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Steven Mintz
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Accounting for the Public Interest

Perspectives on Accountability,
Professionalism and Role in Society

 Springer

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Steven Mintz
Accounting and Law
California Polytechnic State University
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Introduction

Accounting, accountability and ethics are national and global concerns and are framed in the context of the role of professions within society. The chapters in this book explore the role of accounting as a social practice and community of professionals charged with protecting the public interest.

Professional accountants are engaged in internal management decisions, auditing, financial reporting, and tax planning. The authors examine what does it mean to be an accounting professional and what obligations exist as a result of the importance of accounting to society.

Accountants as professionals working in the public arena are explicitly charged to serve the public good. Demand for transparency in corporate reporting is evolving in response to creditor and investor concerns about corporate social and environmental accounting as part of the publicly available corporate report with assurance or attestation by the professional accountant.

Perceptions of whistle-blowing and facilitation payments by corporations are examples of two areas where the public interest is at stake. The Foreign Corrupt Practices Act and Dodd-Frank Financial Reform Act in the US, and bribery laws in the UK and Australia, deal with these issues in the context of professional responsibilities. In addition to financial statement fraud, these practices present challenges to the way in which books and records are kept and whether the internal controls help to expose such practices.

The chapters summarized below are the thoughts of scholars who have devoted a great deal of time to analyzing the role of accounting to society. I am deeply indebted to them for their contribution to this book and furtherance of the dialogue that must continue to evolve as professionalism in accounting meets the challenge of reporting on matters that threaten the public interest.

Reviewers generously gave their time and diligence to critically assess the value of the contributions to this book. Without their efforts it would not have been possible to produce thought-provoking pieces that I hope will stimulate continued discourse on how accounting professionals can better meet their public interest obligation.

Steven Mintz
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Summary of Contributions

Professionalism in Accounting: Myth or Reality?

Call of Duty: A Framework for Auditors' Ethical Decisions by Michael K. Shaub and Robert L. Braun

Examination of the role of duty and virtue in audit professionalism and ethical decision making within the context of the public interest obligation for truth telling, dissenting and confronting, and independence.

Professionalizing the Tax Accounting Profession: Fulfilling Public-Interest Reporting Responsibilities by Martin Stuebs and Brett Wilkinson

Application of the fraud triangle in examining the shift in the tax profession from a public interest ideal to the pursuit of business self-interests as evidenced by marketing and tax shelter practices.

The Bloom Is Off the Rose: Deprofessionalization in Public Accounting by Timothy J. Fogarty

Critical analysis of how increased commercialization has affected professionalism in accounting, the community of practice, self-regulation, and the public interest.

An Ethic of Accountability, Societal Responsibilities, and Accounting for the Public Interest

Taking Pluralism Seriously Within an Ethic of Accountability by Jesse Dillard and Judy Brown

Critical analysis of agnostic pluralism as a framework to evaluate accounting systems and accounting for economic assets in a democratic process that recognizes the need for participation of multiple interests.

Social and Economic Implications of Increasing Income Inequality: Accountability Concerns by Sue Ravenscroft and Christine A. Denison

Discussion of the responsibilities of the accounting profession to disclose the role corporations play in distributing societal resources and its effects on the public interest.

Professionalism, the Public Interest, and Social Accounting by Gordon Boyce

Critical analysis of the contribution that social accounting might make to understand the relationship between accounting and the public interest.

Defining the Public Interest in Accounting

Alternative Perspectives on Accounting in the Public Interest by C. Richard Baker

Exploration of different social science approaches to accounting research and the implications for defining the public interest obligation of accounting professionals.

The IFAC Framework: International Accounting and the Public Interest by Paul F. Williams

Critical review of the IFAC framework for regulating the global accounting profession in the context of underlying market and client considerations and the profession's historical function of accountability to society.

Corporate Social Responsibility and Environmental Reporting

Developing Corporate Reporting in the Public Interest: The Question of Mandatory CSR Reporting and the Potential for Its Integration with Financial Reporting by Cynthia Jeffrey and Jon D. Perkins

Discussion of the need for mandatory corporate social reporting, perceived benefits from disclosure, and increased comparability of international financial reports in light of the role of the Global Reporting Initiative (GRI), regulation, and assurance of CSR reporting.

Environmental Disclosure as Legitimation: Is It in the Public Interest? by Dennis M. Patten

Exploration of the use of voluntary environmental disclosure as a tool of legitimacy given the public interest dimension of accounting and need for enhanced transparency and accountability in financial reports.

Virtue and Public Interest Considerations of Bribery and Whistle-Blowing

Facilitation Payments in International Business Transactions: Law, Accounting, and the Public Interest by Cindy Davids

Examination of facilitation payments and legal acceptability, governance, compliance, and public interest considerations in the context of anti-bribery guidelines (OECD) and bribery laws in the US (FCPA), UK, and Australia including record-keeping requirements.

Whistle-Blowing in the Classroom: The Influence of Students' Perceptions of Whistleblowers by Richard A. Bernardi, Evan S. Goetjen, and Jennifer M. Brax

Empirical study of the perceptions of students on cheating based on the intent to blow the whistle and prior whistle-blowing experience using Falk's model for ethical behavior that relies on virtue ethics to assess the likelihood of blowing the whistle on cheating.

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