standard-setting.

Originality/value – By discussing the IASB's organizational and strategic changes and the constituents' responses, this study describes the IASB's organizational dynamics: how various stakeholders react to each other. Although prior studies primarily focused on comment letters regarding the contents of an accounting standard or the standard itself, this study examines such letters considering the size and composition of, and membership in, the ASAF, an organization within the IFRS Foundation (IFRSF). Therefore, the study reflects constituents' opinions regarding their participation in the IFRSF/IASB more directly.

Keywords Content analysis, Accounting Standards Advisory Forum, Comment letters, Global accounting standard-setting

Paper type Research paper

1. Introduction

The financial crisis of 2007-2008 triggered a storm of criticism on the standards for financial instruments, particularly those involving fair value measurements. The International Accounting Standards Board (IASB), bowing to political pressure from the European Union (EU), was forced to take short-term actions to revise IAS 39 and IFRS 7, which permit the reclassification of financial assets. However, this reaction resulted in more severe criticism from international policymakers on the governance structure and unclear accountability of the IASB.

In response to these criticisms, specifically after the second Constitution Review of 2008-2010, the IFRS Foundation (IFRSF) initiated organizational reforms. These included



establishing the Monitoring Board (2009), replacing the IASB Chairman (2011) and establishing the Agenda Consultation (2011-2012), the Strategy Review (2012) and the Accounting Standards Advisory Forum (ASAF; 2013) one after another. These initiatives aimed to enhance the IASB's public accountability; thus, the financial crisis was a turning point for consideration of the IASB today. The establishment of the ASAF was an especially symbolic event, suggesting a change in the IASB's standard-setting approach. This approach changed from bilateral arrangements with the Financial Accounting Standards Board (FASB), the European Financial Reporting Advisory Group (EFRAG) and the Accounting Standards Board of Japan (ASBJ) to more multilateral arrangements with other national standard-setters (NSS)[1].

These circumstances created the question motivating this study: What kind of reactions or strategy alterations do these organizational changes bring to the IASB's constituents (e.g. regulatory bodies, NSS, users, preparers of financial information and researchers)? To provide some insight, this study develops the following two research questions:

RQ1. How did constituents react to the proposal to establish the ASAF?

RQ2. What differences of opinions exist among constituents?

To answer these questions, this study examines constituents' political participation in the establishment of the ASAF. We first review the prior literature and develop working hypotheses on the politics of global accounting standard-setting: *regional disparity*, *professional dominance* and *financialization*. With these hypotheses as an assessment framework, to provide empirical evidence, we conduct a content analysis of the comment letters on the establishment of the ASAF[2].

Our findings show results consistent with the regional-disparity hypothesis; however, we cannot find evidence to support our proposed professional and financialization hypotheses. Our narrative analysis also suggests a divergence of opinion among vested-interest groups in the IASB and emerging nations and other groups, rather than the traditional conflicts between Anglo-Saxon and European countries. These conflicts may suggest the possibility of a serious destabilizing factor in global standard-setting in the future. In addition, although the Trustees' 2015 review of the ASAF suggests that the ASAF and IASB's standard-setting approach using multilateral arrangements has been positively evaluated among constituents, there still remain regional disparities in political participation in the IASB's standard-setting.

This study contributes to the body of knowledge on this topic in several ways. First, there have been limited publications on the recent history of the IASB, especially after 2010 (Botzem, 2014; Camfferman and Zeff, 2018). By discussing the IASB's organizational and strategic changes and constituents' responses, this study describes the organizational dynamics within the IASB, where regulatory bodies, NSS, users and preparers of financial information and researchers react to each other. Second, we form three hypotheses based on the achievements of prior studies on constituents' participation in accounting standard-setting and empirically investigate the opinions according to these hypotheses. In addition, although prior studies mainly focused on comment letters regarding the contents of an accounting standard or the standard itself, this study examines comment letters about the size, composition and membership of the ASAF, an organization within the IFRSF. Therefore, the study reflects the more direct opinions about constituents' participation with respect to the IFRSF and the IASB.

2. Literature review and hypotheses development

2.1 Politics of accounting standard-setting

Political issues in accounting standard-setting have been broadly discussed in the literature on "accounting regulation" (Cooper and Robson, 2006; Gipper *et al.*, 2013; Kothari *et al.*, 2010).

These studies primarily describe economic theories of regulation, which include public interest theory, capture theory and ideology theory[3].

Public interest theory describes regulation as “a benevolent and socially efficient response to market failure” (Kothari *et al.*, 2010, p. 269) and thus justifies state intervention. Under this theory, regulation is thought to “protect and benefit society as a whole” (*ibid.*, p. 270), and the usual justification of accounting standards is that “accounting rules are public goods that are under-produced in unregulated markets” (Gipper *et al.*, 2013, p. 526). Capture theory considers regulation to be “an economic good subject to the forces of supply and demand” (Richardson and Kilfoyle, 2009, p. 320), from a self-serving use of the political process or rent-seeking actions by various stakeholders. In this theory, accounting standards are being captured by firms or industries and “regulation is less about the public interest than about competition for power between different interest groups, who in turn have the power to influence outcomes” (Baudot, 2014, p. 219). Ideology theory presumes that “standard-setters have particular ideologies or beliefs that underlie their decisions” (Gipper *et al.*, 2013, p. 527), and, thus, interest groups lobby regulators to convey their specific knowledge and/or ideological briefs on the regulated issues, in other words, attempt “ideological capture” (Ramanna, 2015, p. 14).

In addition to reviewing extant empirical research on the politics of accounting standard-setting, Gipper *et al.* (2013) suggest research gaps and some future directions. Specifically, in association with ideology or ideological capture theory, they suggest a gap of “research on how a broad set of constituents, including preparers, the Big Four audit firms, other accounting firms, industry groups, and other entities participate in the political process” (Gipper *et al.*, 2013, p. 545).

In the next section, drawing on the above theories, we review how constituents participate and engage in the accounting standard-setting and we extract the working hypotheses about the reactions to the proposal to establish the ASAF.

2.2 How does a broad set of constituents participate in accounting standard-setting?

2.2.1 Regional disparities. Many researchers indicate the superior position of particular countries or jurisdictions in IASB’s standard-setting process. In other words, this process is ideologically captured by particular countries or jurisdictions.

Some discussions explain the dominance of Anglo–American countries in the construction of transnational regimes in global governance and accounting, whereas others document the dominance of EU countries, US hegemony vs bi-polarization and IASB’s Anglo-centrism vs EU-centrism (Botzem, 2012, 2014; Botzem and Quark, 2009; Dewing and Russell, 2008; Eaton, 2005; Martinez-Diaz, 2005; Mattli and Büthe, 2005; Posner, 2010; Ramanna, 2013). By reviewing the work by Camfferman and Zeff (2007), Botzem and Quark (2009) suggest “the dominance of Anglo-American accounting” (p. 991). They show a clear capital-market orientation with an emphasis on the information needs of capital providers against the background of the International Accounting Standards Committee (IASC) and its standards. Martinez-Diaz (2005) suggests that the most important reason for the IASC’s success is its relationship with the US Securities and Exchange Commission (SEC). As regards the reasons for the Anglo–Saxon dominance, Mattli and Büthe (2005) suggest factors such as the geographical disparities in technical expertise and human resources[4].

By comparing the Anglo–Saxon accounting model to that of continental Europe, Dewing and Russell (2008) suggest four reasons why the IFRSs are based on the former model. First, the conceptual framework sets forth the concepts that underlying the preparation and presentation of accounts for external users and considers investors to be the defining user group. Second, the Board is dominated by former Anglo–Saxon standard-setters. Third, the Big Four global accounting firms have strong Anglo–American origins. Finally, US hegemony prevails over intergovernmental organizations (Dewing and Russell, 2008).

These arguments focus on both the macro-political and the micro-organizational levels. However, the Anglo-Saxon/European debate is still characterized by disputes and it is unresolved. Therefore, to develop our first hypothesis, we take the position of “Anglo-Saxon and/or continental European countries” and we develop the following two mutually exclusive hypotheses:

H1. In IASB’s accounting standard-setting process, Anglo-Saxon countries (or continental European countries) play a dominant role.

If these countries play a dominant role in the global accounting standard-setting, the establishment of the ASAF, which aims for multilateral relations with many NSS, may possibly reduce the influence from those countries, and, thus, these preeminent countries will take a negative stance. In view of this, we can operationalize the first hypothesis as follows:

OH1. Anglo-Saxon countries (or continental European countries) provide negative comments on the establishment of the ASAF.

2.2.2 Professional dominance. At the mezzo- and micro-political levels, a strand of research indicates that the accounting profession has facilitated the outsourcing of public authority for accounting standard-setting to private sector agents with professional expertise (Botzem, 2012, 2014; Botzem and Quark, 2009; Gallhofer and Haslam, 2007; Power, 2009; Zimmermann *et al.*, 2008; Zimmermann and Werner, 2013).

Among IASB’s constituents (accounting professions, business entities, investors, governments and other societal groups), Gallhofer and Haslam (2007) suggest that the accounting profession in the UK and the USA were evidently more influential in IASC/IASB formation and development. In reference to this, they stated that the “mutuality of interest of the US and UK professions [is] dominant in IASC/IASB development” (Gallhofer and Haslam, 2007, p. 638). Specifically, they discuss the roles of the Big Four global accounting firms, suggesting that “accounting policy bureaucrats” (Power, 2009, p. 329), in the name of public interest, maximize their self-interests. In particular, two matters coincide with the expansion of the occupational fields of the Big Four accounting firms: the expansion of accounting estimates with the implementation of fair value accounting and the need for professional judgment with the flexibility of a principles-based system (Carmona and Trombetta, 2008).

To summarize, these studies suggest that IASB’s standard-setting process is captured by accounting professions, especially by Big Four accounting firms. Based on the discussion above, we develop the following hypothesis[5]:

H2. In IASB’s accounting standard-setting process, accounting professions play a dominant role.

Based on this hypothesis, the establishment of the ASAF may possibly weaken the accounting professions’ influence. In that case, we expect accounting professions to not only take a negative position on the establishment of the ASAF but also actively participate in the ASAF to enhance their leadership in the global standard-setting. In view of this, we can operationalize the second hypothesis as follows:

OH2. Accounting professions provide negative comments on the establishment of the ASAF and require their participation in it.

2.2.3 Financialization. From a meta-level perspective, changes in social structure may partly explain the global diffusion of adopting IFRS. This strand of research suggests that the

financialization of economic systems is behind the globalization of accounting standards (Arnold, 2009), leading to certain features in IFRS such as a capital-market orientation (Botzem, 2012; Gallhofer and Haslam, 2007; Mattli and Büthe, 2005) and fair value accounting (Perry and Nölke, 2005, 2006; Nölke, 2009). In other words, in the face of changes in the industrial structure from manufacturing (i.e. production-oriented) to finance-oriented business, IFRS's optimal accounting standards have become widely used.

Socio-economists insist on the following:

[A]ccounting as ostensibly a straightforward routine may have greater significance that is usually acknowledged, under which the main stakeholders (such as financiers and financees in the global financial markets) and the other stakeholders (such as employees, labor unions, farmers, environmentalists and developing countries) are affected in different ways, either positively or negatively (Biondi and Suzuki, 2007, pp. 586-587).

Gallhofer and Haslam (2007) suggest that the influence of the international capital market is evident in the formation of the IASC/IASB, suggesting that the IASC/IASB is embedded in today's Anglo-American capitalism[6].

Arnold (2009, p. 58) indicates that:

The force driving the internationalization of accounting may not be the globalization of national economics and national financial markets as is so often assumed, but rather the financialization of the international economic system.

By conducting a network analysis of the IASB and the EFRAG, Perry and Nölke (2005, p. 17) suggest that financial-sector actors wield substantially more influence than other actors and that "the governance network of the IASB and [...] EFRAG is much more strongly connected to financial sector actors than any other category." In addition, Nölke (2009) insists that to explain the politics of accounting regulation requires investigating the governance structure of global accounting standard setting. This "needs to be complemented by arguments about the dominance of the Anglo-American model of capitalism in the regulatory community around the IASB, as well as about its close collaboration with the investor interests that are so central to financialized capitalism" (p. 3).

These studies suggest that IASB's standard-setting process may possibly be captured by financial sectors, and, thus, we develop the following hypothesis:

H3. Because financialization in economic systems exists behind the globalization of accounting standards, financial sectors play a dominant role in IASB's accounting standard-setting process.

If financial sectors play a dominant role in global accounting standard-setting, the establishment of the ASAF will weaken these sectors' influence. In this case, we expect financial sectors to not only exhibit a negative attitude toward ASAF's establishment but also actively participate in the ASAF. In view of this, we can operationalize the third hypothesis as follows:

OH3. Financial sectors provide negative comments on the establishment of the ASAF and require their participation in it.

3. Institutional background: establishing the Accounting Standards Advisory Forum

On November 1, 2012, the IFRSF issued a proposal to establish the ASAF (hereafter, the Proposal) (IFRSF, 2012b); all comments on the Proposal needed to be received by December

17, 2012. This was because the IFRSF responded to recommendations by the Trustees of the Strategy Review issued in February 2012 (IFRSF, 2012a) and aimed to change the relationship between the IASB and NSS and other regional bodies from bilateral (e.g. the FASB, ASBJ and the EFRAG) to multilateral relations.

According to the Proposal, ASAF's role was "to provide advice and view to the IASB on major technical issues related to its standard-setting activities and to provide input on national and regional issues" (IFRSF, 2012b, para. 6.3), whereas its purpose was to establish a representative body with a high level of professional expertise and knowledge of jurisdictions and regions. The ASAF would simply be an advisory body and, as such, it would have no voting rights.

To achieve the goal of the ASAF, the IFRSF required participating NSS and regional groups to sign a memorandum of understanding (MoU) reflecting the following five commitments (IFRSF, 2012b, paras. 6.4-5):

- (1) supporting the IFRSF's mission to develop, in the public interest, a single set of high-quality, understandable, enforceable and globally accepted financial reporting standards;
- (2) encouraging input from jurisdictions/regions regarding IASB's technical activities;
- (3) supporting the consistent application of IFRS by jurisdiction and region;
- (4) making their best efforts to promote the adoption of IFRS in full and without modification over time; and
- (5) having the resources and capability to play a complete role in ASAF's technical work.

In addition, the Proposal emphasized "the right balance" between the need to form a group that includes a range of relevant perspectives from the major geographic regions and the need to establish an effective forum. In particular, it proposed the following geographical balance (IFRSF, 2012b, paras. 6.7-8):

- Africa = one seat;
- Americas = three seats;
- Asia-Oceania = three seats;
- Europe (including non-EU countries) = three seats; and
- World at large = two seats

Further, the Proposal stipulated that membership in the ASAF should be reviewed every two years, taking into account the following factors: technical competence, scale of the jurisdiction's capital market, organizational contributions to the IASB's activities, human capital resources and other factors (IFRSF 2012b, para. 6.11).

As a working model for the ASAF, the Proposal requested that the ASAF meet four times a year (with one of the meetings combined with the annual meeting of the world standard-setters). The ASAF should be chaired by either the chairperson or the vice-chairperson of the IASB. The Proposal also recommended that:

The discussions [...] focus more on strategic technical issues, and not be too tied to the IASB's monthly cycle of meetings, where the focus can be on more detailed matters (IFRSF, 2012b, para. 6.20).

The Proposal claimed that the ASAF had a number of advantages. For instance, it stated that the ASAF could achieve a more streamlined collective relationship than the current bilateral forums, hear the opinions of various stakeholders before the IASB makes

decisions, provide a venue for valuable discussions to enhance the quality of standards, be consistent with the Strategy Review's aim of enhancing public accountability and ensure the adoption and consistent application of IFRS. The ASAF would also not require any changes to the structure of the IFRSF and the IASB and would permit effective, yet multilateral, discussions with many diverse perspectives at the same table (IFRSF, 2012b, paras. 6.22-25). On the other hand, regarding risks, the Proposal suggested that the standard-setting process could become more protracted, some NSS and regional bodies may be dissatisfied with the composition of the ASAF, the ASAF could become extremely large and possibly unwieldy and it might be difficult to maintain control of the discussions or obtain a consensus (IFRSF, 2012b, paras. 6.30-34).

The Proposal invited comments on the following two questions:

Q1. Do you agree with the proposed commitments to be made by ASAF members and that they should be formalized in an MoU? Why or why not?

Q2. Do you agree with the proposed size and composition? Why or why not?

After analyzing the comments received, the IFRSF issued a feedback statement in February 2013 (hereafter, the Feedback Statement) (IFRSF, 2013a). At the same time, it issued a call inviting the nomination of suitable candidates for membership in the ASAF (hereafter, Call for Nomination) (IFRSF, 2013b). The Call for Nomination stipulated the criteria for membership and other factors attached to the proposed terms of the reference/charter and MoU[7]. We can indicate two important changes after the comments: significant changes in the commitments in the proposed MoU and addition to IFRSF's commitments (as will be discussed in Section 6).

From the list of membership candidates, the Trustees screened, selected and announced the members of the ASAF on March 19, 2013 (IFRSF, 2013c) (Table I).

Region	Member
Africa	South African Financial Reporting Standards Council, supported by the Pan African Federation of Accountants (PAFA)
Asia-Oceania (including one "at large")	Accounting Standards Board of Japan Australian Accounting Standards Board Chinese Accounting Standards Committee Asia Oceania Standard Setters Group (AOSSG), represented by the Hong Kong Institute of Certified Public Accountants
Europe (including one "at large")	Accounting Standards Committee of Germany European Financial Reporting Advisory Group (EFRAG) Spanish Accounting and Auditing Institute United Kingdom Financial Reporting Council
The Americas	Group of Latin American Standard Setters (GLASS) Canadian Accounting Standards Board United States Financial Accounting Standards Board

Source: IFRSF (2013c)

Table I.
Initial membership in
the ASAF

4. Research method

To provide empirical evidence, we conduct a content analysis of the comment letters on the establishment of the ASAF (see [Appendix](#)). In doing so, we use the three working hypotheses presented in the previous section as a framework for our assessment. As the establishment of the ASAF enhances stakeholder participation in the standard-setting process, although this is limited to an advisory function, each stakeholder's political incentive should be clearly expressed in these comment letters. This is why we choose to analyze these letters.

Although several researchers have investigated the comment letters submitted to the IASB and FASB ([Georgiou, 2010](#); [Larson, 2007](#); [Larson and Herz, 2013](#); [Richardson and Eberlein, 2011](#)), we refer to prior studies that have conducted content analyses ([Deaconu et al., 2009](#); [Jupe, 2000](#); [Masocha and Weetman, 2007](#); [Tutticci et al., 1994](#)) by carrying out quantitative and qualitative (or narrative) analyses on the contents of the comment letters[8].

Content analyses are typically coded in a certain form:

- comment codes – supporting (S), opposing (O) or neutral (N);
- categorizing rhetoric used: conceptually based arguments, self-referential arguments or both arguments; and
- comment assessment (comparing consistency between comment and final results): no success, partial success or full success.

The comment letters examined in this study are in the form of questions and answers; therefore, the first coding was simple. However, many comments were unclear regarding the reason (or rhetoric) behind their support. Although a typical content analysis assesses the rhetoric that results in the most successful conclusion, most respondents supported the establishment of the ASAF. Therefore, for comment codes 2 and 3, we run a narrative analysis instead of quantitative analyses. [Table II](#) presents the classification of respondents.

Our analysis strategy consists of two steps. First, a chi-squared test of independence is used to determine if there is a significant relationship between the categories of answers and the categories of questions. Second, in the residual analysis, the adjusted standardized residuals (R_{adj}) are used to compare the difference between the observed frequency (number of comments) and the expected frequency (number of comments). The general meaning of the adjusted standardized residual is:

- (1) If the residual is less than -1.96 (greater than $+1.96$), the cell's observed frequency is less than (greater than) the expected frequency at the 5 per cent significance level.
- (2) If the residual is less than -2.58 (greater than $+2.58$), the observed frequency is less than (greater than) the expected frequency at the 1 per cent significance level.

5. Results

5.1 Overall results

[Table III](#) reports the results of the content analysis of all comments. The chi-squared test of independence shows that the answers to all question items (support, oppose and neutral) show statistically significant differences ($X^2 = 27.361$, significance = 0.01). Moreover, the residual analyses suggest the following propensities. First, 65 per cent of respondents (37 comments out of 57 comments) support the establishment of the ASAF and only 3 out of 57 respondents (3 per cent) show clear opposition. Thus, we can conclude that many respondents supported the ASAF (R_{adj} : 3.0) and few opposed its establishment (R_{adj} : -2.4). Second, compared to this percentage of support for the establishment of the ASAF (65 per cent), only 26 per cent of respondents (7 comments out of 27 comments) supported the size of

	No.	(%)	Accounting standards advisory forum
<i>Respondent type</i>			
Standard-setter (including EFRAG)	20*	32	365
Oversight body of a standard-setters	4	6	
Regulator/securities	5	7	
Government or policymaker	1	1	
Accountancy body	10*	16	
Accounting firm	6	10	
Preparer/industry	11	18	
Preparer/representative body	3	5	
Individual	3	5	
Total	63	100	
<i>Geographical region</i>			
Africa	4	6	
Americas	9	15	
Asia-Oceania	14	22	
Europe	26	41	
Global	10	16	
Total	63	100	
<i>Anglo-Saxon/non-Anglo-Saxon</i>			
Anglo-Saxon	16	25	
Non-Anglo-Saxon	37	59	
Global**	10	16	
Total	63	100	
<i>Accountants/non-accountants</i>			
Accountancy body	11	17	
Accounting firm	6	10	
Others	46	73	
Total	63	100	

Notes: *IFRSF (2013a) counts 19 standard-setters and 11 accountancy bodies, although these might be subject to error. **Global category includes the following comment letters: globally operating companies (CL 6, Unilever), industry groups (CL 13, IIF and CL 32 FEI), globally operating accounting firms (CL 11 E&Y, CL 21 Deloitte, CL 38 PwC, CL 47 Mazzaars, CL 52 KPMG and CL 54 BDO) and regulatory bodies (CL 41 IOSCO)

Source: IFRSF (2013a), para. 2.1., modified by the authors

Table II.
Classification of respondents

the ASAF, and, thus, few supported its size (R_{adj} : -2.3). Finally, for the composition, the residuals show that there are many opposed to it (R_{adj} : 2.5) and few supporting it (R_{adj} : -2.6). Our narrative analysis finds that few respondents explicitly disagreed with the Proposal, whereas many expressed concerns about the short consultation period and suggested that more time might be needed to fully evaluate views (CL9, 20, 27, 34, 38, 44, 54 and 57)[9]. Some respondents commented that the objectives of the ASAF should be better defined (CL11, 27, 44, 52 and 57). For Question 1, our qualitative analysis shows that many respondents opposed proposed commitments no. 3 (CL2, 3, 8, 20, 31, 34, 35, 40, 57 and 62) and no. 4 (CL6, 12, 20, 25, 26, 30, 31, 32, 34, 35, 41, 43, 47, 50, 60 and 62). For Question 2, similarly to the results of the quantitative analysis, the comments were divided by both size and composition.

5.2 Responses from Anglo-Saxon and EU countries

Tables IV, V and VI report the results of the content analysis of the comment letters for Anglo-Saxon countries, EU countries and other jurisdictions, respectively. The results of

Issue	Support	Oppose	Neutral	Total
Establishment of the ASAF	37 (65%) 3.0	3 (5%) -2.4	17 (30%) -1.3	57 (100%)
Question 1	25 (47%) -0.0	7 (13%) -0.5	21 (40%) 0.4	53 (100%)
Commitment	12 (44%) -0.3	2 (7%) -1.2	13 (48%) 1.2	27 (100%)
MoU	12 (55%) 0.7	2 (9%) -0.9	8 (36%) -0.1	22 (100%)
Question 2	29 (50%) 0.5	12 (21%) 1.3	17 (29%) -1.43	58 (100%)
Size	7 (26%) -2.3	7 (26%) 1.6	13 (48%) 1.2	27 (100%)
Composition	7 (24%) -2.6	9 (31%) 2.5	13 (45%) 0.9	29 (100%)

Table III.
Results of all
comments ($n = 63$)

Note: Because we exclude unclear comments, the number of comments analyzed is not always 63. The numbers under the rows show adjusted residuals

Issue	Support	Oppose	Neutral	Total
Establishment of ASAF	10 (67%) 1.9	0 (0%) -0.9	5 (33%) -1.6	15 (100%)
Question 1	6 (43%) -0.1	1 (7%) 0.6	7 (50%) -0.1	14 (100%)
Commitment	4 (44%) 0.0	0 (0%) -0.7	5 (56%) 0.3	9 (100%)
MoU	1 (17%) -1.4	0 (0%) -0.5	5 (83%) 1.6	6 (100%)
Question 2	8 (53%) 0.8	0 (0%) -0.9	7 (47%) -0.4	15 (100%)
Size	1 (13%) -1.9	1 (13%) 1.3	6 (75%) 1.4	8 (100%)
Composition	2 (40%) -0.2	1 (20%) 1.8	2 (40%) -0.5	5 (100%)

Table IV.
Results for Anglo-
Saxon respondents
($n = 16$)

Note: The numbers under the rows show adjusted residuals

the chi-squared test of independence for Anglo-Saxon countries show that differences among answers to all question items (support, oppose and neutral) are statistically significant ($X^2 = 14.594$, significance = 0.01). The results of the residual analysis seem to suggest almost similar tendencies as those in the overall results. However, the adjusted standardized residual of support for the establishment of the ASAF is less than that of the overall results ($1.9 < 3.0$). Thus, this difference may suggest that Anglo-Saxon countries tended not to actively support the establishment of the ASAF (being neither active advocates nor positive supporters).

The results of the chi-squared test of independence for EU countries show that differences among the answers to all question items (support, oppose and neutral) are statistically significant ($X^2 = 14.017$, significance = 0.01). The results of the residual analysis also seem to suggest almost similar tendencies as those in the overall results.

Table V.
Results for EU respondents ($n = 26$)

Issue	Support	Oppose	Neutral	Total
Establishment of the ASAF	13 (54%) 1.2	2 (8%) -1.9	9 (38%) 0.5	24 (100%)
Question 1	10 (50%) 0.6	4 (20%) -0.4	6 (30%) -0.3	20 (100%)
Commitment	4 (40%) -0.3	1 (10%) -1.0	5 (50%) 1.2	10 (100%)
MoU	6 (67%) 1.4	1 (11%) -0.9	2 (22%) -0.7	9 (100%)
Question 2	10 (42%) -0.2	8 (33%) 1.3	6 (25%) -0.9	24 (100%)
Size	3 (27%) -1.2	4 (36%) 1.1	4 (36%) 0.2	11 (100%)
Composition	3 (21%) -1.8	6 (43%) 1.9	5 (36%) 0.2	14 (100%)

Note: The numbers under rows show adjusted residuals

Issue	Support	Oppose	Neutral	Total
Establishment of the ASAF	16 (76%) 2.3	1 (5%) -1.2	4 (19%) -1.5	21 (100%)
Question 1	11 (52%) -0.2	2 (10%) -0.5	8 (38%) 0.6	21 (100%)
Commitment	5 (55%) 0.1	1 (11%) -0.1	3 (33%) 0.0	9 (100%)
MoU	6 (75%) 1.2	1 (13%) -0.0	1 (13%) -1.3	8 (100%)
Question 2	13 (59%) 0.5	4 (18%) 0.9	5 (23%) -1.2	22 (100%)
Size	3 (30%) -1.6	2 (20%) 0.7	5 (50%) 1.2	10 (100%)
Composition	2 (17%) -2.8	2 (17%) 0.4	8 (66%) 2.6	12 (100%)

Table VI.
Results for non-Anglo-Saxon and non-EU respondents ($n = 24$)

Note: Comment letters from the UK (CL28, 33 and 51) are included in both the Anglo-Saxon and EU categories. However, the comment letters from the Netherlands (CL27) are included only in the EU category. The numbers under the rows show adjusted residuals

However, as in the results for Anglo-Saxon respondents, the adjusted standardized residual of support for the establishment of the ASAF is less than that of the overall results ($1.2 < 3.0$). Therefore, the results may suggest that EU countries tended not to actively support the establishment of the ASAF (being neither active advocates nor positive supporters).

The results of the chi-squared test of independence for non-Anglo-Saxon and non-EU countries show that the differences among the answers to all question items (support, oppose and neutral) are statistically significant ($\chi^2 = 17.254$, significance = 0.01). The residual analysis suggests such tendencies as:

- Many respondents supported the ASAF (R_{adj} : 2.3).
- Few supported the composition (R_{adj} : -2.8), which are almost similar to the results for all of the comments.

In addition to the above observations, we compare whether the answers to all issues (Questions 1 and 2) show differences among Anglo-Saxon, EU and other countries by conducting a test of independence and a residual analysis. The results of the chi-squared test of independence show that differences between the answers regarding the MoU ($X^2 = 8.665$, significance = 0.05) and the answers to Question 2 ($X^2 = 7.967$, significance = 0.05) are statistically significant. The residual analysis suggests that:

- There was little support for the MoU by Anglo-Saxon countries.
- There was little opposition by Anglo-Saxon countries and much opposition by EU countries to Question 2.

5.3 Responses from accounting professions

Tables VII and VIII report the results of the content analysis of the comment letters for accounting and non-accounting professions, respectively. The results of the chi-squared test of independence for accounting professions show that differences among the answers to all question items (support, oppose and neutral) are statistically significant ($X^2 = 26.594$, significance = 0.01). The residual analysis shows that:

- Respondents supported the establishment of the ASAF as in other results, but this was not statistically significant.
- There was little support for the size of the ASAF (R_{adj} : -3.1).
- There was little support for its composition (R_{adj} : -2.7).

Although it was not a direct request for participation, accounting professions have requested the clarification of ASAF membership (CL 11, CL 21 and CL 38) and an increase in the number of members (CL 33).

The results of the chi-squared test of independence for non-accounting professions show that differences among the answers to all question items (support, oppose and neutral) are statistically significant ($X^2 = 26.646$, significance = 0.01). The residual analysis shows that:

Issue	Support	Oppose	Neutral	Total
Establishment of the ASAF	11(69%) 0.8	0 (0%) -1.0	5 (31%) -0.4	16 (100%)
Question 1	12 (75%) 1.4	1 (6%) 0.3	3 (19%) -1.6	16 (100%)
Commitment	5 (56%) -0.3	1 (11%) 0.9	3 (33%) -0.2	9 (100%)
MoU	7 (88%) 1.7	0 (0%) -0.7	1 (13%) -1.4	8 (100%)
Question 2	12 (75%) 1.4	1 (6%) 0.3	3 (19%) -1.6	16 (100%)
Size	1 (11%) -3.1	0 (0%) -0.7	8 (89%) 3.5	9 (100%)
Composition	2 (20%) -2.7	1 (10%) 0.8	7 (70%) 2.4	10 (100%)

Table VII.
Results for
accounting
profession
respondents ($n = 16$)

Note: The numbers under the rows show adjusted residuals

Table VIII.
Results for non-
accounting
professions ($n = 41$)

Issue	Support	Oppose	Neutral	Total
Establishment of the ASAF	26 (63%) 4.7	3 (7%) -2.9	12 (29%) -1.9	41 (100%)
Question 1	13 (35%) -1.3	6 (16%) -0.8	18 (49%) 2.1	37 (100%)
Commitment	7 (39%) -0.4	1 (6%) -1.9	10 (56%) 2.1	18 (100%)
MoU	5 (36%) -0.7	2 (14%) -0.7	7 (50%) 1.3	14 (100%)
Question 2	17 (40%) -0.3	11 (26%) 1.4	14 (33%) -1.0	42 (100%)
Size	6 (33%) -1.1	7 (39%) 2.5	5 (28%) -1.3	18 (100%)
Composition	5 (26%) -2.0	8 (42%) 3.0	6 (32%) -0.8	19 (100%)

Note: The numbers under the rows show adjusted residuals

- Respondents clearly supported the ASAF (R_{adj} : 4.7).
- Many opposed its size (R_{adj} : 2.5).
- Few supported (R_{adj} : -2.0) and many opposed (R_{adj} : 3.0) its composition.

We also determine whether the answers to all issues (Questions 1 and 2) show differences between accounting and non-accounting professions. The results show that the differences among the answers regarding the MoU ($X^2 = 5.615$, significance = 0.10), the answers to Question 2 ($X^2 = 4.830$, significance = 0.10) and the answers to size ($X^2 = 9.297$, significance = 0.05) are statistically different. The residual analyses suggest that for Question 1 (proposed commitments/MoU), many accounting professions respondents were in support, but few non-accounting professions respondents were in support. Similarly, for the question regarding the MoU, many accounting professions respondents were in support, but few non-accounting professions respondents were in support. For Question 2 (proposed size and composition), many accounting professions respondents were in support, but few non-accounting professions respondents were in support. However, a more detailed examination reveals that there are few accounting professions respondents supporting (R_{adj} : -3.1) and many non-accounting professions respondents opposing (R_{adj} : 2.5) the size. Furthermore, there are few accounting professions respondents supporting (R_{adj} : -2.7) and many non-accounting professions opposing (R_{adj} : 3.0) the composition.

5.4 Responses from financial sectors

Tables IX and X show the results of the content analysis of the comment letters for financial and non-financial sectors, respectively. However, we must indicate that our quantitative research has a limitation because of the small sample number ($n = 5$). The results of the chi-squared test of independence for the financial sectors show that the differences among the answers to all question items (support, oppose and neutral) are statistically significant ($X^2 = 28.157$, significance = 0.01). The residual analysis also shows that:

- Few respondents opposed the ASAF (R_{adj} : -2.5).
- Many opposed Question 2 (R_{adj} : 2.5).
- Many opposed its composition (R_{adj} : 2.5).

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Table IX.
Results for financial
institutions ($n = 5$)

Issue	Support	Oppose	Neutral	Total
Establishment of the ASAF	2 (40%) 1.8	0 (0%) -2.5	3 (60%) 1.3	5 (100%)
Question 1	1 (25%) 0.7	1 (25%) -1.1	2 (50%) 0.6	4 (100%)
Commitment	0 (0%) -0.7	0 (0%) -1.8	3 (100%) 2.5	3 (100%)
MoU	1 (33%) 1.0	0 (0%) -1.8	2 (67%) 1.2	3 (100%)
Question 2	0 (0%) -1.0	5 (100%) 2.5	0 (0%) -1.8	5 (100%)
Size	0 (0%) -0.7	3 (100%) 1.8	0 (0%) -1.4	3 (100%)
Composition	0 (0%) -1.0	5 (100%) 2.5	0 (0%) -1.8	5 (100%)

Note: The numbers under the rows show adjusted residuals

Table X.
Results for preparers
(non-financial
institutions) ($n = 9$)

Issue	Support	Oppose	Neutral	Total
Establishment of ASAF	2 (29%) 0.5	0 (0%) -2.0	5 (71%) 1.4	7 (100%)
Question 1	2 (25%) 0.3	3 (38%) 0.5	3 (38%) -0.7	8 (100%)
Commitment	2 (50%) 1.5	1 (25%) -0.2	1 (25%) -1.0	4 (100%)
MoU	0 (0%) -0.9	2 (67%) 1.4	1 (33%) -0.6	3 (100%)
Question 2	1 (11%) -0.9	2 (22%) -0.6	6 (67%) 1.3	9 (100%)
Size	0 (0%) -0.5	1 (100%) 1.5	0 (0%) -1.0	1 (100%)
Composition	0 (0%) -0.5	1 (100%) 1.5	0 (0%) -1.0	1 (100%)

Note: The numbers under the rows show adjusted residuals

The results of the chi-squared test of the independence for preparers (non-financial sectors) show that the differences among the answers to all question items (support, oppose and neutral) are statistically significant ($X^2 = 13.433$, significant = 0.01). Our residual analysis reveals no significant tendencies.

As a supplementary analysis, we conduct a quantitative analysis of the comment letters from financial sectors respondents (CL 10, 18, 20, 40 and 55) and from non-financial sectors respondents (CL1, 6, 13, 28, 32, 34, 44, 46 and 62). The findings show that respondents' comments may not represent the interests of the industry to which they belong but rather, regional interests, as supported by the comment that "seats should be primarily allocated to national standard setters or regional bodies of jurisdictions where IFRS standards are compulsory" (CL 18, FBR). On the other hand, there was an opinion about requiring "the need to continue the existing direct regular exchange with industry associations which is especially of enormous importance with regard to standards projects" (CL 40, GIA).

5.5 Summary

Our empirical test for the regional disparity hypothesis (*OH1*) suggests that neither Anglo-Saxon nor EU countries have always been active advocates or positive supporters of the establishment of the ASAF. These reactions have come from the respondents' perception that the establishment of the ASAF might possibly reduce the influence of Anglo-Saxon and EU countries. Thus, the regional disparity hypothesis is supported.

Further, we test the professional dominance hypothesis (*OH2*) and its results show that both accounting professions and non-accounting professions have supported the establishment of the ASAF. However, there are statistically significant differences in responses to the proposed commitments, size and composition. Specifically, accounting professions have requested the clarification of membership and an increase in the number of ASAF members rather than direct requesting participation. Thus, this hypothesis is rejected.

Finally, the empirical findings for the responses from financial sectors respondents show no clear evidence supporting the financialization hypothesis (*OH3*) because of data deficiency.

6. Discussion

6.1 Differences in opinions among constituents

Our quantitative analyses show little opposition to the establishment of the ASAF; however, our narrative analyses find that there is a variety of respondents' comments on the proposed commitments (especially, Commitments 3 and 4) and on the composition of the ASAF. Commitment 3 refers to supporting the consistent application of IFRS by jurisdictions and regions and Commitment 4 concerns promoting the endorsement/adoption of IFRS in full and without modification. To both these proposals, Anglo-Saxon and EU countries showed strong opposition. For instance, some respondents indicated the need for room for a carve-out (CL 14, 17, 40 and 50) and the need to pay attention to the legal environment of each jurisdiction, as NSS are not responsible for an endorsement process (CL22, 26, 31, 37, 49 and 57):

[. . .] we question the commitment 3 and 4 which require general support for consistent application of IFRSs (as issued) and best efforts to promote the endorsement/adoption of IFRSs in full and without modifications over time (CL 40, GDV).

The emphasis needs to be placed on Forum members committing to use their best efforts to promote the application of the body of IFRSs as an accounting framework in their jurisdiction, rather than on always endorsing all changes to that framework regardless of the circumstances. The latter would be contrary to the AcSB [Accounting Standards Board of Canada]'s legal obligations and terms of reference (CL 31, AcSB).

Other respondents suggested that Commitments 3 and 4 might be inconsistent with the role of the ASAF (CL20 and 41):

[. . .] we do not support commitment 3 and 4 (supporting consistent IFRSs application and best efforts to promote endorsement/adoption without modification over time of IFRS), which might be inconsistent with its role (CL 21, IE).

Others emphasized that jurisdictions that have not yet adopted IFRS should not be excluded from membership in the ASAF (CL 50, 55, and 57):

While the EBF [European Banking Federation] agrees that members of the Forum should be committed to support the IFRS Foundation's mission to "develop, in the public interest, a single set of high quality, understandable, enforceable and globally accepted financial reporting standards" and some kind of positive general statement of support is necessary, given that it is anticipated that some participants will not be IFRS adopters, it is questioned whether it is realistic

to expect the adoption of the Memorandum of Understanding as proposed and whether this will not prevent certain jurisdictions from participation (CL 55, EBF).

As a result, the proposed commitments were substantially modified and IFRSF's commitments were added into the Feedback Statements.

On the formation of the ASAF, size and composition were unaltered after receiving the comments. However, some respondents made the following complaints and recommendations: the composition does not reflect regional balance in terms of the economic weight of companies using IFRS (CL1, 10, 32 and 60), the IFRSF might have to reconsider increasing the size of the ASAF in the future (CL2, 3, 7, 8, 17, 25 and 48), seats should be primarily allocated to NSS or regional bodies where IFRS is mandatory (CL15, 18, 20, 21 and 34), there should be increased focus on developing countries (CL41) and membership should be provided only to those NSS and regional bodies that have adequate technical capacity and resources (CL46). Some respondents made a direct request for extending the membership to themselves (CL5, 28, 40 and 63).

These comments suggest there is a divergence of opinion between vested-interest groups (e.g. Anglo-Saxons, the EU and Japan) in the IASB and emerging nations and other groups, rather than the traditional conflicts between Anglo-Saxon and European countries. They also suggest differences in the opinions of jurisdictions within the same regional group (e.g. the EU). These conflicts may suggest the possibility of a serious destabilizing factor in global standard-setting in the future[10].

6.2 The significance of the establishment of the Accounting Standards Advisory Forum

In 2015, two years after the establishment of the ASAF, the Trustees conducted a review of the ASAF based on the Terms of Reference and sent questionnaires to IASB members, ASAF members and NSS and regional groups (IFRSF, 2015). Specifically, the questionnaires sought the recipients' views on the following items:

- on whether the objectives and scope of the activities of the ASAF assist the IFRSF in achieving its objectives;
- on the size and composition of the ASAF membership;
- on whether the establishment of the ASAF has improved communication and served as a liaison among the IASB, NSS and regional bodies;
- on the effectiveness of ASAF meetings; and
- on interactions between the IASB and ASAF members.

Overall, there is strong support for the ASAF and for the IASB's commitment to the ASAF, and there exists a consensus that the ASAF has established itself as a key advisory group to the IASB (IFRSF, 2015, para. 3). However, the feedback suggests that broader issues, including jurisdictional matters, should be discussed at ASAF meetings (IFRSF, 2015, para. 6). Regarding the composition of the ASAF in particular, respondents suggest that because the current representation in the ASAF consists of large economies and regional groups, a representative from a small economy would help represent the specific interests of smaller economies (IFRSF, 2015, para. 52).

As such, the establishment of the ASAF and the IASB's standard-setting approach with multilateral arrangements has been positively evaluated among ASAF and IASB members, NSS and regional bodies. However, it seems likely that regional disparities in political participation in the IASB's standard-setting still remain (Table XI shows the current membership of the ASAF as of 2015).

Region	Member
Africa	Financial Reporting Standards Council of South Africa
Asia-Oceania	Asia Oceania Standard Setters Group (AOSSG)
(including one "at large")	Accounting Standards Board of Japan Australian Accounting Standards Board working with the New Zealand Accounting Standards Board Chinese Accounting Standards Committee
Europe	European Financial Reporting Advisory Group (EFRAG)
(including one "at large")	Accounting Standards Committee of Germany Autorité des normes comptables of France Organismo Italiano di Contabilità of Italy
The Americas	Group of Latin American Standard Setters (GLASS) Canadian Accounting Standards Board United States Financial Accounting Standards Board

Table XI.
Current membership
of the ASAF

Source: IFRS Foundation, Accessed July 2017, available at: www.ifrs.org/groups/accounting-standards-advisory-forum/#members

7. Conclusions

This study aimed to examine constituents' political participation in the establishment of the ASAF. To achieve this goal, we conducted a content analysis and narrative analysis of comment letters on the establishment of the ASAF.

Although we were unable to find evidence supporting our proposed professional and financialization hypotheses, our findings did show that consistent with the regional-disparity hypothesis, neither Anglo-Saxon nor EU countries were active advocates or positive supporters of the establishment of the ASAF. These reactions have come from their perception that the establishment of the ASAF might possibly reduce the influence of Anglo-Saxon and EU countries. Moreover, our narrative analysis suggests a divergence of opinion between vested-interest groups in the IASB and emerging nations and other groups, rather than the traditional conflicts between Anglo-Saxon and European countries. These conflicts may suggest the possibility of a serious destabilizing factor in global standard-setting in the future. In addition, the Trustees' review of the ASAF in 2015 suggests that the ASAF and IASB's standard-setting approach using multilateral arrangements has been positively evaluated among constituents. However, the review also reveals that there still remain regional disparities in political participation in the standard-setting carried out by the IASB.

The findings of this study suggest several future research directions. As this study only focused on the comment letters for the establishment of the ASAF, it lacks in-depth consideration of the actual role and effects of the ASAF on global accounting standard-setting after its establishment. Thus, we need to analyze, both empirically and descriptively, the further development of the ASAF from its establishment until today. In particular, determining if the influence of vested-interest groups (e.g. Anglo-Saxon countries, continental European countries, accounting professions and financial sectors) has actually changed or not in IASB's standard-setting will be an important issue in the interdisciplinary study of accounting. Moreover, a detailed investigation using qualitative research methods into the intentions and interests behind ASAF members' comments and remarks during ASAF meetings is especially necessary to provide valuable knowledge on the politics and political strategies of NSS in global accounting standard-setting.

Notes

1. The objectives of the ASAF are: to provide an advisory forum that supports the IASB in its objectives; to formalize and streamline communication with NSS and regional bodies; and to facilitate effective technical discussion on standard-setting issues (IFRSF, 2015, para. 26).
2. Content analysis is defined as “a research technique for making replicable and valid inferences from texts (or other meaningful matter) to the contexts of their use” (Krippendorff, 1980, p. 18).
3. In addition to the economic-based theories, Cooper and Robson (2006) suggest two streams of research on accounting regulation with an alternative approach: the politics of standard-setting and accounting regulation in its organizational and social contexts. The former focuses on “the process by which accounting rules are developed and changed” (Cooper and Robson, 2006, p. 424), while the latter is concerned with accounting regulations in a more broad way, focusing on “the changing position and role of accounting in society” (Cooper and Robson, 2006, p. 424). Then, they suggest that the former approach seems to now be outdated; however, especially after the financial crisis of 2007-2008, researchers have begun to focus on the politics of accounting standard-setting and the re-politicalization of global accounting regulations again (Bengtsson, 2011; Burlaud and Colasse, 2011).
4. Differences in legal systems, the relative importance of the capital market and governmental involvement in the capital market and accounting exist between Anglo-American and continental European states. For instance, in continental European tradition, taxation and the protection of credit institutions are the main purpose of accounting statements, and accounting standards tend to be highly legalistic; however, in Anglo-Saxon countries, the needs of investors are the main consideration in the development of accounting standards, and elaboration on the standards is delegated by public regulators to the private sector (Mattli and Büthe, 2005). Mattli and Büthe (2005, p. 256) thus insist that “given the dominance and attraction of the American and British capital markets for global business, it is not surprising that Anglo-Saxon experts are central in shaping international accounting rules.”
5. The theoretical underpinning of this hypothesis is the sociology of professions (Abbott, 1988; Brint, 1994; Freidson, 1970; Jacobsson, 2000; Larson, 1977; Macdonald, 1995; Reed, 1996; West, 2003). For instance, focusing on the role of expert knowledge in institutional constructs, Abbott (1988) shows that professions form occupational groups to control expert knowledge.
6. In addition, Gallhofer and Haslam (2007) point out that the official position of the IASB has changed from a marginalist neoclassical economics approach or free-market approach to a financial economics approach.
7. The final version of the Terms of the Reference/Charter (IFRSF, 2013d) and MoU (IFRSF, 2013e) were issued on April 8, 2013.
8. We also refer to the Feedback Statements.
9. CL stands for comment letter, whereas the numbers correspond to the numbers in the list of respondents in the Appendix.
10. For instance, Ramanna (2013) presents a matrix consisting of the existing political powers and potential political power in the IASB as an analytical framework for countries’ future IFRS harmonization strategies.

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	Name of respondent	Country	Characteristics
1	France Telecom – Orange Group	France	Preparer
2	Southern African Institute of Chartered Accountants (SAICA)	South Africa	Accountancy body
3	Southern African Financial Reporting Standards Council (SAFRSC)	South Africa	Standard-setter
4	Australian Financial Reporting Council (AusFRC)	Australia	Oversight body
5	Hong Kong Institute of Certified Public Accountants (HKICPA)	Hong Kong	Accountancy body
6	Uniliver	Global	Preparer/ representative body
7	External Reporting Board of New Zealand (XRB)	New Zealand	Oversight body
8	Danish Accounting Standards Committee (DASC)	Denmark	Standard-setter
9	Institute of Management Accountants (IMA)	USA	Accountancy body
10	German Banking Industry Committee (GBIC)	Germany	Preparer
11	Ernst & Young (EY)	Global	Accounting firm
12	Denise Silva Ferreira Juvenal, accountant based in Rio de Janeiro	Brazil	Individual (accountant)
13	Institute of International Finance (IIF)	Global	Preparer/ representative body
14	Australian Accounting Standards Board (AASB)	Australia	Standard-setter
15	Korea Accounting Standards Board (KASB)	Korea	Standard-setter
16	Chris Barnard – independent commentator based in Germany	Germany	Individual
17	Asian-Oceania Standard-Setters Group (AOSSG)	Asia- Oceania	Standard-setter
18	French Banking Federation (FBF)	France	Preparer
19	Japanese Institute of Certified Public Accountants (JICPA)	Japan	Accountancy body
20	Insurance Europe (IE)	Europe	Preparer
21	Deloitte	Global	Accounting firm
22	Accounting Standards Board of Japan (ASBJ)	Japan	Standard-setter
23	Certified Public Accountants of Kenya (CPAK)	Kenya	Accountancy body
24	L Nelson Carvalho – Professor of Accounting, based at the University of Sao Paulo	Brazil	Individual
25	Indonesian Accounting Standards Board (DSAK)	Indonesia	Standard-setter

Table AI.
(continued) List of respondents

	Name of respondent	Country	Characteristics
26	Singapore Accounting Standards Council (SingASC)	Singapore	Standard-setter
27	Raad Voor De Jaarverslaggeving (RVDJ)	Netherlands	Standard-setter
28	Quoted Companies Alliance (QCA)	UK	Preparer
29	Canadian Securities Administrators (CSA)	Canada	Regulator/securities
30	Comite de Pronunciamentos Contabeis (CPC)	Brazil	Standard-setter
31	Canadian Accounting Standards Board (AcSB)	Canada	Standard-setter
32	Financial Executives International (FEI)	Global	Preparer/ representative body
33	Association of Chartered Certified Accountants (ACCA)	UK	Accountancy body
34	Association pour la Participation des Entreprises Françaises à l'Harmonisation Comptable Internationale (ACTEO), Association Française des Entreprises Privées (AFEP), Mouvement des Enterprises de France (MEDEF)	France	Preparer
35	Norwegian Accounting Standards Board (NASB)	Norway	Standard-setter
36	Institute of Chartered Accountants Australia (ICAA)	Australia	Accountancy body
37	Russian National Organization for Financial Accounting and Reporting Standards (NOFA)	Russia	Standard-setter
38	PricewaterhouseCoopers (PwC)	Global	Accounting firm
39	Swedish Financial Reporting Council (SFRC)	Sweden	Standard-setter
40	German Insurance Association (GDV)	Germany	Preparer
41	International Organization of Securities Commissions (IOSCO)	Global	Regulator/securities
42	Institut der Wirtschaftspruefer (IDW)	Germany	Accountancy body
43	China Accounting Standards Committee (CASC)*	China	Standard-setter
44	Business Europe (BE)	Europe	Preparer
45	Consejo Mexicano de Normas de Informacion Financiera (CINIF)	Mexico	Standard-setter
46	Group of 100 (G 100)	Australia	Preparer
47	Mazars	Global	Accounting firm
48	Instituto de Contabilidad y Auditoria de Cuentas (ICAC)	Spain	Oversight body
49	Canadian Accounting Standards Oversight Council (AcSOC)	Canada	Oversight body
50	Polish Accounting Standards Committee (PASC)	Poland	Standard-setter
51	Institute of Chartered Accountants in England and Wales (ICAEW)	UK	Accountancy body
52	KPMG	Global	Accounting firm
53	Federation of European Accountants	Europe	Accountancy body
54	BDO	Global	Accounting firm

Table AI.

(continued)

	Name of respondent	Country	Characteristics
55	European Banking Federation (EBF)	Europe	Preparer
56	Financial Reporting Council (FRC), Organismo Italiano di Contabilita (OIC), Autorité des normes comptables (ANC), Deutsches Rechnungslegungs Standards Committee (DRSC)	UK, Italy, France, Germany	Regulator/securities
57	European Financial Reporting Advisory Group (EFRAG)	Europe	Standard-setter
58	Autorité des normes comptables (ANC)	France	Regulator/securities
59	Malaysian Financial Reporting Foundation (MFRF)	Malaysia	Standard-setter
60	US Financial Accounting Foundation (FAF)	US	Standard-setter
61	European Commission	Europe	Government
62	Avante Advisory Services	South Africa	Preparer
63	Association for Financial Markets in Europe (AFME)*	Europe	Regulator/securities

Notes: *Although IFRSF (2013a) designates the European Securities and Markets Authority (ESMA), the comment letter on the website is actually from AFME. In addition, we find some differences in the names of respondents on the list of the website and actual comment letters. As CL43 inaccessible, we eliminate it from our analyses

Source: IFRSF (2013a), modified by the authors

Table AI.

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