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Chapter 1

Introduction

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'Accounting is the process of identifying, measuring and communicating financial information about an entity to permit informed judgements and decisions by users of the information' (American Accounting Association, 1966 cited in Weetman, 2016: 6). As such, accounting is multi-dimensional. Its principles and regulations are shaped and developed by human behaviour and the characteristics of the context in which it is practised. Accounting is also influenced by defining the expected or known users of accounting information, and the intended use. Moreover, accounting communication, to be effective, requires robust accountability and governance.

Countries around the world are usually classified into dichotomous groups such as developed contrasted with less developed, or advanced economies contrasted with emerging economies. The most commonly used reference for such a classification is the International Monetary Fund (IMF)'s *World Economic Outlook*. The IMF explains (2018: 130) that it divides the world into two major groups: one described as 'advanced economies' and the other described collectively as 'emerging markets and developing economies'. It explains that the classification is not based on strict criteria and has evolved over time. It first of all identifies 39 advanced economies, using such key indicators as their relative size (GDP valued at purchasing power parity, total exports of goods and services, and population). The remainder (155 countries in total) are classed as 'emerging markets and developing economies'.[1] The countries covered in this book are constituents of this latter group and we use the shorter phrase 'emerging economies' for this group of countries.

The majority of the countries regarded as emerging economies, taken individually, are relatively small in terms of the global economy and have one or more characteristics of weak institutional environments, non-existent or under-developed capital markets, and a lack of suitably valid and reliable data for research purposes. Those factors have hitherto limited the scope for researchers to provide sufficient valid evidence to support high quality research, and consequently academic research on accounting in these countries has only recently begun quickening its pace. We are now seeing initiatives to recognise the field of study, such as the *Journal of Accounting in Emerging Economies* and the 'Accounting and Finance in Emerging Economies Special Interest Group' of the British Accounting and Finance Association. However, it remains the case that many high quality academic papers are spread across a range of journals which may prevent quick and easy access for those seeking to enter this field of study or to locate the relevant body of work on a specific topic.

To provide access to the range of research output and future potential of accounting in emerging economies, this book provides readers with chapters written by an international selection of authors who are experts in the relevant subject. These chapters shed light on the current state of, and potential developments in, accounting across a diverse range of emerging economies. Each chapter draws on the unique nature of one country or a group of countries, showing the scope for further development of study within that country, but at the same time demonstrates the potential for extending the research topic to other countries which may have similar, or different, characteristics. The volume assists academics and students seeking convenient access to an unfamiliar area as well as established researchers seeking a single repository on the current state of knowledge, current debates and relevant literature. In this way, we aspire to stimulate further research and debates in this area.

The chapters encompass four themes. Part I concentrates on the state of adoption of and/or convergence to International Financial Reporting Standards (IFRS) in a variety of emerging economies. Part II examines issues around the formal establishment of the accounting profession as well as education and training of accountants in emerging economies. Part III focuses on the fundamental aspects of audit, governance and accountability. A particular feature of the chapters covering all three themes is that they draw on relevant academic literature as well as local regulations. Shedding light on the specific socio-economic contexts of these countries allow for a better understanding of how accounting regulations develop, how accountants are trained, how accounting is practised, and how the issues of audit, accountability and governance complement accounting in emerging economies. Part IV is primarily addressed to scholars who want to embark on conducting research on emerging economies. Authoritative colleagues with a wealth of research experience in those settings share these experiences and personal reflections in attempt to inform future researchers on the potential challenges as well as opportunities for conducting research in these countries.

Overall, this volume complements other recent Routledge Companions in Business Management and Accounting[2] such as those edited by Hoque et al., (2017), Livne and Markarian (2018), van Mourik and Walton (2013) and Zhou (2018). It also complements the *Handbook of Accounting and Development* edited by Hopper et al. (2012). In offering a combination of covering technical issues and offering reflections on the potential avenues for future research in emerging economies, we envisage that this volume will be of interest to academics but also wider audience such as practitioners, investors and regulators.

IFRS in emerging economies

According to the IFRS Foundation, as of 2018, 144 jurisdictions around the world required IFRS for all or most companies, while a further nine jurisdictions had their own national standards or were moving to IFRS Standards.[3] This wide implementation of IFRS around the world really began in the mid-2000s when the European Union imposed on listed companies in its member states the requirement to apply IFRS in the preparation of consolidated accounts. Aiming at greater accounting comparability and harmonisation, other countries around the world, such as South Africa and Australia, moved in the same direction at the same time.

Although it appears as a natural step for governments around the world to follow a similar approach and either adopt IFRS or converge national accounting standards with IFRS, it has been argued that such a decision in emerging economies in particular has been mainly driven by pressures from various institutional bodies with significant power (e.g., the World Bank, the IMF, the Organisation for Economic Co-operation and

Development (OECD), the World Trade Organisation (WTO) and the Asian Development Bank (ADB), as discussed in Perera, 2012). Moving to IFRS would involve significant costs in these countries given the substantial differences between local accounting standards and IFRS, along with the unfamiliarity of auditors and accountants with IFRS.

Reflecting this background, Chapters 2-6 draw on the relevant regulations and academic literature and informs readers about the processes around the adoption of IFRS in key emerging economies: Brazil, India, Russia, China and Malaysia. Although they are emerging economies, these countries play an important role in the world's economic growth. China effectively reached convergence in 2007, while Brazil, India, Russia and Malaysia have more recently aligned with IFRS in varying ways, as described and analysed in the respective chapters. This analysis is complemented by Chapter 7 which explores accounting issues in Vietnam and Chapter 8 which provides an overview of the corporate reporting environments and adoption of IFRS in the countries of the South Asian Association for Regional Cooperation (SAARC) (i.e., India, Bangladesh, Pakistan, Sri Lanka, Nepal, Bhutan, Maldives and Afghanistan). Chapter 9 reflects on the extent to which professional investors in China do appreciate financial reporting information differently, following the move to IFRS. The key messages from each chapter are summarised in the following paragraphs.

Empirical evidence, according to Lourenço and Braunbeck (chapter 2) suggests that the positive effects of IFRS adoption in Brazil are confined to entities with better governance and those with incentives to opt out of the weak institutional and poor governance environment. The evidence also indicates that Brazilian firms show a lower level of accounting quality than Continental European and

Anglo-Saxon firms. Despite applying IFRS as a set of high quality accounting standards, country-specific characteristics still affect the implementation of IFRS.

After many delays the phased implementation of IFRS in India was scheduled to apply to accounting periods from 1 April 2019 onwards. Verma and Krishnan (chapter 3) discuss how delays have been attributed to lack of preparedness, taxation and legislative issues raised by industry, unworkable deadlines and ambiguity. Delays have occurred despite the efforts of the professional body, ICAI, which has worked towards convergence with IASs/IFRSs, and has played a significant role in influencing IASs/IFRSs through ongoing negotiations with the IASB.

The development of accounting in Russia is at the government's initiative and under its control. Use of IFRS took effect under law from 2011. A significant and growing body of work published in Russian is identified by Sokolov et al. (chapter 4). One challenge is the potential for conflict between IFRS and the Russian accounting and legal tradition. Another challenge is translating IFRS into Russian. The authors point out that the Russian language does not have a strict word order, and the words have no clear hierarchy, which contrasts with the structure of IFRS in English. Initial research is largely descriptive but is identifying new topics such as applying standards in the state sector.

In the development stages, fair value accounting was a notable impediment to the full adoption of IFRS in China and hence received special attention from both standard setters and accounting academics. Peng and Bewley (chapter 5) offer a critical perspective on the institutional, political and social environments that may act as drivers of China's IFRS adoption and the implementation of fair value accounting, along with contrasting aspects that may impede convergence or challenge its fundamental appropriateness.

Despite Malaysia's experience of slow progress to IFRS-convergence, respondents to research surveys have supported IFRS adoption and perceive that the new standards help to improve comparability and transparency in reporting. Abdullah and Minhat (chapter 6) focus on three areas that are unique in the context of Malaysia: the application of MFRS 141- *Agriculture*; the IC Interpretation 15-*Agreements for the Construction of Real Estate*; and the question of accounting for Islamic financial instruments that has not been given adequate attention but matters significantly to Malaysia as a pioneer country in Islamic finance.

In response to significant changes in the accounting environment in Vietnam, reform was carried out in 1995 that established an accounting system moving towards a private capitalist accounting model. Phuong (chapter 7) observes that the co-existence of IFRS-type accounting standards and a Uniform Accounting System in Vietnam reflects the specific circumstances of a 'socialist market-oriented economy' where the State-Party play a supreme and pervasive role in leading and controlling a society. While changes are made in legal and policy documents in Vietnamese accounting, it takes longer to change the social values and beliefs needed for effective implementation of new regulations based on the IASB's standards.

The South Asian Association for Regional Cooperation (SAARC) was established in 1985 by India, Bangladesh, Pakistan, Sri Lanka, Nepal, Bhutan and Maldives, to be joined later by Afghanistan. The South Asian Federation of Accountants (SAFA), a forum of professional accountancy bodies in the SAARC region, works towards positioning, maintaining and developing the accountancy profession in the region. It is expected that the financial reporting practices will be improved after adoption of the whole set of IFRS standards by 2021 in the region. Ali et al. (chapter 8) provide detailed insight into developments, which are of particular value in respect of those smaller countries, where institutional developments are relatively rarely researched.

Although China is one of the largest recipients of inward investment and one of the largest outward investors, it is challenging for researchers to collect evidence about investors' information needs and the decision usefulness of reporting in this emerging economy. Hu et al. (chapter 9) report results from a survey of professional investors in China. The authors find that accounting information, particularly where it is forward-looking, is most important for an investment decision or an investment recommendation. Buy-side analysts favour accounting information while sell-side analysts view non-accounting information as more important. An overwhelming majority consider accounting information to have both confirmative and predictive value.

The accounting profession in emerging economies

Various countries which gained independence, some in the post-colonial era and others following the dissolution of the Soviet Union, have faced important dilemmas and challenges in relation to the accounting profession formation and future training and certification of accounting professionals. Even though many countries opted for adopting western models of the profession or curricula from universities based on western and developed countries, it has been documented in the literature that the original formation and further development of 'the audit profession in an emerging economy may exhibit significant organisational differences from the dominant Anglo-American model' (Dedoulis and Caramanis, 2007: 393). In such economies, the profession may serve state policy objectives instead. Additionally, the significant differences between the local accounting standards and those from foreign countries meant that foreign curriculars needed significant adaptations to embed the local accounting culture.

For example, the accounting profession in the post-socialist Central and Eastern European (CEE) countries has experienced a significant transition from a totalitarian regime to a market economy. Albu and Albu (chapter 10) draw mainly on Romania as a representative country case study and conclude that accountants' competencies may be influenced by the state-profession boundaries and efforts for professionalisation, the role and image of accountants in society, and changes in the economic, technological, social and organisational context. Research into accounting competencies should be informed by the local institutional challenges, not merely replicating studies performed in developed contexts.

Syria, prior to the outbreak of extreme violence in 2011, was seeking increased economic liberalisation and aspiring to gain a larger stake in the global economy after a long period of isolation and animosity with the West. Kamla et al. (chapter 11) elaborate, with critical insight, on how, before the violent events of more recent times, Syrian accountants were mobilising debates and shaping their professional identity vis-à-vis the new role they envisaged for the accountancy profession in this era of globalisation.

By applying an historical institutional analysis reflecting the social, economic and political contexts in Brazil, Rodriques et al. (chapter 12) show that new accounting practices have often been introduced because of prevailing government ideologies (especially of corporatism) and policies that have sought to modernise society and expand commercial activity. Due to the more complex requirements of IFRS, from 2004 the Brazilian accounting profession has required a university degree as a pre-requisite for entry to the accounting profession. Two current challenges are the improvement of the quality of higher education institutions offering accounting education and the expansion and improvement of the limited development of academic research in accounting.

In the 1970s the Khmer Rouge regime, led by Pol Pot, destroyed most of the professionals in all disciplines in Cambodia including accountants as well as the social and physical infrastructure in the country. Subsequently, the economy was rebuilt with the help of the Vietnamese, Western countries, and donor agencies such as the World Bank and the Asian Development Bank (ADB). Yapa et al. (chapter 13) discuss how the accounting profession was rebuilt but point out that there have been comments that the Kampuchea Institute of Certified Public Accountants and Auditors remains relatively weak. Accounting and financial policies are mainly handled by the Cambodian government. Public sector accounting is highly influential on economic performance in Cambodia.

Audit, governance and accountability

It is well established that ‘different cultural and institutional backgrounds play an important role in the way accounting is practised and how accounting information is perceived’ (Tsalavoutas, 2009: 2; with reference to a wide range of prior work). Similarly, such differences influence the way the concepts and purposes of audit, governance and accountability are perceived and put into practice across different countries. In emerging economies in particular, shareholders’ protection from a legal perspective is weaker compared to that found in developed economies (Michas, 2011). Moreover, standards and regulations regarding audit and corporate governance are usually imposed on emerging economies by external institutional pressures. However, the way they are shaped and/or enacted is influenced by local norms (Hopper et al., 2012: 5). Further, it has been found that although emerging economies may ‘adopt the Anglo-American shareholder model of corporate governance … such adoption may be prompted by exposure to legitimacy threats rather than efficiency reasons’ (Siddiqui, 2010: 253). Boolaky et al. (chapter 14) comment that International Standards of Auditing (ISAs) in an emerging economy function as a technical artefact of regulation and as a social practice of ways of working in an audit firm.

Accountability is a broad topic that brings a focus on issues affecting progress towards a better society, particularly in emerging economies. We have invited researchers to reflect on their observations in two vital areas – the work of non-governmental organisations (NGOs) and the establishment of human rights. Both chapters provide a theoretical framework for analysis as well as carefully documented insight into the cases considered.

Boolaky et al. (chapter 14) observe that, from a perspective of policy-making and jurisdiction, there seems to be some consensus on the benefits of ISAs for developing countries, building confidence and paralleling the adoption of IFRS. However, issues of relevance, enforcement and fit to the local (professional) circumstances emerge at the regulatory and firm levels. The chapter questions implications of ISAs from a social, economic and political perspective, with regard to the status of accounting and audit practices in a national context.

Egypt has implemented, over the past two decades, a number of initiatives and corporate governance reform activities aiming to increase the awareness of corporate governance and encourage the application of its best practices. However, as indicated by Abdelfattah and Hussainey (chaper 15), research indicates that challenges remain. The method of appointment of non-executives and independent members and the tenure of non-executive directors are potential factors that may threaten board independence in Egypt. Other challenges lie in the culture of high power distance and uncertainty avoidance, the strength of family relationships in firms, and the costs of establishing good governance. Action is needed by regulators, educators and the accounting profession.

The economic growth of Bangladesh is phenomenal but most of the formal institutions (e.g., family-concentrated ownership and control of companies, an inefficient and ineffective judicial system, and rampant corruption) co-exist with informal institutions (such as high power distance and a secretive culture). Sobhan and Bose (chapter 16) observe how these local institutional settings are distinct from those prevailing in Anglo-American countries and conflict with recently imported corporate governance guidelines based on an Anglo-American model.

Studies undertaken in Ghana provide examples of the issues that NGOs working in emerging economies have to manage, and the roles of accounting and accountability in enhancing the effectiveness and efficiency of this management. In framing the reporting practices between NGOs' funders and their beneficiaries, Agyemang et al. (chapter 17) distinguish 'hierarchical accountability' and 'holistic accountability'. Development and refining of theories in the area of NGO accounting and accountability is an additional direction and important element of future NGO accounting and accountability studies that can make an impact both on the academic literature and on policy and practice around NGO accounting and accountability.

The role of the state in accountability for human rights is examined by Siddiqui et al. (chapter 18) in the context of violations in the Bangladeshi garment industry relating to the Rana Plaza collapse of 2013. They draw on a 'responsibilisation' framework, to demonstrate how brands may assume a political role, taking complete responsibility by co-authoring and implementing regulations, to significantly allay concerns regarding labour governance in supply chains in developing countries. The efficacy of auditing and assurance practices are often questioned in emerging economies, where the state lacks resources and political will to safeguard the working conditions and the rights of workers breached by businesses.

Researchers' experiences and reflections

One key objective of this book is to stimulate further research on accounting in emerging economies. In line with this objective, many of the chapters identify gaps in the relevant literature and indicate avenues for future research, either for single country case studies which could examine specific topics relevant to these countries or for cross-country studies which would deal with one particular theme applicable to many countries. However, before the researcher embarks on a project s/he needs to make key decisions about research design that will determine the feasibility and later contribution of the intended study. These include the methodological approach for the research questions examined, the availability or access to the relevant data, and the theories that may be suitable for these settings. Such decisions need particular consideration before starting a study on an emerging economy. This is because many of these issues can be decided with relative ease for studies on countries with developed economies but may not be appropriate or feasible for an emerging economy. With this in mind, authors were invited to contribute chapters which provide guidance and advice to new scholars in the area, based on their experiences and reflections from conducting research in these countries.

Applying an ethnographic methodology allows the researcher to show how people's everyday life is manifested in management accounting and control practices. Alam et al. (chapter 19) reflect on two cases. One studied Bangladesh's microfinance practices where illiterate women produce 'oral accounts' as part of alleviating rural poverty, while the other studied the management control practices of a Sri Lankan tea plantation where tea-plucking women exploited the opportunities of neoliberalism to reconstruct the prevailing system of management controls. Validation is achieved by the interaction of theory with the story. A story may act as an illustration of theory, or a theory may illuminate the story.

In an in-depth review, Nimtrakoon and Tayles (chapter 20) show that management accounting in Thailand, has grown in scale, scope and profile, although with a focus on manufacturing. A significant proportion of GDP is now generated by the service sector and there is potential for research to generate further insights here. More research would be welcome related to small or micro businesses, which are an engine for growth, and to the distinctive use of management accounting practices in indigenous businesses. They note that while there are examples of very good research papers, in some cases the arguments, constructs and interpretations tend to be a little unclear and this needs attention in developing higher quality papers.

The final chapter recounts the experiences of a team of highly experienced successful researchers who have published, reviewed and edited works on accounting in emerging economies. Ashraf et al. (chapter 21) reflect on the growth of research and publications in this field, and recognise the significant potential for scholars with expertise regarding emerging economies to make further substantial contributions. While acknowledging the major hurdles faced, they advise that what is unique or common must be systematically teased out and the results tied to related work in both developed and emerging economies.

Cross-cutting themes

Qualities that make for successful and meaningful research into accounting in emerging economies are indicated by Ashraf et al. (chapter 21). We take here three of their themes to illustrate how they create common threads that may be traced across the diversity of subjects in the chapters. Our three themes are: the choice of country for the project; the choice of research method and data sources; and the approach to conceptualising the research.

Choice of country for the project

Ashraf et al. (chapter 21) comment that 'authors often presume that their selected country has unique features, intriguing to others. However, these are often common to other emerging (or even developed) countries'. Researchers find themselves challenged to identify the incremental contribution from what appears to be a replicative of the same problem. Ashraf et al. (chapter 21) point to potential points to create incremental value: 'However, a weak institutional environment, unstable democratic traditions, low literacy rates, and many other factors in emerging economies can create conditions where some issues, e.g. corruption and good governance, become more pronounced'.

We discuss in this section examples of how the choice of country for a particular study is matched to unique aspects of the context that country, and how the researchers focus on the context in their research design.

In the chapters on setting accounting and auditing standards (chapters 1 to 9 and 14), it is relatively clear in each case how the authors identify the country-specific factors that have slowed down the pace of change, or have led to convergence rather than direct adoption of standards. Culture, political power and institutional structures all play their part in different ways and with different impact in each case. The insight gained from the interpretation of the progress towards convergence or full adoption of IFRS is heavily dependent on the ways in which the authors demonstrate their understanding of the country, with first-hand knowledge and experience. These chapters also demonstrate the careful attention given to technical details such as dates of adoption of standards, or the titles of legislation. Ali et al. (chapter 8) on the introduction of IFRS in eight countries of SE Asia show the value of establishing a thorough knowledge of the framework of standard setting in a country as a basis for commencing research projects.

In part II, our four studies of the development of the accounting profession indicate ways in which experienced researchers have identified unique contexts that provide a basis for a new contribution.

Albu and Albu (chapter 10) point to the significance of creating a profession while experiencing a transition from a totalitarian regime to a market economy. Some might say ‘upheaval’ in relation to that political transition.

Our current image of Syria is one of appalling destruction in the terrible and tragic events impacting Syria in recent times, but Kamla et al. (chapter 11) draw on research studies from a period before that upheaval to comment on a moment in Syria’s history as it was shifting from a formally more socialistic to a more neo-liberalistic socio-economic positioning.

An historical institutional analysis reflecting the social, economic and political contexts in Brazil is offered by Rodrigues et al (chapter 12) to show that new accounting practices have often been introduced because of prevailing government ideologies (especially of corporatism) and policies that have sought to modernise society and expand commercial activity.

Yapa et al. (chapter 13) argue that the field of accounting cannot simply be understood in terms of professional associations and professionalisation projects but rather that the space of political and economic influences experienced by nations. Cambodia has experienced brutal and life-changing political upheaval from which its economy is relatively recently emerging, and provides a unique setting for research where the accounting-related issues become more pronounced.

Although we have placed their chapter in Part I, on moving towards IFRS, the development of the profession also features in the discussion by Verma and Krishnan (chapter 3) of the effects of moving from colonial rule to independence, where they observe that, although professionalisation in India commenced pre-independence, it was not until post-independence that an indigenous accounting institute was established.

Our chapters on corporate governance and accountability provide further examples of the contribution being enhanced by the context. Regulators in emerging economies have sought to give assurance about the quality of corporate governance by instigating laws or codes that are recognisable to developed economies, but local factors may impede the reality of implementation.

Potential factors that may threaten board independence in Egypt are the focus of Abdelfattah and Hussainey (chapter 15). They indicate the challenges arising from the method of appointment of non-executives and independent members and the tenure of non-executive directors. Other challenges lie in the culture of high power distance and uncertainty avoidance, the strength of family relationships in firms, and the costs of establishing good governance).

Sobhan and Bose (chapter 16) point to a context where most of the formal institutions of Bangladesh (e.g., family concentrated ownership and control of companies, inefficient and ineffective judicial system, rampant corruption) co-exist with its informal institutions (e.g., high power distance and secretive culture). They point to the need for rsearchers to look beyond agency or institutional theory to acknowledge the role of institutional dynamics and individuals' social and human capitals simultaneously while conceptualising the causal relationships between corporate governance and firm outcomes.

Ghana is the subject country in which Agyemang et al. (chapter 17) examine accounting and accountability mechanisms in NGOs, because NGO accountability issues remain important for the development of emerging countries such as Ghana. They point out that well-designed accounting and accountability mechanisms are crucial in improving the effectiveness and efficiency with which this finite aid is deployed by and through NGOs, thus improving the life experiences of those living in extreme poverty.

Turning again to Ashraf et al. (chapter 21), the chapters we cite here all meet their stipulation 'What is unique or common must be systematically teased out and the results tied to related work in both developed and emerging economies. In brief, the reader will only be intrigued if the study adds new theoretical and/or empirical contributions.'

Choice of research method and data sources

Ashraf et al. (chapter 21) open their observations on research methods with the opinion that 'Questionnaire surveys, large scale archival data analysis, cross-sectional econometric analysis in pursuit of 'objective' measurement can provide a truncated view of reality.

Surveys can be unreliable, given many subjects in emerging economies are unused to doing them and suspicious of their eventual usage.'

This view is echoed by Nimtrakoon and Tayles (chapter 20) in their review of research into management accounting in Thailand. They observe that much of the research they review is positivistic based on quantitative analysis. They comment that only more recently has some extensive qualitative and longitudinal research emerged. In noting that cross-sectional surveys are the most popular method used, even where it would appear the researcher has visited a site and administered a questionnaire to which qualitative insight could be added, they recommend that the use of more interviews and qualitative research insight would be welcome to create more context and to explore with greater depth, aspects which are not easily achievable in survey work.

Management accounting research is also the focus of Alam et al (chapter 19) but with a very different research method, describing the use of ethnographic research into management accounting and controls. They explain how they address the validity issue through the process of iteration between the contextualization of a text and textualization of a context. They use forms of involvement that include interviews, conversations, observations and documentary reviews, and provide an explanation by way of two case studies.

Attention to detail in using secondary sources of evidence is very well illustrated by Siddiqui et al (chapter 18). They illustrate and discuss a 'state of denial' by careful reference to secondary sources in the public domain, ranging from statements by politicians, through reports in newspapers and other media, to policies of organisations set up by multinational companies, and academic research papers.

Kamla et al. (chapter 11) comment on how an appreciation of the local perspective reflects the commitment of Gallhofer et al. (2011) to appreciate and learn from the other by going '…beyond listening' towards 'engaging…[thus promoting]…co-operation and better ways'. They indicate the use of interview research methods but it is clear from the reported research that the interviews are primarily a rich source of narrative – it is very much a case of letting the interviewee speak.

Some chapters, particularly those on the movement towards IFRS, indicate a very thorough descriptive, analytical and critical approach to desk-based analysis of archival material, particularly in relation to setting accounting standards. It is a very important part of providing a valid base for analysis, although it may in some cases be the first stage of creating a research question that permits deeper conceptualisation.

Conceptualising the research

In their discussion of the importance of the theoretical framework applied in research studies. Ashraf et al. (chapter 21) say 'We need to know more about the actual indigenous economy, how it can be conceptualised, the influence of social, cultural, religious and political factors, and the nature and role of accounting therein. Accounting research emphasising sociological rather than economic theories helps inform these interesting accounting issues, that need further exploration.'

Some of our chapters are deliberately descriptive, setting the scene in a relatively under-researched area, to provide a basis for further research that builds on a solid base. Other chapters demonstrate how researchers have identified theoretical frameworks that relate to the focus of their inquiry.

In discussing the introduction of fair value accounting in China through IFRS, Peng and Bewley (chapter 5) discuss how a social movement analytical framework can be used for research analysing future developments in IFRS-based standard setting initiatives in non-Western societies. They indicate that extending the research findings from China to the challenges of international standardisation more broadly can lead to new insight in countries that struggle to maintain their own unique identity in the face of dominant international powers.

Albu and Albu (chapter 10) consider the social image of the accounting profession and the ways in which the role and image of accountants in society influences the interaction of professionals with the other social actors.

The tensions between a desire for movement towards globalisation and an attitude of caution against Western influences are brought out by Kamla et al. (chapter 11). They point to this evidence as contributing to mobilising new emphases in the theory and methodology of interpretation (hermeneutics) . They indicate how critical insights into the context can seek to deepen appreciation but also problematise and challenge the local views.

Agyemang et al. (chapter 17) discuss how theories of upward, downward, hierarchical and holistic NGO accountability, developed over a decade ago, have been very helpful in structuring interpretive analyses that highlight key elements from complex data about NGO accounting and accountability practices. They comment that, as this field matures, there is a need for more refined theories to be developed that help derive both more context-specific insights and are adapted to evolving (and improving) NGO accountability practices.

The discourse of denial forms the theoretical framework for the chapter by Siddiqui et al (chapter 18). They point out that although the term 'denial' is relatively uncommon in accounting and management literature, it is frequently used in the field of psychiatry, psychology and personality. They show that the stages in the discourse of denial explain their observations in the case based on a tragedy in the readymade garment industry of Bangladesh.

The creation of a variant of control society (through social ties, mutual relations and everyday interaction is the theoretical framework used by Alam et el. (chapter 19) to frame two ethnographic studies, one of microfinance practices in Bangladesh, and the other of management control practices in a Sri Lankan tea plantation.

A significant word of advice, which should be kept to the forefront by researchers, is taken from Ashraf et al. (chapter 21): 'The underlying theory must be strong, explicit, and connected to the research questions and the empirical analysis, especially in qualitative work.'

Final word

Our authors include experienced senior academics, colleagues whose careers are advancing fast, and those who are at early stages. In some of the teams there are researchers who have been doctoral students and are now writing as co-authors with former supervisors. The academic research community creates families and this volume brings out those families, both in the teams who have written each chapter, and in the citations where we see many themes crossing over.

We hope that future researchers will find this volume a starting point for productive and rewarding work and that they will regard themselves as part of this family of researchers into accounting in emerging economies. There is scope for such research to have a real and meaningful impact in those economies if disseminated to policy makers. We also encourage researchers to make their work accessible to policy makers, practitioners, regulators and opinion formers.

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[1] The IMF also explains further how it identifies a country or an economy for statistical purposes (IMF, 2018: 130- 131). Detailed tables are provided in the Statistical Appendix to the 2018 full report, which may be downloaded from: https://www.imf.org/en/Publications/WEO/Issues/2018/09/24/world-economic-outlook-october-2018

[2] The full list can be accessed here: https://www.routledge.com/Routledge-Companions-in-Business-Management-and-Accounting/book-series/RCBMA
[3] https://www.ifrs.org/-/media/feature/around-the-world/adoption/use-of-ifrs-around-the-world-overview-sept-2018.pdf?la=en