

Accounting for Negativity: From a Buddhist Perspective

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Abstract

Enquiries on the issue of “value-based” assumptions about ontology, epistemology and methodology in accounting research and the call for diverse methodologies are not new. However, the implications of culturally-based research ontologies and epistemologies and the need for emancipatory methodologies from other cultures have attracted little attention from critical accounting researchers. By making a comparison between eastern and western methodological presuppositions, this paper endeavours to problematize the false rise of dichotomous and negative elements in the epistemic function prevailing in western philosophy. Whereas western thought tends to be based on dyadic opposition (thesis-antithesis), eastern thought is conceived on a triadic relationship (thesis-antithesis-synthesis). The major difference, therefore, is that eastern methodology admits intuitive synthetic judgements that, we think, western methodology is lacking. To say this, however, is not to condemn the latter by lauding the former uncritically but to re-examine and complement any thinking that places undue western superiority over anything at the expense of neglecting thoughts other than the western one, and thereby suggesting a dialogue that can embrace both the East and the West.

Key words:

Dichotomy, eastern, Emptiness, epistemology, language, methodology, negation, ontology, western, zero.

Introduction

As the world moves inextricably to a global business environment, it is most probable that the “culture” of those societies with the most economic strength will come to dominate and other societies and cultures will be diminished. This is also true of intellectual as well as economic activity. Certain ways of looking and understanding the world have been dominant at the expense of other perspectives. We aim to demonstrate in this paper that, despite an increasing social awareness in many accounting studies, the methodological foundations of this research remains consistent with the previous positivistic research: it retains a Eurocentric view of the world.

The enquiries on the issue of “value-based” assumptions about ontology, epistemology and methodology in accounting research and the call for diverse methodologies are not new. However, the implications of culturally-based research ontologies and epistemologies and the need for emancipatory methodologies from other cultures have attracted little attention from critical accounting researchers (Kim and Gaffikin, 2000). New methodological approaches, generally known as critical studies, have emerged in accounting since the late 1970s to articulate the problematic nature of the traditional way of thinking and consequent approaches to the study of social phenomena. Critical accounting researchers have rejected the positivistic ontological and epistemological world view as ‘taken-for-granted’ and ‘objective’ and have endeavoured to understand accounting from diverse methodological perspectives. Whilst these research efforts have made significant contribution to the increased social awareness of “theory-ladenness” in accounting research, they have been largely grounded on the western ontological and epistemological assumptions, reflecting the Western world-view. We argue that research founded on one particular world-view may distort or misrepresent the “reality”, and, thus, call for caution in regard to one-sided research

ontologies (assumptions about the nature of reality), epistemologies (the ways of knowing that reality) and axiologies (the disputational contours of right and wrong or morality and values).

Our aim in this paper is to problematize the conventional ontological and epistemological assumptions – i.e., the false rise of dichotomous and negative elements in the epistemic function prevailing in western philosophy. In so doing, we make a comparison between eastern and western methodological presuppositions. The eastern view we describe is influenced by Buddhist thought. There are several variations in Buddhism as it has been influenced by local cultures. Nevertheless, at the very essence there are many common precepts which relate to how the world is perceived and how we know of and relate to it. We demonstrate that this eastern view affects the way accounting is perceived and if we are to move into a global economy we argue that there needs to be recognition of the differences. To do this, however, is not to condemn western methodology by advocating only an eastern one but to suggest a dialogue as a step toward assisting efforts to develop a more liberating research methodology that can embrace both the West and the East.

The remainder of this paper is structured as follows. In attempting to articulate the eastern world view and to compare it with the western one, we first briefly discuss the western dichotomic mode of reasoning and the way by which this dichotomic world-view is reflected in accounting. We then describe, drawing from a Buddhist notion of Emptiness, the eastern triadic mode of reasoning and the way by which this eastern world-views is reflected in accounting. In so doing, we also briefly demonstrate how this eastern logic is reflected in science, in particular the mathematical notion of zero. Finally, this paper concludes with

some suggestions for ways to harmonize the East and the West in critical accounting research in future.

Eastern (Buddhist) World-view versus Western World-view

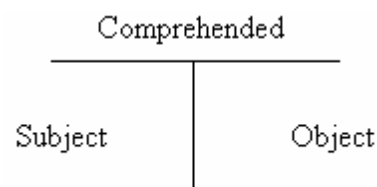
The central theme of our argument is that the value of methodology should lie in a cooperative effort between different perspectives/paradigms in dealing with various issues of the past and present, based on various philosophical underpinnings in order to produce sound knowledge about human nature and society. However, eastern methodological assumptions are very different from western ones¹. Western methodological assumptions seem to have difficulty accommodating eastern thought, not because of the lack of curiosity or interest but because of the built-in bias against an ‘alien’ thought which cannot be funnelled through their “self-imposed empirical, analytical and linguistic mills” (Matsuo, 1987, p. xv).

Some scholars, both western and eastern, have endeavoured to articulate the eastern ontology and epistemologies in comparison to the western ones (Capra, 1975, 1984; Masao, 1985; Matsuo, 1987; Jacobson, 1988; Verdu, 1981, Laycock, 2001). Scholars such as Verdu (1981), Masao (1985) and Matsuo (1987), for example, have attempted to schematize what they consider to be the thinking order of the human intellect based on eastern (particularly Buddhist) thought. Matsuo (1987) in particular examined these diagrams in correspondence with the logic implied in mathematics to show that eastern views on the philosophy of human nature in the function of epistemology are fundamentally different from those in western thought. Generally speaking, in traditional western thought the search for truth has been keyed to something external to the self or within the Logos. In eastern thought, the search is truly of the mind itself; that is, seeking for the unchanging principles inherent in the structure of the thinking or cognitive process. In other words, while traditional western

methodological languages direct us to look for the truth from the external realm, eastern ones suggest the opposite.

Western Dyadic Opposition World-view

We see dichotomy and negation as two fundamental underpinnings in the western way of thinking. Throughout the history of western philosophy, there has been the so-called “subject-object dichotomy”. The implication of this ever-present dichotomy is that being as a whole is *n/either* subject (i.e., Being) *n/or* object (i.e., non-Being) but must be the comprehensive or transcendental (i.e., Ought or Supreme Being) which is manifested in this dichotomy. This can be read as follows: first, at the analytic level, both elements, that is both subject and object, *oppose* each other in order to be separate realities (i.e., an “*either – or*” concept); and then at the synthetic level, these two elements are once more opposed in order to be comprehended (i.e., a “*neither – nor*” concept). Matsuo (1987; also see Masao, 1985 for a similar analysis) schematized this logic into T-shaped diagram:



Throughout the history of western intellectual tradition, this “dyadic opposition” way of thinking, which causes opposition and tension between being and non-being, mind and matter, body and soul, subject and object etc. has been the main characteristic of western philosophy.

In general sense, there are three ontological and epistemological standpoints: subjective, objective and synthesis or the integration of the two. In western ways of thinking, to speak

from the subjective standpoint, for example, means to exclude (i.e., negate) the structure derived from the other two (and vice versa), which is still consistent with the T-shaped diagram described above. This dichotomic mode of reasoning has led to the separation of the human mind from the body, causing endless metaphysical conflicts and confusion. This inner fragmentation of mind and body mirrors her/his view of the external world, which is seen as a multitude of separate objects and events.

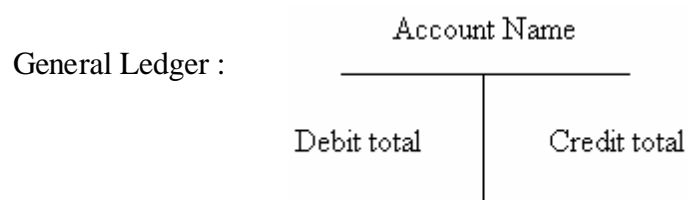
This dichotomic logic of the West is well manifested in Christianity, where the synthetic judgment was taken over by the Judeo-Christian concept of God². In western intellectual history, Christian theology, from its comparatively early stages, found a certain affinity with Greek thoughts in terms of its rationalistic and ontological position³. Therefore, the ontological and epistemological standpoint of Christian theology, which coincides with that of western thought, can also be diagrammed as T-shaped dyadic opposition (Masao, 1985, pp. 95 – 100; also see Matsuo, 1987). In Christian thinking, for example, at the lower hierarchy, when Adam and Eve were expelled from the Garden of Eden the world became separated into two entities, human vs. nature, and the punishment given to them was hard labour (that is, exploit nature) to make a living on earth (therefore, the relationship between the two is negation - “either – or”). At the higher level, the concepts of “original sin” or “creation theory” draw the line between God (a higher concept/status) and his creatures (a lower concept/status). In order for resurrection to Heaven (to “transcend”), therefore, people should be forgiven their original sin by the blood of Jesus Christ who represents God (a “neither – nor” relationship).

The dualistic world view of West has been both beneficial and detrimental at the same time. While it has enabled the development of modern science and thereby brought civilization to

humankind, it has also brought numerous adverse consequences. The western dualism treated the material world as dead and completely separate from human beings and, therefore, as a multitude of different objects assembled into a huge machine. We argue that this “mechanistic” world-view (Capra, 1975, p. 22) of the West, based on the dichotomic mode of reasoning (i.e., dualistic world-view) was paralleled by the image of a mighty God, as conceived in Judaism and Christianity. The fundamental laws of nature were thus seen as the laws of God invariable and eternal to which the world was subjected. Nature is treated as if it consisted of separate parts to be exploited by different human interest groups. This fragmented view was further extended to human society, splitting human groups into different nations, races, religious and political groups. The belief that all these societal fragments in human groups, environment and in society are a ‘reality’ is seen to be the main cause for the extant series of social, ecological and cultural crises. It has alienated human beings from nature and from fellow human beings. It has brought unjust distribution of natural resources, creating economic and political disorder, an ever rising wave of violence, and environmental disasters.

Accounting and the Western Dyadic Opposition World-view

This western dyadic opposition way of thinking is also well reflected in accounting theory. In the recording process, the T-account is used to record the total debit and credit amount of the transaction but only the balance (debit total – credit total = “net” - the exempted or forgiven – amount) is allowed to appear in the final financial statements:



To maximize the net gain, there may be two ways: *either* maximize the debit total amount *or* minimize the credit total amount (or vice versa) *or* do both at the same time. These principles are equally reflected in the calculation of net profit (in *opposition* to net loss) in the Income Statement:

Income Statement (Net Profit)	
Expense	Revenue

Therefore, net profit is *neither* revenue *nor* expense. To maximize it, it is necessary *either* to maximize revenue *or* minimize expense *or* both at the same time. In this way, to better serve capitalism, which sees economic dominance as the only possible moving force for progress in human history, accounting helps to maintain a culture of exploitation by depicting profit as being created through negation and by dichotomizing, thereby subordinating humans and nature to the monolithic objective of profit maximization. Such a measure of profit simply denies the inherent value in entities by submitting them to a capitalistic subjectivity and this in turn increases the efficacy of exploitation (Chwastiak, 1999).

The Eastern (Buddhist) World-view: the Concept of Emptiness

We suggest Buddhist thought as an alternative to various western thoughts, which seem to be responsible for today's various socio-economic, political and ecological crises. Whilst western intellectual tradition has been concerned mainly with questions on the nature of being, which inevitably caused the subject-object dichotomy to arise and has thereby precluded the possibility of affirming a singular reality, this paucity can be complemented by the Buddhist notion of "Emptiness"⁴, which encompasses the whole dimension of perception where there is no room for separation into mind and body and/or any other form of

dichotomy. Rooted in the tradition of religious self-realization going back to the time of the Buddha, the notion of Emptiness eliminates both the ‘eternalist’ view, which is attached to being, and the ‘nihilist’ view which is attached to non-being. In Buddhist thought, being, non-being and Emptiness are the three fundamental categories for human thought and for human existence itself, for they can be understood as the three possible categories that have transcendental and absolute character, irreducible either to one another or to anything else. In other words, in Buddhist thought emphasis is given to a reversal of the hierarchy implied in the opposition between mind and body, spiritual and material, thinking and feeling, abstract and concrete, theory and practice with the dominance-submission patterns remaining unchanged⁵ (Conze, 1958, 2001; Capra, 1975, 1984; Masao, 1985; Matsuo, 1987; Mu Soeng, 1991; Jacobson, 1988). We argue that the western dualistic way of thinking cannot provide a solution to the problems of humankind as long as it attempts to grasp and comprehend the opposition and tension caused by the polarity explained above, by taking one pole of that opposition as its basic principle, thus remaining within the opposition and tension rather than *transcending* it. We believe that the standpoint which can be a solution to such an opposition and tension should be one which *breaks through* that opposition and tension.

Here we would like to introduce a Zen story that clearly shows this Buddhist ontological and epistemological standpoint:

In the mountain, there were a Zen master and his disciple. One day, the disciple got up early in the morning to carry out his daily duties. He cleaned up the shrine and courtyard and then prepared breakfast for his master with all his heart. When he brought breakfast to the master he asked him for a dharma.

Master: You know, the rock at the village entrance, is it “in” your mind or “out” of your mind?

Disciple: It is in my mind, master.

Master: Is it? It must be very hard for you to carry it within you!

Disciple: “.....”.

*The next morning, the disciple again asked the master to teach him a dharma.
Master: Is the rock at the village entrance “in” your mind or “out” of your mind?
Disciple: It is out of my mind, master.
Master: Then you have nothing to worry about. Why are you still carrying worries on your back?
Disciple: “.....”.*

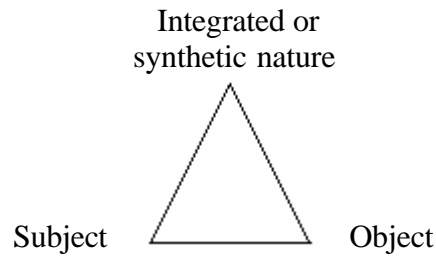
*The next morning, the disciple again asked the master to give him a dharma.
Master: Is the rock at the village entrance in your mind or out of your mind?
Disciple: “.....”.
Master: “.....”.*

Let every day be a good day!!!

This Buddhist ontological and epistemological standpoint is also seen in the Heart Sutra⁶, one of, if not the main, Buddhism sutras as follows:

*Form is not differentiated from emptiness and emptiness is not differentiated from form. Form is **at once** emptiness and emptiness is **at once** form.
Consciousness is not differentiated from emptiness and emptiness is not differentiated from consciousness. Consciousness is **at once** emptiness and emptiness is **at once** consciousness⁷.*

Not only does the above epitomize the Buddhist ontology and epistemology, but it clearly dissolves the subject-object dichotomy. While in western philosophy the subject is an internal condition and the object external, in Buddhist thought, *both* the subjective *and* objective components are embraced in a ‘single mind’ (realized One Mind or Buddhahood) and the unifying element is the concept of Emptiness, which does not permit any impediments (Conze, 1958, 2001; Chang, 1971; Capra, 1975, 1984, Jacobson, 1988; Masao, 1985; Matsuo, 1987; Mu Soeng, 1991). In Buddhist thought, therefore, those three ontological and epistemological standpoints (subjective, objective and synthesis or the integration of the two) are not exclusive of each other. Instead, they complement each other in order for the *simultaneous* realization of a person, thereby signalling the true meaning of ontology and epistemology. This can be shown diagrammatically in the triadic relationship as follows (Matsuo, 1987, p. 19; also see Masao, 1985 for a similar analysis):



In other words, in Buddhist thought, to speak from the subjective standpoint does not necessarily mean to exclude the structure of the mind derived from the other two standpoints, for, while one is focused on, the other two remain in the background. Moreover, each standpoint takes in turn centre stage or backstage. In Buddhist terms, the three realms constitute the structure of One Mind (i.e., Buddhahood) and this seems to be the only way in which to observe the function. This phenomenon is expressed in Hua-yen Ching (the Hua-yen Sutra) as follows: “the three realms are merely one mind”. Thus, the structure is always in the nature of an unborn and undestructive entity, having been in humans in this manner from time immemorial. This can be expressed in Buddhist denotation as follows: “One mind, Two aspects and Three perspectives”. The ‘one mind’ refers to the structure of the mind, that is, the ‘locus’ of cognition as in this way the one mind functions repetitively and continuously to create unlimited phases of units, types, and classes. The ‘two aspects’ refer to the synthetic (integrative) and analytic (independent) functions of the three components – subject, object, and synthesis of the two. In the case of the synthetic judgment, all three components are integrated in the manner of *simultaneous mutual penetration*, whereas, in the case of the analytic function, these components alternate being at centre stage and backstage, in any particular instance, one of them would appear prominently. It can be said, therefore, that the western way of thinking based on this analytic judgment is *linear* reasoning that inescapably reduces reality to a chain of causes and effects and can lead to a nihilistic understanding of Emptiness; one tends to define it as a negation of the existence of things –

i.e., nothingness. The Buddhist way of thinking, on the other hand, is *circular*. In eastern (particularly Buddhist) thought, there is no linear progression in history. Time and space are not something entirely exterior to oneself, something that one “has, keeps, saves, wastes or loses” (Minh-ha, 1989, pp. 1-2). Within the cognitive process, there is no simple subject viewing an object in the naïve realistic sense. From a Buddhist standpoint the so-called subject and object are provided inherently in the perceptual process and recognition of this is a prerequisite to attain the “enlightened state” (Matsuo, 1987, pp. 97-98; also see Conze, 1958, 2001; Chang, 1971; Jacobson, 1988; Masao, 1985; Mu Soeng, 1991).

We are not unaware that recent developments in western philosophy have overcome the shortcomings of positivist ontology and epistemology. Whilst contemporary western philosophical thought, from hermeneutics to post-modern, differs in respect of claims to knowledge, all viewpoints have in common an objection to the positivist ontological and epistemological viewpoint: a disbelief in a universal system of thought. The modernist dichotomy of an objective world distinct from subjective images seems to have broken down and been replaced by a hyper-reality of signs referring to other signs, texts referring to other texts. In other words, the conception of knowledge as a “mirror” of reality is replaced by a conception of the “social construction” of reality (Berger & Luckmann, 1966), where the focus is on the interpretation and negotiation of the meaning of the social world. With the breakdown in the universal meta-narratives of legitimation, there is an emphasis on the local context, on the social and *linguistic* construction of a perspectival reality where knowledge is validated through practice. There is an openness to qualitative diversity, to the multiplicity of meanings in local contexts; knowledge is perspectival, dependent on the viewpoint and values of the investigator. Human reality is understood as *conversation* and action, where knowledge becomes the ability to perform effective actions (Kvale, 1996). This means that

contemporary western philosophy has undergone a “linguistic turn”, with an emphasis on language games, speech acts, linguistic and textual analyses, and hermeneutic interpretation. This linguistic turn has been particularly radicalized in post-modern thought.

We would argue, however, that this usage of language as a medium is still problematic. According to this contemporary western thought, knowledge (reality) is *neither* inside a person (the Subject) *nor* outside in the world (the Object), but exists in the *relationship* between the person and the (socially constructed) world mediated by language⁸. As a medium, in other words, language constitutes reality. This focus on language seems to have shifted attention away from the notion of an objective reality, as well as away from the individual subject. There is no longer a unique self who uses language to describe an objective world or to express itself; *it is the structures of language that speak through the person*. However, language by itself cannot be the reality (knowledge); neither can the person nor the world. The reality (or knowledge) is *n/either* subject or object *n/or* language but something which *transcends* all three. In this sense, we would argue that contemporary western philosophical thought has not moved far from Kantian epistemology (the epistemology of subjectivism) and still operates on the principles of logic (the metaphysics of logicism). That is to say, while the language of western methodology can be described as a “language of logic”, eastern thought goes *beyond* language. When the Heart Sutra said “Form is at once Emptiness and Emptiness is at once Form”, the concept of “at once” goes beyond language, reversing the logic of language as there is no room for language to intervene. That is why the eastern methodological language is referred to as a “language of paradox”. It goes beyond language, beyond discourse.

Emptiness and Zero

Based on the concept of Emptiness, eastern dialectical logic differs entirely from that of western. While the latter leads to further isolation, creating further conflicts and tensions, the former leads to the totality of the opposition and tensions between the polarities. The dialectical logic of Emptiness can be explained as follows: since Emptiness is realized not only by negating the eternalist view but also by negating the nihilistic view which negates the former, it is not based on a mere negation but on a negation of the negation. This two-fold negation is not a relative negation but an absolute negation. And an absolute negation is nothing but an absolute affirmation, as shown in mathematics; i.e., negative (-) + negative (-) = positive (+). Therefore, absolute negation is absolute affirmation and absolute affirmation is absolute negation.

This paradoxical nature of the dialectical logic of Emptiness can also be explained with the logic in mathematics, in particular the concept of ‘zero’, which is not to be interpreted as a literal ‘nothing’⁹ but as a Buddhist concept of Emptiness. In other words, the Buddhist concept of Emptiness, which implies the mutual penetration of the one and the all or of being *and* non-being is similar in dimension to the mathematical zero, which is neither space nor time but without whose nature and function all operations will cease (Conze, 1958, 2001; Masao, 1985; Matsuo, 1987; Mu Soeng, 1991; Kaplan, 1999; Barrow, 2000). The zero and the infinite are in fact in a relationship of contradictory self-unity or antinomial self-identity, and this phenomenon in Buddhism is termed Emptiness (Sunyata) or Nothingness. Therefore, the mathematical concept of zero can also explain the difference between eastern and western epistemology. Taking two simple mathematical formulas expound this:

$$\mathbf{a + b = c} \quad (\text{a, b and c represent beings or entities})$$

$$\mathbf{(a + b) - c = 0} \quad (\text{all beings on the left equal to the total empty state which, paradoxically, depicts the full accommodation of all beings})$$

These two equations show such profound epistemic differences between the ways both the eastern and the western dialectical logic function: that is, the equation $\mathbf{a} + \mathbf{b} = \mathbf{c}$ takes on the form of a western dialectic – i.e., analytic judgment - and is accepted as a mathematical truth. On the other hand, when the same equation is transformed into the following, $(\mathbf{a} + \mathbf{b}) - \mathbf{c} = \mathbf{0}$, a unique dialectic is seen, that is, the necessity of mutual penetration of individuality and totality¹⁰. In this context, the zero (0) is never meant as a non-being (as literal nothingness). Instead, the mathematical zero functions in an analogous way to the experience of Emptiness (Matsuo, pp. 97-8). The following example clearly shows this: *There is a glass of water and you have drunk half of it. How would you describe it now then? Half is gone and half is left (1/2 is = 1/2 is not). Therefore, is = is not!* In other words, nothing is also something but can only be seen so when it is seen from the whole perspective. The concept of Emptiness and the discovery of the mathematical zero concur in that they are founded on the totality and not on the dichotomous opposition between being and non-being (Conze, 1958, 2001; Chang, 1971; Verdu, 1981; Masao, 1985; Matsuo, 1987; Jacobson, 1988; Mu Soeng, 1991).

Nothingness or non-being has not come to be regarded as a basic principle of metaphysics in the West. Throughout the history of western philosophical tradition, non-being was regarded as the privation or non-existence of being, just as darkness was considered to be the privation of light and evil the privation of good etc., resulting in a dualistic standpoint which gave priority to being. And God was an absolute Being who transcends the duality of being and non-being. There is no ontological ground, however, on which being has priority over non-being. The key point, therefore, is how the negative principle should be understood in relation to the positive principle. In the West, nihility indicates the negative aspects of human being. While being is identified with good, non-being is regarded as the metaphysical

source of evil, as the privation of good. In the religious dimension peculiar to Christianity, nihilism is not merely a privation of good but is rather the source of sin – i.e., the negative principle in human life which constantly tries to undermine God’s righteousness. Being and non-being as an ontological category correspond to life and death, good and evil, and other polarities such as profit and loss. In the West, since being, life or good precede non-being, death or evil in ontological validity, overcoming of the opposition between them necessitates a movement towards being, life or good as the ultimate. The same can be said for the profit and loss dichotomy in accounting. That is, to overcome the opposition between profit and loss or revenue and expense means to maximize the ‘net’ profit as the ultimate reality.

In Buddhist thought, on the other hand, the idea of the priority of the positive principle over the negative principle is called into question and the solution to the conflict between being and non-being was sought by taking Emptiness as the ultimate principle. Notions such as human reason, intellectual reality, and the laws of universal and moral principles, which are considered as universal principles in the West, were never taken as an ultimate principle but were always apprehended as something secondary. In other words, there is no ontological ground for the superiority of life over death or good over evil or profit over loss in Buddhist thought. When positivity is ontologically prior to negativity, negativity is seen as no more than something to be overcome by positivity. When positivity and negativity are considered to be equal and reciprocal, on the contrary, it is the contradictory tension between positivity and negativity that is to be overcome. Nothingness or non-being, therefore, is also realized as a fundamental principle of all things in Buddhist thought. If Emptiness is absolutized in principle, it can transcend and embrace within itself both being and non-being in their relative senses. While the attitude of the West towards nothingness or non-being can be described in a phrase “nothing comes from nothing”, that of the East can be described as “something

comes from nothing” (Masao, 1985, pp. 91-5; also see Conze, 1958, 2001; Chang, 1971; Capra, 1975, 1984; Verdu, 1981; Matsuo, 1987; Jacobson, 1988; Mu Soeng, 1991).

Accounting and the Concept of Emptiness

The concepts of zero and Emptiness can be directly related to accounting, which affects business behavior. Although the concept of Emptiness is difficult to delineate as it transcends mere logicality, its use can easily be observed in everyday life, including economic life in the eastern world. This is illustrated, for example, in the calculation of net profit in the traditional Korean accounting system¹¹ (Yun, 1987, pp. 219-34). In Korean accounting thought, profit refers to revenue and loss to expense in western terms respectively. Therefore, unlike the western accounting system, which puts great emphasis on net profit in order to meet the purpose of profit maximization, a major purpose of western capitalism, the Korean accounting system emphasizes the triadic relationship between the three. The difference between the western concept of profit and that of the Korean can be explained by the simple mathematical equation as follows:

Western concept: Revenue - Expense = net profit (net loss)

Korean concept: (Profit - Loss) – net gain (or loss) = 0

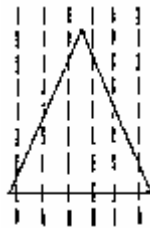
From the western perspective, one’s profit is the “difference” between one’s gain and loss (therefore the other’s gain). In other words, one’s profit is only possible from the other’s loss. Therefore, to maximize it, one must “exploit” the other. Here, the discourse of difference is used to conceal and justify exploitation (with all its implications on “social justice”). This is in contradistinction to the Korean perspective, where one’s profit, which causes the other’s loss distorts the whole structure. Therefore, what is sought is the

harmonization of the three. Only in this way, the maximization of well-being *of all* including being *and* non-being would be possible. However, as we have argued above, due to the cultural dominance of western thought over the world since the fifteenth century onwards, the distorted dyadic opposition way of thinking has prevailed in accounting justifying inequality within society. The rise of the dichotomous and negative elements in the epistemic function has prevailed in western thinking. What is at stake here is the unwarranted way in which the elements are spoken of and treated within the context of epistemology: they are taken to be ‘realities’ which enable the process to proceed; whereas in truth the opposite seems to be the case. That is to say, the total context in which the elements are at play, rather than the elements themselves, should be taken into account from the outset. We argue that the Buddhist notion of Emptiness can be an answer to the present socio-economic problems caused by the western capitalistic economic principles. By reinterpreting the notions of profit and loss not as contradictory terms but as complementary terms on the basis of the notion of Emptiness, we may be able to cease any distortion and exploitation caused by the pursuit of profit maximization.

Conclusion: Ways Forward to the Harmonization of the East and the West

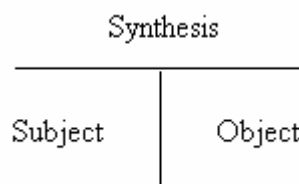
Although the so-called dialectical logic of the East and the formal logic of the West are based on the same logic found in mathematics, there is still a difference between the logic in natural mathematics, including algebra, and the logic in geometry. Generally speaking, it can be said that whereas western logic is based on the logic in natural mathematics (linear and dichotomic), eastern logic is based on the logic in geometry (circular, dimensional and holistic). The difference between western and eastern logic has been schematically demonstrated by Matsuo (1987, p. 130), as follows:

Eastern : Undifferentiated – non-discriminative knowledge



realms of intuition and unconsciousness where the subject, object and synthesis are indistinguishable

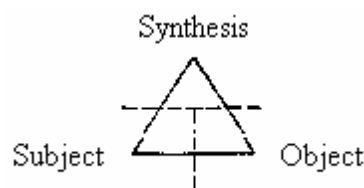
Western: Differentiated – discriminative knowledge



ignorance (avidya) results due to the separation into the three elements

This difference demonstrates the reason why western philosophy cannot accommodate the function of a synthetic judgment and therein lies the basic difference between western formal logic and eastern dialectical logic. In western logic, the nature of truth relies solely on the notion of existence based on things seen and that it is determined decisively by the categories of existence and non-existence. Eastern logic, on the other hand, enables one to express the heretofore unseen structure of the One Mind (i.e. totality). If that were possible at all, then in that respect there would be a unified basis for thinking in East-West philosophy. This also has been schematized by Matsuo (1987, p. 130):

Harmonization of the East and the West - Realization



One Mind or Unity is realized due to the integration of the three elements

To say this, however, as discussed earlier, is not to denigrate western epistemology but to re-examine and complement any thinking that places undue western superiority over anything at the expense of neglecting thoughts (including eastern thought) other than the predominant western one. It is certainly not the time to clearly demarcate friend and foe or eastern and western blocks but a time for everyone to rid oneself of the narrow self-imposed perspective and initiate a dialogue within the larger context that includes both the East and the West. What we are intending to do here, therefore, is to look for a sound research methodology which can serve as a foundation stone that can truly come to grips with contemporary social issues. This is not to suggest that this will resolve in any ultimate sense the various problems that arise in the world but rather to suggest a meaningful direction for better understanding and thereby contribute as much as possible toward a purposeful accommodation of those issues or problems that we are currently facing.

In the first years of the new millennium accounting and the process(es) of (economic) globalization have come under intense criticism. What we have demonstrated in this paper is that attention to the voices unheard may assist in ameliorating this criticism. First, an awareness of the epistemological presuppositions of mainstream - and even critical - western thought may lead to the development of a more culturally (and gender) sensitive view of the world that will enable movement towards the resolution of problems of globalization. That is, the dominant West needs to be conscious of different ways in which the basis of knowledge of social and physical phenomena is determined. This, of course, includes accounting and such calls are not new. For example, as Lehman (2001) has stated,

The task at hand is to determine the possibilities for reconstructing and transforming society's basic social institutions with justice and fairness . . . (which) . . . requires a broader interpretation of accounting and community (p. 718).

Or, specifically, in relation to environmental accounting, as Cooper (1992) has suggested we have failed to tackle the patriarchal formations which have resulted from a male-dominated society.

At this level, our appeal is similar to that by Neu *et al.* (2001) in respect of their discussion of Bourdieu's universal intellectual (pp. 737-41). It is an appeal to practical common sense and not to patriotism or nationalism. The western (accounting) intellectual needs be aware that eastern thinking is different and in fact may at times be more appropriate in accounting theorizing. This is a second aspect of our argument. The intense criticism of an accounting system that facilitates such massive economic and social disruptions as that created by the collapse the Enron Corporation and other significant entities in other parts of the world means it needs to look "inward". What we have shown is that the eastern concept of Emptiness makes possible a more socially aware and just accounting. Whereas western accounting emphasizes the exploitation of one element by another, an eastern approach to accounting based on a triadic relationship enables greater fairness and social justice through the balancing of all elements.

Notes:

¹ We use the expression western in its widest sense. Thus, despite the very many shades of “western” methodological thought, it is argued that they all share the common feature of a western defined “rationalism”. That is, what “sort of thinking” that is permissible in methodological debate. Although this may seem a *reductio ad absurdum* it is what we intend to demonstrate – that what is admissible in western methodical debate precludes certain eastern world views.

² Christianity has deeply nourished western philosophy for more than two thousand years. While Christianity is neither a philosophy nor can be exhausted by thought, as long as it is related to human nature, it is profoundly rooted in human existence, and consequently it is essentially related to human thought. In this sense, it may be appropriate to consider Christianity in relation to the western mode of thinking.

³ Knowledge of the connection of divine God with the phenomenal world was clearly theoreticized in the rationalistic metaphysics of early Greek thought (Masao, 1985, p. 99).

⁴ It is widely agreed that the notion of Emptiness (or sometimes translated as Nothingness in English) is one of the basic teachings of Buddha and commonly shared regardless of different Schools or Sects in Buddhism (Conze, 1958, 2001; Masao, 1985; Matsuo, 1987; Capra, 1975, 1984; Mu Soeng, 1991; Jacobson, 1988).

⁵ In Eastern thought, there are not one, not two, but three centres in the human being: the intellectual (the path), the emotional (the oth), and the vital (the kath). The latter, called the *tantien* or the *hara*, located below the navel (the oth being connected with the heart, and the path with reason), radiates life. It directs vital movement and allows one to relate to the world with instinctual immediacy. But instinctual immediacy is here not opposed to reason, for it lies outside the classical realm of duality assigned to the sensible and the intelligible (Minh-ha, 1989, p. 39).

⁶ A sutra is a Buddhist scripture or teaching.

⁷ For an in-depth analysis of the concept, see Conze (1958, pp 77-107).

⁸ For example, Lyotard (1991) argued that the intentional relation of subject and situation (object) does not unify two isolated poles; on the contrary, the *subject* and the *situation cannot* (therefore negated) be defined except in and by this *relationship*. Again, it can be described in T-shaped diagram revealing Kantian epistemology. Furthermore, the identity of each individuals (i.e., the subject, the situation and the relationship) is negated: One cannot be the One unless it is mediated/related with the Other by language. On the contrary, in Buddhist thought, One is All and All is One while One can be the One and All can be the All.

⁹ In conventional western thinking, the truth is determined in a very simplistic way: i.e., what is, is and what is not, is not. However, it is not so simple to pass judgment on the nature of a mathematical zero as to whether it is an entity or a non-entity. Without zero, the system of numbers would be problematic if not impossible.

¹⁰ As expressed in the Heart Sutra thus: “form is not different from Emptiness, Emptiness is not different from form” and so on.

¹¹ It is called as Kae Sung Bookkeeping system. Despite the fact that the double entry bookkeeping system – the foundation of the western accounting system/theory – was actually invented and put in use in Korea in the twelfth century, three centuries before it was put into use in Europe (The Federal Accountant (Australian), Vol. 3, No. 3, July 1918; Hirai, 1926; Yun, 1977), thanks to the spread of western capitalism all over the world, it is now “common” knowledge that the double entry bookkeeping system is a proud western invention.

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