

'Close Readings' of Internet Corporate Financial Reporting: Towards a More Critical Pedagogy on the Information Highway

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The rise of corporate financial reporting via the Internet creates even more of an urgency to encourage university accounting students (and business students generally) to think *critically* about beliefs and institutions that structure their thought and, ultimately, their behavior. The special importance of corporate financial reporting in discharging legal and moral accountability, in combination with its new means of communication on corporate websites, places it as an ideology that demands critical scrutiny in the higher education business school curriculum. A curriculum strategy based upon a hierarchy of four close readings of corporate financial reporting websites (described as (i) 'objective' characteristics, (ii) internet financial reporting as rhetoric, (iii) metaphor and thought, and (iv) deconstruction) are proffered, as part of a curriculum objective to "keep in front of students the task of subjecting what they encounter in cyberspace to general forms of critical interrogation." (Lankshear, Peters, & Knobel, 1996, p. 185).

Educators in universities should strive, like Socrates, to become by "nature a disturber of the peace" (Passmore, 1967, p. 203). But this noble goal has not been well-accepted; Passmore comments that "It is, indeed, by no means universally admitted that even at the University level students ought to be encouraged to think critically about the accepted beliefs and the accepted institutions of their communities . . ." (Passmore, 1967, p. 203). Perhaps this (often unintended) acquiescence is most pronounced in Schools of Business, with the result that both faculty and graduates tend strongly to be unaware of the cognitive metaphorical and ideological constraints limiting how they think (Lakoff, 1993; Lakoff & Johnson, 1980), and thus to adopt worldviews akin to corporate libertarianism as *natural* (Brown, 1997; Korten, 1995; Moore, 1997).

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In this article, the Internet's role in university accounting and business students' education in the study of corporate financial reporting is considered. The literally thousands of companies with an Internet presence use their websites for many purposes, such as advertising, direct sales, employment, and so on (Ho, 1997, classifies commercial website business purposes into three broad categories: (a) promotion of products and services; (b) provision of data and information; and, (c) processing of business transactions), including corporate financial reporting. We have seen the meteoric rise over the past two years of a new, strange, relatively-unknown medium for financial reporting and the important accountability relationships that such reporting entails. Therefore, Internet-based financial reporting by corporations cannot be ignored in designing curriculum for accounting and business students.

CORPORATE FINANCIAL REPORTING

Corporate financial reporting via the Internet is not like other corporate Internet activities. It derives its special importance from the fact that it is part of the discharging of legal and moral accountability by the corporation to its constituencies ("users" in the terminology of conventional accounting; "stakeholders" in the terminology of liberal management studies). The preparation and dissemination of corporate annual reports, including audited financial statements, is a legally-mandated requirement for companies whose shares or debt securities are issued to the public and whose financial statements are thus audited, and so corporate financial reporting via the Internet is closely aligned with corporate regulatory policy and the oversight and monitoring of the Securities and Exchange Commission, and other relevant agencies.

Corporate financial reporting includes not just a company's audited financial statements, however. The term is more inclusive, and has been defined by the American accounting profession's private-sector standard-setting body, the Financial Accounting Standards Board, as consisting of the following components (Hendricksen & van Breda, 1992, p. 125):

- The basic set of audited financial statements, usually including an income statement; a balance sheet, a cash-flow statement, and a retained earnings statement;
- The notes related to the above statements. These notes are also audited, and are considered to be an integral part of the financial statements. They contain (often copious) information on the company's accounting methods, details relating to accounting information and measurements disclosed in the financial statements, and additional required disclosures;
- Supplementary but important information not considered to be part of the formal audited financial statements, such as (in the U.S.) information on oil and gas reserves for a company in the business of drilling for commercial hydrocarbons;
- Other means of financial reporting, such as the Management Discussion and Analysis (the MD&A), which is a detailed description—from management's "insider" perspective—of the company's operations, financing, risks and plans, and which is required to be included in corporate annual reports by the SEC (although it is as yet not required to be audited). Also included in this category of other means of finan-

cial reporting is the "Letter to stockholders" provided in a company's annual report.

Many, perhaps most, of those involved in the financial reporting system acknowledge that accounting and related reporting does not just record and report "the facts." In spite of the now-poignant and perhaps wistful desire to think of accounting as just reflecting some (unknowable) "economic reality," not many would dispute entirely Tinker and Neimark's (1988) allegation that financial accounting and annual reports

... like the writing of history and other systems of meaning, are not passive and neutral, but are partisan reconstructions ... [and] ... cannot be taken for granted, [they are] ... social constructions which need to be challenged and reinterpreted. (p. 56)

Even within the presence of accounting standards (often referred to as "generally accepted accounting principles") and auditors, top management will vigorously attempt to get its financial reporting story out (Amernic, 1992), and thus create the narrative it desires. This leads to the need to regard such narratives from a critical perspective, as far-from-neutral texts, most especially with respect to teaching. But the position that a critical perspective is needed in accounting education has always been the view of a very small minority of university accounting educators, despite the centrality of corporate financial reporting (and other aspects of accounting) to organizations and society. Most often, accounting is looked upon as a technical activity that, while complex at times, needs to be improved by discovering better, more accurate ways to cost and account by applying better and more current technology. One of the rare collections of counterviews is proffered in the 1996 special issue on accounting education published in *Critical Perspectives on Accounting* (for example, see Amernic, 1996), and this view is beginning to make its way into the accounting education literature (for example, see Manninen, 1997).

The rise of financial reporting on the Internet, with the new information relationship between the accounting entity (such as a corporation) and the user (such an information relationship now based upon immediacy and, perhaps most importantly, hypertextuality—see Landow, 1992), adds additional urgency to the need for accounting and business educators to have *critical* education goals, and overcome the reluctance that Passmore (1967) noted. Financial accounting and reporting has always been, within limits, a means of persuasion, of efficiently and effectively processing argument, in order to affect the beliefs and opinions of those using the information (Aho, 1985; Tinker, 1985, p. 82). In other words, financial accounting, and more broadly, the corporate annual report and all its attendant systems and process, are a *rhetorical device*, where the term rhetoric is used its classical (Barilli, 1989) rather than in its more modern pejorative sense. Indeed, accounting has long been touted as the "language of business" and, since "language has an ideological agenda that is apt to be hidden from view" (Postman, 1993, p. 124), it seems important to alert students to the ideology of the new, Internet-based, hypertextual version of the "language of business."

How can financial reporting on the Internet be "rhetorical?" Rhetorical technique might involve selecting with care the order in which users are exposed to arguments and information. For example, almost all the rhetorical terms that Lanham, (1991, pp. 184–185) includes within the "Balance, antithesis, and paradox" type are concerned with aspects of *ordering*; for instance, "climax." Rhetorical terms that Lanham included in other types,

such as "Amplification," also may involve an intentional ordering. And the Internet lends itself directly to such techniques because:

- Even though different website pages may be connected by hyperlinks, the selection of and ordering of hyperlinks is under the control of corporate management, and thus the order of the user's exposure to argument and information largely is as well. But the (often) interactive nature of websites, and the existence of hyperlinks, may give the user the *illusion* of more control over the information flow; thus, the rhetorical device of *ordering* is more unobtrusive in cyberspace;
- The order of words within individual lexia are, of course, under management's control.

The emphasis on "order" as rhetoric in this essay is stimulated by the hypertextual aspect of corporate financial reporting on the Internet. There are, of course, numerous other rhetorical strategies that might be employed. What financial accounting and other accountability information management chooses to emphasize and highlight, the things left unsaid (or, rather, unwritten), the options management has provided to website users for downloading accounting and related files for both viewing (using, for example Adobe's Acrobat Reader for PDF files) and analysis (for example, spreadsheet files), related websites made accessible via hyperlinks, the ease of navigating around the website, etc., all are part of the paraphernalia available to management to "manage" corporate financial reporting via the Internet, and thus are also all part of the rhetoric of financial reporting via the Internet.

The Internet, and especially the World Wide Web, has become the "phenom" medium of the 1990s. Alleged to represent the new age in both commercial and personal communications (Carroll & Broadhead, 1996), the Internet is being regarded from a wide variety of perspectives. For example, marketers seem almost gushing about the possibilities (as they see them) of profiting from how the species *consumer* "behave[s] in the world of cyberspace" (Johnson, 1996, p. 5) since the Internet "will be to consumer research what scanning was to retail tracking" (Johnson, 1996, p. 1). Communications researchers are beginning to view the Internet as mass medium (Morris & Ogan, 1996), and the rhetorical potential of the web's hypertextual structure, in contrast to the allegedly coherent narrative of print, has become a focus of research (Gibson, 1996). And philosophers of emerging media such as de Kerckhove (1997, p. xxxi) muse about the possibility of "a connected sensibility, a new psychology, to emerge from the number and speed of network connections . . ."

But the rush of enthusiasm for the new information order must be balanced with a recognition that innovations in communications technology may induce profound and un contemplated alterations in how humans live their lives and organize themselves, or indeed how their lives are organized *for* them (Innis, 1951/1995). Gibson (1996, p. 8) asserts that "After the Internet has saturated the cultural landscape people will construct their world views with different tools . . . [since] . . . the Web becomes such second nature that, like print, we hardly notice the immense paradigm it drags along with it." And Gibson, centering her attention on the hypertextual nature of web writing, makes the web's role in organizing and integrating thought even more clear when she writes,

As users of the World Wide Web, we will become accustomed to a differently constructed world-view, informed not by the values associated with print, but by those associated with the hypertext

of the Web. It becomes not only a rhetoric of arrivals and departures, but a rhetoric of associations and connections, of alternatives and interactivity. The most peculiar intrinsic property, that of digital disturbance, will most certainly have an impact on our understanding both of the new media and of the world. Perhaps we will see a rhetoric of disappearance, a paradigm of evanescence. Lurking beneath the electronic diversity of the World Wide Web is the omnipresent possibility that at any moment the text may simply vanish. (p. 22)

Indeed, Gibson's last sentence suggests that the Internet may be the perfect medium for a post-modern world. Letiche (1995), drawing upon Baudrillard, points out that our increasingly technologically-mediated management communications culture is such that:

Nowadays attention is commanded by fax, teleconferencing, E-mail, corporate videos: consciousness receives an instantaneous image which it *hooks up to*, whereby perception occurs. There is neither contemplation of *self* nor *object*: the mirror phase is replaced by two-dimensional instantaneity. Consciousness becomes a screen on which information is projected; the appropriate metaphor for consciousness has become that of a cosmonaut alone in his capsule who exists as a terminal to a series of information networks . . . Communication has come to resemble advertising: transparent without depth, immediate and forgettable, simplified and consensual. (p. 109)

MARKETS, BUSINESS SCHOOLS, AND DISRUPTING THE ALL-TOO-NATURAL: FOUR CLOSE READINGS OF CORPORATE FINANCIAL REPORTING ON THE INTERNET

Lankshear et al. (1996, p.185) urge that "the teacher should aim to keep in front of students the task of subjecting what they encounter in cyberspace to general forms of critical interrogation." But teaching to be critical and learning to be critical is difficult in schools of business at the best of times; and it is made almost insurmountable with the coming-together of two pervasive trends:

- The saturation in the public mind of the goodness and inevitableness of images and thus metaphors related to corporate libertarianism, free markets, and globalism (Korten, 1995); and,
- The increasing penetration of information technology, as exemplified by the Internet and the *information highway* and allied with the globalism mentioned above, into almost every phase of public and private life, including most especially education. (This is not to ignore the positive aspects of the Internet in many walks of life; for example, Landow (1996) makes a case for the rise of the "digital university" as a means "to remedy the shortcomings of the present non-digital one" (p. 361) in areas of collegiality and interaction with students.)

Business educators, if they belong in institutions resembling anything like the more liberating aspects of Cardinal Newman's university, must acknowledge that "people in power get to impose their metaphors" (Lakoff & Johnson, 1980, p. 157, citing an observation made to them by Charlotte Linde), and therefore these seductive metaphors of *free markets* and *information highways* "can have the power to define reality . . . through a coherent network of entailments that highlight some features of reality and hide others" (Lakoff & Johnson, 1980). Disrupting such seductive metaphors involves issues related to new curriculum strategies, as well as issues related to the alleged inconsistency of such "radical attacks" on the received mission of the business school and its financial sponsors. While each educator must deal personally with the second set of issues and the attendant

Exhibit 1. A Hierarchy of Close Readings

<i>Close reading</i>	<i>Described as</i>	<i>Characteristics</i>
1	'Objective' characteristics	Corporate financial reporting websites are evaluated according to a set of 'objective' characteristics (as in Exhibit 2).
2	Internet financial reporting as rhetoric	The visual and textual content of corporate financial reporting websites is analyzed as part of the strategic choices made in order to persuade.
3	Metaphor and thought	As a particular extension of close reading 2, the visual and textual metaphors discovered within the content of a corporate financial reporting website are analyzed with regard to their cognitive potential.
4	Deconstruction	Close reading 3 is broadened to a deconstructive analysis, in which a text is read "to elucidate its quarrels with itself, the contradictions and uncertainties suppressed beneath its superficial order" (Leubsdorf, 1987).

morality (see, for example, the Fall 1997 issue of *Daedalus*, which deals with current issues focusing on the academic profession), the first set of issues may be susceptible to curriculum strategies, a topic to which this essay now turns.

Curriculum strategies involving disruption of comfortable, conventional worldviews of financial reporting are presented as a hierarchy of four close readings of Internet corporate financial reporting. The four readings form a hierarchy in the sense that they run from the less-critical/ostensibly objective to the more critical/ostensibly subjective, as shown in Exhibit 1.

FIRST CLOSE READING: 'Objective' Characteristics of Financial Reporting on the Web

Ho (1997) has gathered extensive data on various characteristics of Internet corporate sites in general, while Petravick and Gillett (1996) have sampled some characteristics of a small number of specifically corporate financial reporting Internet sites. For purposes of this first, 'objective' close reading, the Internet sites of the top 100 corporations in the U.S. industrial *Fortune 500* list were visited, and the set of Internet corporate financial reporting characteristics summarized in Exhibit 2 were extracted. I kept a diary of my visits, and ultimately extracted the set of variables listed in the exhibit. The process is quite similar to the evaluation of commercial websites, such as that by Ho (1997), although the focus is on the financial reporting aspects of the website and not the more general concerns of Ho.

The variables in Exhibit 2 plus others: for example, Petravick & Gillett, 1996, suggest that "Financial statements should be designed for on-screen viewing" (p. 29); this suggestion reminds us that many company websites have corporate financial reporting information that is intended for and thus designed for a hardcopy annual report) could be the basis for quantitative empirical work. For example, cluster analysis could be used to search for apparently systematic differences in website corporate financial reporting (as defined by the set of variables in Exhibit 2, or a refined such set) between different groups of corporations. Or a(n allegedly) positive theory of website corporate financial reporting might be developed and cluster analysis or some other multivariate technique could be used to "test" the theory. But such approaches, while undeniably interesting and offering opportunities to demonstrate accounting researchers' technological virtuosity (Clarke,

Exhibit 2. Some Ostensibly Objective Characteristics of Corporate Financial Reporting on the Web

<i>Financial Reporting Website Characteristic</i>	<i>Comment</i>
Entire most recent annual report including audited financial statements downloadable.	Some companies provide an option so that the website visitor can download the entire most recent annual report, either as a series of separate files or as one file. The format may be PDF, and the downloading may take considerable time.
All of most recent annual report viewable on web	The ability to download is one thing, but it is time-consuming and if the user wishes to download several annual reports the hard drive rapidly fills up. So the ability to view the most recent annual report without downloading is important.
Selected parts of most recent annual report downloadable	Not nearly as good as being able to download the entire report, but still provides the user with a means of capturing the information.
Financial statements downloadable as spreadsheets in Excel or other common format	This option provides the user with the ability to largely avoid re-keying financial statement data before analysis, although some re-keying is unavoidable in order to "fit" the data into the user's desired spreadsheet design.
Financial reporting information current and timely	Some corporations have not updated their financial reporting information on their website. For example, Rogers Communications, a large Canadian telecommunications company, did not have its 1995 annual report on its website as of October 1996
Recent interim reports viewable and/or downloadable	Current, relevant information should be available.
Environmental reports viewable on web	Current, relevant information should be available.
Environmental reports downloadable	Current, relevant information should be available.
Links to other relevant sites, such as SEC for EDGAR	Links to other relevant websites in which financial reporting information about the company is stored, is very convenient for users. For example, pharmaceutical giant Eli Lilly and Company has hyperlinks directly to the SEC's EDGAR site, and which automatically run the company-specific search.
Obvious errors in financial reporting information or hyperlinks	There are what appear to be errors in the information on some companies' websites. For example, the invitation to download Barrick Gold Corporation's balance sheet says "Download Cash Flow Statement". If we can spot obvious errors, what less-than-obvious errors inhabit the company's corporate financial reporting website pages?
Inactive links within the financial reporting part of the website	Inactive links are frustrating to users, and are another form of website error.
Use of graphics	May complement text and tables, and make financial reports more usable. But excessive graphics may slow loading time, as well as making information search more difficult.
Use of frames	Frames provide a means of permitting the user to manage large volumes of information a little better than the no-frames alternative. This may be especially important with complex data such as corporate financial reporting information. But frames may unduly complicate websites.
Overall website map	A well-designed (not "too busy") overall website map is very useful, and provides a visitor with a sense of location before plunging into what may be an extremely large and complex corporate website.
Text loads before graphics	With data transmission bottlenecks, waiting for slow graphics to load before any text loads can be frustrating for users.

Exhibit 2. (Continued)

<i>Financial reporting website characteristic</i>	<i>Comment</i>
Quick-loading graphics	Simple, quick-loading graphics may not have the charm or verve of more complex, slower-loading graphics, but- especially during high-volume periods- users will appreciate them much more.
Current financially-relevant news releases viewable on website	Having ready access to current news releases complements the corporate financial reporting information available on the website, and moves the whole system more towards a "real time" information model.
Annual report hard copy order form on website	Visitors to a corporate website should have the option, by email or other means, of requesting hard copy annual reports via the website. Important reasons for this include: downloading may not be available; downloading may be too time-consuming or use too much hard drive memory; or only selected financial information may be available on the website.

Craig & Amernic, in press), ignore the textual and visual richness of the individual unique website situation. Thus, this first reading is not really 'close' in any meaningful sense. Rather, approaches to studying the relatively new phenomenon of corporate financial reporting via the Internet should center on more intensive "reading" of each website from rhetorical, metaphorical, and deconstructionist perspectives, should emphasize that the set of web pages representing a firm's financial reporting via the Internet is not merely a book-like report whose ostensibly objective characteristics may be galvanized into a standard positive theory. Rather, such a means of corporate financial reporting is, as Tinker wrote of accounting more broadly, "a member of a battery of belief-forming institutions . . ." (Tinker, 1985, p. 82), and should be analyzed as such, especially with regards to our pedagogy in the university.

SECOND CLOSE READING: Internet Corporate Financial Reporting as Rhetoric

The rhetoric of visual images, including photographs, has been studied in a variety of areas, for example in advertising (Scott, 1994) and, recently, in hardcopy accounting annual reports (Graves, Flesher, & Jordan, 1996; McKinstry, 1996; Preston, Wright, & Young, 1996). And the rhetoric of both the written and the oral has been the focus of study, reflection and pedagogy since ancient times (Barilli, 1989; Lanham, 1991). From the vast number of possibilities which involve the rhetoric of corporate reporting on the Internet, the focus of this section is on the rhetorical character of hypertext insofar as it relates to web-based corporate financial reporting. This choice is based upon the pervasive hypertextual nature of the Internet, and the recognition that the *order* in which an argument or text is presented is an important rhetorical device (see Lanham, 1991).

The past decade has seen a flourishing of interest in hypertext, which is linked back to the innovative ideas of Vannevar Bush (1945) and others. Hypertext has been used as a teaching medium in disciplines such as English literature (Landow, 1992) and Biblical studies (Ford & Watson, 1996; Fowler, 1994), among others, and hypertext has been reflected upon from a wide variety of theoretical perspectives (see, for example, the contributions in *Hyper/Text Theory*, edited by Landow, 1994). And the democratic opportunities

of intranet hypertext, in which the dichotomy of “author” versus “reader” dissolves, has been lauded as an emancipatory innovation which “hold[s] out the possibility of newly empowered, self-directed students . . .” (Landow, 1992, p. 120). Landow (1992) continues:

I contend that the history of information technology from writing to hypertext reveals an increasing democratization or dissemination of power.

... [. . .] ...

First with writing, then with print, and now with hypertext one observes increasing synergy produced when readers widely separated in space and time build upon one another’s ideas. (p. 174)

However, hypertext *on the World Wide Web* seems to be a different story. Visitors to websites rarely are offered the opportunity of collaborating on text, since such documents can only be altered by the webmaster. And indeed Internet corporate financial reporting, however hypertextual, is by its nature a fixed, author (i.e., corporate)—centered text. Landow (1992) seems keenly aware of the political, ideological, and rhetorical implications of hypertext in pedagogy, as he writes:

At this early, still experimental stage in the development of hypertext, one must pay great attention to ensuring a multiplicity of viewpoints and kinds of information. For this reason, I emphasize creating multiple overviews and sets of links . . . (p. 177)

But this “ensuring a multiplicity of viewpoints and kinds of information” and “creating multiple overviews and sets of links” is just what corporate reporting on the Internet does *not* do. Thus, a critical Internet pedagogy must create a sort of *substitute hyper-lens* through which students may view the hypertext-based but exclusive Internet sites with a more skeptical gaze. Clearly, the hypertext that is encountered in Internet corporate financial reporting is not Landow’s emancipatory, participatory hypertext, since:

- Web hyperlinks are unidirectional;
- Web hyperlinks are established solely by corporate management. Readers do not have the power to write and create their own links;
- Web content is established solely by management (within the constraints, however loose, of regulations governing corporate financial reporting, such as generally accepted accounting principles);
- Internet corporate financial reporting involves esoteric and at times technical accounting, financial, and regulatory content (such as accounting principles, financial statements, and allied jargon) and so, in combination with the three bulleted points immediately above, becomes even more authoritative, despite its illusion of being seemingly-emancipatory hypertext.

This close reading—involving the rhetoric of hypertext-on-the-web—is illustrated by referring to the corporate financial reporting of Microsoft Corporation for its 1997 fiscal year, on the web beginning at <http://www.microsoft.com/msft>. Microsoft’s web-based financial reporting was voted the Best Overall Website by investors in the TechInvestor Poll. But just before Microsoft is examined, a caveat should be entered about Internet technology’s already-influence on financial reporting.

When the World Wide Web first appeared and corporations began posting their annual reports and other financial information to it, the web was merely a repository of the hard copy annual report and other corporate reporting material. Indeed, it is still this way for many companies (for example, Nucor Corporation, located at <http://www.nucor.com>, is an example of a *Fortune 500* company whose web annual corporate report appears to be "an electronic codex"). But, as management began to realize the *strategic* communications potential of the Internet, financial and accounting reports themselves, and other related disclosures, began to be conceptualized as being crafted *primarily* for the web, and only secondarily for hard-copy dissemination. Wallman (1997) describes what he believes will be the profound impact of technology on financial reporting; indeed, that financial reporting is finally entering into an era akin to Sorter's (1969) 'events' approach (see also Cushing, 1989) has implications worthy of sustained research. Thus, the new technology of communication seems to already have had an important impact, especially on those areas of corporate financial reporting over which management has substantial discretion, such as the "President's message," and for discretionary accounting disclosures. We now turn to Microsoft's web-based corporate financial reporting.

Petravick and Gillett (1996, p. 29) write that "Decision makers increasingly are using the Internet as a new source of obtaining traditional information." This may be true for the brief period of time before the technology feeds back onto and alters corporate financial reporting (perhaps beyond recognition), as in the case of companies such as Nucor, mentioned above, but it is no longer true for companies such as Microsoft. The primary entry page into the portion of Microsoft's website that is devoted to financial reporting is examined from a rhetorical perspective.

Lanham (1991, p. 134) writes that "... if we were to define rhetoric using a strictly contemporary terminology, we might call it the 'science of human attention-structures.'" One of the "attention-structures" is the order in which information is set out (Fish, 1980). On this webpage, the well-known negative decision in the anti-trust suit launched by the Department of Justice is softened by placing the hyperlinks on this lawsuit as the first two on the page and following them immediately by a barrage of "good news" (a major speech; plaudits for Microsoft's "forthright, quality accounting of stock options;" links to items about the Microsoft 1997 annual shareholder meeting; and news about the Best Overall Website Award for investor sites). This seems more than mere *antagonogoe* ("balancing an unfavorable aspect with a favorable one," Lanham, 1991, p. 184), and involves aspects of *diallage* ("bringing several arguments to establish a single point," Lanham, 1991, p. 183), as well. The potential "bad news" is gotten out of the way first—in fact, it's not even really bad news: it's the "Department of Justice Case" (*metonymy* in action?).

The *diallage* involves establishing the point that the company is "good," not "bad" as the Department of Justice, with "their" case seems to think. And the hyperlinks from this ordered list of "good" things transport the user to really wonderful Microsoft experiences. For example:

- "Microsoft's Stock Option Accounting Applauded," a heading which includes the not-modest sentence "Two recent articles . . . laud Microsoft for our forthright, quality accounting of stock options. We thought you would be interested," has links to two authoritative, well-respected newspapers that heap praise on the com-

pany. The praise is for the company's voluntary act of disclosing a hypothetical income statement prepared as if the stock options that the company issued to its employees carried an expense that was deducted in arriving at net income. U.S. companies do not have prepare such an accounting of stock options; all they must do in order to comply with generally-accepted accounting principles is to disclose such costs in a footnote.

- One of the hyperlinks under the heading "The Microsoft 1997 Annual Report" leads to "*alternate views of the Microsoft income statement*," a webpage that in turn offers users the choice of clicking on additional hyperlinks that will transport them to any of six webpages on which the company's 1997 income statement is transformed into an income statement in one of six "local languages, currencies, and accounting conventions." The choices include: Australia, Canada, France, Germany, United Kingdom, and Japan. It should be noted that this website feature was one of the main reasons that the company received its TechInvestor Poll award. So, a French user could hyperlink to the French webpage to see what Microsoft Corporation's 1997 income statement would look like, expressed in francs, using French accounting principles and, of course, la belle langue. Unfortunately, the exercise would be a grand waste of time, since accounting principles developed in one country reflect the history and customs of that country, and managers running businesses in that country would be expected to make decisions *given the accounting principles they face*. So the resulting hypothetical income statements are entertainment, but strongly seductive entertainment (which is not to say that they are a bad thing) which helps make the "good" Microsoft case.

It is possible to go on and on, but the point has been made: Microsoft Corporation's Internet-based corporate financial reporting is crafted with the "science of human attention-structures" potential of the Internet in mind. Corporate financial reporting has been transformed by the combination of digital technology, hypertext, and global interneting, and the rhetorical result deserves to be held up to the light of day since cyberspace accounting surely does not just report the facts, as if accounting ever did. But it is possible that the surface has only been touched by recounting that corporate financial reporting on the Internet is a rhetorical practice; after all, even though this assertion runs counter to the avowed objectivity claimed by the accounting profession, it is almost commonplace to acknowledge that virtually all speech acts, written communication, visual communication, and of course web activities, are rhetorical. It may be that the more fundamental aspect of rhetoric with respect to corporate financial reporting on the Internet is related to the concept of *presence*, by which the user is psychologically, emotionally, perhaps even virtually, transported into the realm of the company. The website, and especially for our purposes its financial reporting webpages, *become* the company, at least in some sense. Lombard and Ditton (1997) extend the concept of presence to the concept of *telepresence*, by which a computer-mediated (or other technological) experience seems *not* mediated. What effects might financial accounting and other corporate reporting have, ultimately, when users are subject to the rhetoric of telepresence?

THIRD CLOSE READING: Website Corporate Financial Reporting Metaphors as Means of Structuring Thought

A metaphor is not an ornament. It is an organ of perception

—Postman, 1996, p. 174

Although far from being uncontroversial, the emergent modern theory of metaphor, based upon the work of Lakoff and Johnson (1980) and others, and summarized in Lakoff (1993), offers tantalizing evidence regarding the metaphorical structure of human cognition. Lakoff (1993, p. 203) avers that “. . . the locus of metaphor is not in language at all, but in the way we conceptualize one mental domain in terms of another.” He continues:

. . . The general theory of metaphor is given by characterizing such cross-domain mappings. And in the process, everyday abstract concepts like time, states, change, causation, and purpose also turn out to be metaphorical.

The result is that metaphor (that is, cross-domain mapping) is absolutely central to ordinary natural language semantics, and that the study of literary metaphor is an extension of the study of everyday metaphor. Everyday metaphor is characterized by a huge system of thousands of cross-domain mappings . . .

. . . The term “metaphorical expression” refers to the linguistic expression (a word, phrase, or sentence) that is the surface realization of such a cross-domain mapping . . . (p. 203)

Works based upon the modern theory of metaphor have analyzed the role of metaphor in legal reasoning (Winter 1989), public policy rhetoric during the Persian Gulf War (Rohrer, 1995), and American political discourse (Lakoff, 1996), among others. And the relationship of metaphor to ideology in an important public education report has also been examined (Miller & Fredericks, 1990). So, given the importance of metaphor in its Lakoff-Johnson sense in cognition and education (as Postman (1996, p. 174) asks—rhetorically, no less “Do I exaggerate in saying that a student cannot understand what a subject is about without some understanding of the metaphors that are its foundation?”), it seems essential to develop curriculum in higher education accounting and related business courses that at the very least sensitize students to the metaphors (and their entailments and implications) and ideal cognitive models out of which corporate Internet financial reporting is constructed.

From a somewhat more traditional perspective, Petrie and Oshlag (1993) write:

Metaphors in education have traditionally been viewed as occasionally heuristically useful but essentially ornamental, and sometimes as downright pernicious. We have argued that metaphors are essential for learning in a number of ways. They may provide the most memorable ways of learning as well as critical affective aids to learning, and thus be our most efficient and effective tools. But further, they are epistemically necessary in that they seem to provide a basic way of passing from the well known to the unknown. Such a formulation is somewhat misleading, however. The crucial use of metaphor is in moving from one conceptual scheme with its associated way of knowing to *another* conceptual scheme with its associated way of knowing . . . (p. 608)

As an illustration of metaphor in web-based corporate financial reporting, I briefly examine metaphor in the “President’s letter” portion of the web financial reporting of the Walt Disney Company.

In the late 1990s, the Walt Disney Company is a very successful diversified multimedia and entertainment organization, with interests in feature films (live action and

animation), film distribution, television broadcasting (including the ABC network), cable, radio, publishing, sports, theme parks, and many other related areas. The company, mainly through its classic films (such as *Pinocchio*, *Fantasia*, *The Lion King*, and others), cartoon characters (such as *Mickey Mouse*, *Donald Duck*, and others), and family-destination theme parks, is one of the most well-known companies in the world, and has been so for over half a century. For the fiscal year ended September 30, 1996, Disney earned revenues of \$US18.739 billion and reported net income of \$US1.534 billion, ranking it among the largest and most powerful corporations (Source: 1996 Annual Report, <http://www.disney.com>).

For this third close reading, we will examine aspects of Michael Eisner's (The Walt Disney Company's Chairman and Chief Executive Officer) letter "To Disney Owners and Fellow Employees," which is the first content item in the 1996 annual report as it is on the company's website (<http://www.disney.com>). Specifically, the first of the three webpages devoted to this letter is analyzed briefly. For comparison purposes, I kept the hardcopy at hand. Some differences between the two versions are set out in Exhibit 3. To me, the web version looked friendlier, more attractive, more readable; consequently, I regarded the two documents as different, even though the word content was identical. The assumption underlying this close reading is that Eisner's letter is a web-influenced corporate financial reporting document. To facilitate discussion, the letter excerpt's content is reproduced in Exhibit 4.

The metaphorical focus of the analysis is based upon the schematic in Exhibit 5. This schematic outlines a relatively complex set of metaphors suggesting that Eisner is the successor to the *Walt* mantle (which is, itself, a social construction (see Bryman, 1995)); Eisner is—metaphorically—*Walt*. And *Walt* is the *Father* who (according to Eisner's letter) "built" a "remarkable company," and the lessons learned by Eisner both from *Walt* and Eisner's own prior career "have helped in planning where The Walt Disney Company"—which is, after all, *Walt's* company, his family—"should go in the future." Eisner tells us that he is writing in "the living room of my family's farmhouse in Saxtons River, Vermont, where I have been going for the Thanksgiving holidays for 35 years."

Exhibit 3. Comparison of Michael Eisner's Letter in the 1996 Disney Annual Report: Hard Copy versus Web Version

<i>Item of Comparison</i>	<i>Hard Copy</i>	<i>Web Version</i>
Photograph of Eisner	Large, dominates page	About one-third the size; small on web screen
Number of columns	Two, with narrow margins	One, with wide margins
Context/hyperlinks	Hyperlinks do not exist, of course, in hard copy.	Left-hand side of page contains 18 hyperlinks to various other Disney web pages; the "friendly" Walt Disney logo is on top of the page.
Ease of reading	Layout seems less "user-friendly" than web version.	Layout seems much easier to read than hardcopy, but computer screen still (as of late 1997) not as congenial as good hard copy.
Photographs (other than of Eisner)	Three, placed at "casual" angles. All of people.	One graphic of a dalmation puppy with a French beret.
Number of sections	One	Three sections, connected by hyperlinks.

Exhibit 4. First Webpage of Michael Eisner's Letter in the 1996 Annual Report

Last week I was trying to write this letter in the living room of my family's farmhouse in Saxtons River, Vermont, where I have been going for the Thanksgiving holidays for 35 years. At my side was the cover of the annual report with its hundred and one dalmatians staring at me, begging me to begin. But I was stuck. The Florida/Florida State football game, broadcast on ABC, was in the background and I found myself looking up every time I saw a McDonald's/dalmatians commercial. Cute dalmatians everywhere, each one saying, Get to work. But then there was this overwhelmingly positive review from a Boston television station for our movie The English Patient that I had to listen to, and of course I had to take a call from Florida reporting excellent attendance at Walt Disney World. I then called our European headquarters to learn that The Hunchback of Notre Dame opened with extraordinary results in 12 territories, including France, Germany, Belgium, Switzerland and Holland. This motivated me to make more calls: dialing, still not typing. I found out The Rock would likely become the biggest home video rental of all time and that Toy Story's video release was selling at superb rates. Finally I got the call that unlocked my procrastination. 101 Dalmatians was a smash. It would break every possible record at the box office for the Thanksgiving break. It was huge, massive! Now, as soon as the Mighty Ducks hockey game against the Chicago Blackhawks at the Pond in Anaheim on ESPN was over, I would finally begin to work. We wouldn't have to change the cover of our annual report. The Dalmation's had come through!

As I started to write, I thought about how thankful I was for not only Disney's good fortune, but for the continuity of the gathering of my family and the sense of support I get from it. At the same time, I am aware that nothing stays the same. The joy of welcoming new members into our family, by birth and by marriage, is offset by losses. This summer, my mother and mother-in-law passed away. Jane, my wife, and I feel the losses keenly. And perhaps that is why I find myself in a more reflective mood than usual.

I have thought a great deal about Disney's future in recent years. It has been more than three years since I walked into the late Frank Wells' office and said to him, "We really have to start thinking about reinventing Disney—again." The last two companies I worked for, ABC in the '60s and early '70s and Paramount in the '70s and early '80s, had become number one in their respective industries, only to begin to stagnate after a decade of success. Some executives grew complacent and self-satisfied. Talking about past successes replaced original thinking and risk-taking. I had found over my career that managing your way out of failure is often easier than managing sustained success. I wanted to get control of the seven-year itch before it became a rash—I wanted to be decisive. I wanted to give specific direction to our employees.

It was like a parenting conversation. You know (kind of) what your children should do, (kind of) the direction they should go, and how to (kind of) explain new math. But you have to do it with authority and confidence. I knew it was time to move executives around, in order to re-excite them about their work and their lives. I knew we would have to change the company, take some chances, enter new businesses, even make outside acquisitions. I also knew that we would have to continue to nurture and protect the Disney brand and to reaffirm core values such as our commitment to quality and service, which had made us so successful in the first place. And I knew that reinvention represented a delicate balancing act. After a lot of talk, I finally suggested to Frank that we should write a book. By doing so we would document what we were doing and place discipline and a timetable behind it. I just knew that I would be most effective with a deadline to meet, a hurdle to jump. A book would provide both.

Frank died a year into the book. We never expected the reinvention to take a tragic step. But it did. I have continued writing the book, now in its third year and finally reaching completion. It has evolved, but basically it is still subtly about change. It is about creating change before change creates you. Writing the book has prompted me not only to look forward, at new opportunities and challenges, but backward both at the remarkable company that Walt built and the lessons I learned during the two decades I spent at ABC and Paramount and my first decade at Disney. Those reflections have helped in planning where The Walt Disney Company should go in the future.

Over the last decade the Disney Company has grown 610 percent, and almost half of that growth has come from businesses that did not exist in 1985. This year we closed the acquisition of Capital Cities/ABC, which further adds to the size and breadth of the company.

The list of businesses that are new to Disney since 1984 includes:

- o international film distribution;*
- o television broadcasting;*
- o television station ownership;*
- o expanded ownership of cable systems;*
- o radio and radio network broadcasting;*
- o ownership of radio stations;*

Exhibit 4. (Continued)

-
- o newspaper, magazine and book publishing;*
 - o The Disney Stores;*
 - o the convention business;*
 - o live theatrical entertainment;*
 - o home video production;*
 - o interactive computer programs and games;*
 - o online computer programs;*
 - o sites on the World Wide Web;*
 - o ownership of professional sports teams;*
 - o telephone company partnership (Americast) to produce and provide programming for distribution over home telephone lines; and coming over the next 12 to 18 months,*
 - o Disney Regional Entertainment, which will include a variety of new Disney entertainment and education ventures at locations around the country and the world; and*
 - o Disney Cruise Line.*

We have had a staff lunch every Monday for the last 12 years. This is the place where we talk about our achievements, agonize over our failures and plot our future. It is pretty much a free-for-all where anything can be said and no feelings should be hurt. It is here where our company creates synergy, and now with the acquisition of ABC, the avenues of additional cross-pollination are awesome. For every ten bad ideas, there is one good one; and for every ten good ones, there is one that is practical. And if we get one practical good idea every fourth lunch, we will grow and change the company. I don't think a business school could teach this kind of management. It's a little loose. But it works for us. So we'll keep it.

The experience of accomplishment or quiet appreciation (who am I kidding? I never stop talking about it) really struck home for me during the kick-off of Walt Disney World's 25th anniversary and celebration, which continues throughout 1997. During a round of openings and dedication ceremonies in which I traveled around our giant Florida property, I was suddenly aware of how much the resort has grown and changed since I first joined Disney in 1984.

In 1971, the year the Magic Kingdom opened, Walt Disney World consisted of one theme park and a total of 1,808 hotel rooms on property.

By the time I came aboard a dozen years ago, there were two theme parks, 6,373 rooms on property, one small water park and 26,000 square feet of convention space.

The Walt Disney World I visit today has three theme parks, 23,421 rooms on property, two very large water parks in addition to the original, two nighttime entertainment centers and two vacation club complexes. It also has 234,000 square feet of convention space, six championship golf courses and an Indy Car race track.

And the growth continues. Next year we will add 2,000 more rooms and a 95,000-square-foot convention center at the new Disney's Coronado Springs Hotel, not to mention our giant new sports complex, which will be home to the U.S. Amateur Athletic Union (AAU), the spring training site for the Atlanta Braves and the training site for the Harlem Globetrotters.

And to top it off we will open our largest theme park ever, Disney's Animal Kingdom, in early 1998. That is the same year we also will launch our two new Disney cruise ships, which will allow us to offer vacations that combine visits to Walt Disney World with a Caribbean cruise. Meanwhile, we are finally moving forward on a second theme park called Disney's California Adventure adjacent to Disneyland in Anaheim, and plans are also in advanced stages for Tokyo DisneySea, a second theme park adjacent to Tokyo Disneyland.

Our theme parks and resorts segment remains a strong growth business. The Disney style of vacationing with its diverse range of entertainment, educational and athletic experiences that can be found nowhere else continues to grow in popularity among people of all ages from every part of the world. So long as we design with unlimited imagination, attain the highest levels of quality in our execution and maintain our standards for the finest hospitality—"goals to which we are firmly committed"—our theme parks and resorts will continue to grow and flourish.

The metaphor of *Family* appears throughout the letter excerpt in Exhibit 4. Eisner is in his family farmhouse, where over the years there has been a “continuity of the gathering of my family and the sense of support I get from it.” Families experience the “joy of welcoming new members into our family” and the keen losses when loved pass away. Companies also experience the joy of welcomings and the pain of losses: the death of Frank Wells and the “list of businesses that are new to Disney.” And, like a family, a business—especially the business that *Walt* “built” (built like a house, a family house, with a strong foundation?)—needs “parenting.” And although parents don’t know everything (Eisner’s use of the phrase “Kind of” three times as he describes the “parenting conversation”), they must do what needs to be done “with authority and confidence.” Notice how many times Eisner uses the personal pronoun “I” in this key paragraph:

It was like a parenting conversation. You know (kind of) what your children should do, (kind of) the direction they should go, and how to (kind of) explain new math. But you have to do it with authority and confidence. I knew it was time to move executives around, in order to re-excite them about their work and their lives. I knew we would have to change the company, take some chances, enter new businesses, even make outside acquisitions. I also knew that we would have to continue to nurture and protect the Disney brand and to reaffirm core values such as our commitment to quality and service, which had made us so successful in the first place. And I knew that reinvention represented a delicate balancing act. After a lot of talk, I finally suggested to Frank that we should write a book. By doing so we would document what we were doing and place discipline and a timetable behind it. I just knew that I would be most effective with a deadline to meet, a hurdle to jump. A book would provide both.

This sort of “father” model is similar to what Lakoff (1996) calls the “Strict Father” model, in which:

This model posits a traditional nuclear family, with the father having primary responsibility for supporting and protecting the family as well as the authority to set overall policy, to set strict rules for the behavior of children, and to enforce the rules . . . (p. 33).

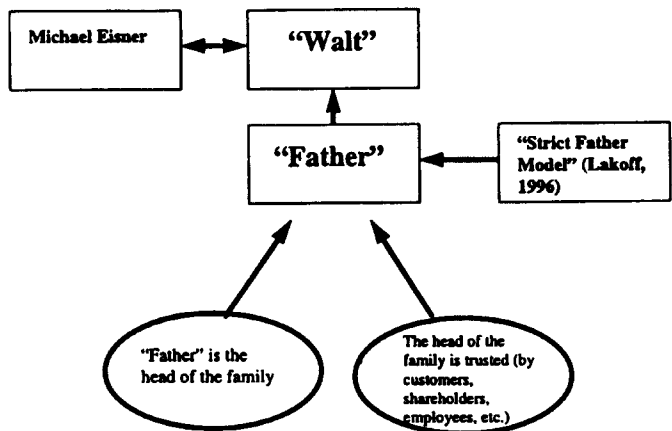


Exhibit 5. One of the dominant metaphors in Eisner’s letter

Lakoff argues that such a model is at "the center of the conservative worldview" (1996, p. 33). So, the argument in this close reading is that Eisner is (metaphorically) *Walt*, who in turn is (metaphorically) the *Strict Father*.

This sequence of metaphors is consistent with Bryman's (1995) and others' contention regarding the carefully constructed image of the real, human Walt. Thus, the leader (head of the family) of The Walt Disney Company must be a *Walt* (at least metaphorically), or rather what we view as the constructed image *Walt*. Nobody but someone who is (metaphorically) *Walt* can successfully adopt the role as head of The Walt Disney Company; for validation, just look what happened when *non-Walts* were in charge, as during what Bryman (1995, p. 37) calls the "years of languish, 1972–1984." Of course, it really doesn't matter what the real Walt Disney was actually like, since the source domain (Lakoff, 1993) for the metaphor is the constructed image of Walt, an image which had been under construction since the 1930s. This complex metaphorical construction is (re-) constructed and reinforced using financial reporting on the web. It encourages shareholders, employees, and others to place a considerable amount of trust and authority in the hands of whoever rightfully takes on the *Walt* mantle, so that (for example) new acquisitions that the "father" has decided are right for the family such as the purchase of the ABC broadcasting network are similar to the joyful occasion of admitting a new family member through marriage, say. And when, as Eisner's letter excerpt notes in Exhibit 4, he had "to move executives around," "take some chances," even "start thinking about reinventing Disney," all this tough medicine would be taken "to nurture and protect" and within the framework of the "core values" of the "remarkable company that Walt built." As the old TV show told millions of kids each week, *Father Knows Best*.

There is a considerable amount of speculation in a metaphorical analysis like this, but the patterns of words and their interconnections over time to images established for many years, seem to provide some support. And the presence of the letter as part of Disney's corporate financial reporting on *the Internet* is of crucial significance, since:

- The letter is housed within a set of webpages, which are different in design than the corresponding hard-copy versions, more attractive and readable, and hypertextual;
- The extent of dissemination is enormous, potentially covering everyone in the world who has access to the World Wide Web. This makes the potential of metaphor as a means of influence quite striking. It also makes the apparent revelations into the images and metaphors that influence the *letter-writer's* thinking even more striking, since here we have the head of a major media conglomerate, a company that has the power to influence the opinions and behaviors of millions of adults and children, seemingly operating under at least a version of the "Strict Father" model, with its conservative entailments;
- The letter helps to construct and reconstruct a narrative, a sort of legend, about the company and its leadership that may modify how a vast array of stakeholders and others affected by the company react to the company's business and accounting decisions;
- The letter is just one part of the company's annual report, which is in turn just one part of the company's "Investor Relations" portion of its overall website that numbers in the hundreds of pages or more. That is, at the company's main homepage (<http://www.disney.com>), which calls itself "THE WEB SITE FOR FAMILIES,"

the hyperlink to "Investor Relations" is the sixteenth one down a list featuring links to "Walt Disney Pictures," "Walt Disney World," and so on. This has the effect of simultaneously marginalizing corporate financial reporting (since its only one of many hyperlink choices, and the sixteenth one at that!), and reinforcing the metaphorical structure underlying Eisner's letter (since the metaphors in Eisner's letter regarding family and family values resonate throughout the *entire* website).

FOURTH CLOSE READING: A Deconstruction

The use of deconstruction as an approach, a strategy, of close, critical reading, is suggested as one way to assist university accounting and business students to engage in their own disruption of the seemingly-natural worldviews surrounding corporate financial reporting via the Internet.

Deconstruction, although not without its critics (see Culler, 1982, from the perspective of literary criticism; Postman refers to deconstruction as "the metaphysics of meaninglessness." (Postman, 1996, p. 24)), and not immune from caricature (Schwartz, 1993), has been used as the basis for critical analytical strategy in a wide variety of areas, including organization studies (Cooper, 1989; Kilduff, 1993; Martin, 1990), English language and literature education (Crowley, 1989), consumer research (Stern, 1996), the visual arts (Brunette & Wills, 1993), accounting research (Amernic, 1997; Arrington & Francis, 1989; Okcabol & Tinker, 1990), information systems (Beath & Orlikowski, 1994), in accounting education (Amernic, 1996) and management education (Summers, Boje, Dennehy, & Rosile, 1997), and many others. The rise of the Internet, with its hypertextual character, seems a seductive arena in which to marshal deconstruction in its varieties. Indeed, even before the recent mass globalization of the Internet's embrace, Landow (1992) began one of his books by pointing out that:

When designers of computer software examine the pages of *Glas* or *Of grammarology*, they encounter a digitalized, hypertextual Derrida; and when literary theorists examine *Literary Machines*, they encounter a deconstructionist or poststructuralist Nelson. These shocks of recognition can occur because over the past several decades literary theory and computer hypertext, apparently unconnected areas of inquiry, have increasingly converged. (p. 2)

Although deconstruction may be approached from several perspectives, in this paper Martin's (1990) analytical strategies are followed, since they have been found useful in other work in the organizational sciences (Amernic, 1996; Beath & Orlikowski, 1994). Specifically, similar to Beath & Orlikowski's (1994) description of their deconstruction project involving a widely-used systems development text, corporate financial reporting webpages were closely read so that

... each passage, figure, chart, and table was examined for the presence of: dichotomies, contradictions, disruptions, naturalness claims, silences, marginalized elements, metaphors, and double-entendres ... (pp. 354-355)

Deconstructive efforts offer an opportunity for accounting students to attempt to break out of the intellectual shackles that may bind their reading of text or interpretation of events. The problem is that deconstruction cannot be reduced to a nice, pre-packaged 'method,' although some guidelines are available. (For example, Okcabol & Tinker (1990) offer "[s]ome general guidelines for deconstructing positive theory and neoclassical

thought . . . ” (p. 76).) The paper by Martin (1990) is a reasonable candidate for pre-reading by accounting students before they attempt to engage in a deconstructive analysis of any accounting “text.” Martin’s paper, although it does not deal with accounting nor with hypertext, is written from a feminist perspective, and may be rather long for some students, has the following advantages:

- It deconstructs a short (six-line) text;
- It contains a very readable introduction to deconstruction;
- The author describes each deconstructive move before it is made; and,
- The author provides a succinct summary of analytical strategies that may be useful in deconstruction (Martin, 1990, p. 355).

An assignment might read as follows (assuming that students, since they are members of the “computer age,” are already familiar with the concept of hypertext) :

Read the article by Martin (1990), followed by the article by Amernic (1996), and attempt to apply the perspective of deconstruction to a sample of text over several webpages from [a company’s] corporate financial reporting on the Internet.

Martin (1990) observes that:

Categories that had seemed to be mutually exclusive opposites are revealed to be inextricably intertwined. Any dichotomy could be a candidate for deconstruction, although the dismantling of any single dichotomy cannot encapsulate or exhaust analysis of all the ramifications of a text. One good starting point is a dichotomy that is so central to a text’s unstated, fundamental assumptions that its deconstruction can serve as fulcrum point for prying open deeply embedded alternate interpretations of the text. (pp. 342–343)

While it is unrealistic to expect accounting and business university students to read, with enthusiasm and commitment and the prospect of understanding, Derrida’s original works (which, along with the work of other adherents, has a justly-deserved reputation for impermeability and obtuseness (see, for example, the critique by Ellis, 1989), it is possible to adopt what Lehman (1991, p. 118) terms a “soft-core” deconstruction. This is done by requesting that students read an application such as Martin (1990) or Beath and Orlikowski (1994) rather than the original works, followed by an application in accounting education that is based upon the analysis of non-hypertext (Amernic, 1996). Following this, students perform a close reading of a corporate financial reporting website, such as the one briefly illustrated for Imasco Limited, which follows.

* * *

The Company—Imasco Limited Established originally as Imperial Tobacco, Imasco reinvented itself 25 years ago as a holding company with operating companies in the following businesses:

- Imperial Tobacco—tobacco products, with 66.3% of the Canadian market share, 1995 revenues net of tobacco taxes and duties of \$CDN 1.4 billion, and 1995 earnings from operations of \$CDN 645 million;

- CT Financial Services—personal banking and investment management services, with 1995 revenues of \$CDN 4.5 billion and net earnings attributed to common shareholders of \$CDN 241 million;
- Hardee's Food Systems—the fourth-largest U.S. hamburger chain, with system sales of \$CDN 6.2 million, revenues of \$CDN 2.5 billion, and earnings from ongoing U.S. operations of \$CDN 27 million;
- Shoppers Drug Mart/Pharmaprix—the major Canadian drugstore group, with 1995 system sales of \$CDN 3.3 billion, revenues of \$CDN 192 million, and earnings from operations of \$CDN 92 million;
- Genstar Development Company—a residential real estate developer, with 1995 revenues of \$CDN 69 million, and earnings from operations of \$CDN 21 million.

According to the company's *Annual Information Form* for the year ended December 31, 1995 (p. 4; dated as of May 1, 1996, and filed with the Ontario Securities Commission), Imasco has approximately 66,400 full and part-time employees as of December 31, 1995.

This company was chosen to illustrate the fourth reading mainly because it had been a major force in Canadian tobacco for decades and had diversified into unrelated fields, including drugstore retailing. The apparent inconsistency of being—simultaneously—the Canadian leader in tobacco and the Canadian leader in drugstores was fascinating, and suggested the following central theme for a reading of the corporate financial reporting website: the relationship between the banality of the technical business of managing and profiting from a *portfolio of businesses*, and the inherent evil of the tobacco trade. (This play on Hannah Arendt's "the banality of evil" (Arendt, 1964, 1971) is intended to focus attention on the rhetoric of corporate financial reporting which has as its effect the submersion of issues such as profiting from death and misery (Imasco's tobacco trade was responsible for \$645 million of the company's \$CDN 891 million in earnings from operations in 1995 so, in spite of its re-invention of itself the company was still very much a tobacco company—profiting from "corporate downsizing", etc.))

Separating the company's website into two parts, corporate financial reporting and *not*-corporate financial reporting, proved to be a problematic exercise, since the two melded into one another. For example, webpages devoted to more general, non-financial corporate communications had financial accounting content, and in any event the corporate financial reporting webpages were embedded within the context of the company's entire website.

The beginning of a "soft-core" deconstruction attempt: A website, including its financial reporting, may include text, graphics (including photographs), motion, sound, and interactivity, all operating within a hypertextual environment. Gibson (1996) observes that:

Narrative remains, but in somewhat altered form. Linearity and sequence are no longer its driving values. Multi-threaded storytelling, and the elements associated with constructing such a story take center stage. Associations, links, and choices inform the rhetoric of the web. (p. 22)

First move: Imasco's homepage <<http://bce.ca/imasco/>> I began my deconstructive attempt at Imasco's homepage, which strikes me as a rather austere, no-nonsense homepage. It contained three main elements that attracted my attention:

1. *A dichotomy between Imasco the corporate entity and its operating units.* This dichotomy is constructed both visually (as a very strong graphic in which CORPORATE is counterpoised against COMPANIES) as well as in (hyper)text. But the corporate is clearly privileged, since it appears on the left in the graphic (the conventional starting point for English readers) and (more importantly) is mentioned first in the text while the COMPANIES are just the operating units which provide merely the "details."

An important aspect of this dichotomous construction is revealing. The dichotomy is consistent with the view from the academic and professional literature of financial management that the corporation's role is to manage a *portfolio* of assets with a goal of *optimizing* the (abstract) shareholder's return/risk tradeoff. The particular assets, that is that actual companies inhabited by real, live people, do not matter in this view, they are acquired and shed according to the strategic necessities of the CORPORATION. The particular businesses that the CORPORATION currently has in its portfolio are in there purely for reasons of finance: portfolio balancing, managing overall risk, ensuring adequate diversification; the CORPORATION could just as easily be in different businesses next year.

This dichotomy submerges the tobacco engine which drives Imasco's profits, as well as the stark counterpoint of being in the tobacco and health care (drug-store) businesses at the same time.

2. *The salutation:*

**Welcome to Imasco, a leading
Canadian consumer products
and services growth company.**

Imasco is now the "company". And it has four important distinguishing characteristics, according to this webpage:

- It is a "leading" company.
- It is a "Canadian" company.
- It is a "consumer products and services" company. (But not, apparently, fundamentally a tobacco company?)
- It is a "growth" company. Corporate expansion and growth are what fuels the capitalist engine, everything else (such as what drives the growth-- tobacco and fast-food profits, for example) is merely part of the portfolio balancing act, and is not worth mentioning on this entry-point webpage.

What is omitted in this salutation is as important as what is included.

3. *The link to "WHAT'S NEW."* The NEWS icon intrigues me. What would Imasco wish its website visitors to receive as being of current and immediate import about the company? What's newsworthy? I took the bait, and hyperjumped to:

Imasco's WHAT'S NEW PAGE <<http://bce.ca/imasco/e/new/>> I visited this page several times throughout late October and early November 1996. The page's three categories of news items (*press releases*, *second quarter results*, and a link to the *annual report*) were all financial and accounting in nature, and thus were entirely consistent with the portfolio culture introduced at Imasco's homepage. But one aspect of this webpage is of pressing interest: One would think that potentially-crucial product-related news affecting the company, its customers, and its shareholders would be a singular feature of a webpage headed WHAT'S NEW with a reinforcing NEWS icon. However, the webpage was silent about the research published in the journal *Science* in October (Denissenko, Pao, Tang, & Pfeifer, 1996) that provided the "first direct smoke-to-cell evidence of the carcinogenicity of tobacco smoke" (Ingram, 1996, p. B8). Indeed, the authors of the research article make the following riveting conclusion:

The coincidence of mutational hotspots and adduct hotspots suggests that benzo[a]pyrene metabolites or structurally related compounds are involved in transformation of human lung tissue. Our study thus provides a direct link between a defined cigarette smoke carcinogen and human cancer mutations. (Denissenko et al., 1996, p. 432)

This news received widespread publicity in the popular press, and since "The quality of the evidence is compelling" (Ingram, 1996, p. B8), this surely is newsworthy to Imasco's various stakeholders since, at the very least, it could threaten the two-thirds of the company's operating profits that come from tobacco products. But at a more substantial level, the "consumers" of this self-styled "leading Canadian consumer products . . . company" would undoubtedly be keenly interested in Imasco's laying-out of both the facts of the research and the implications for the well-being of the consumers of its product. But no such NEWS appeared on <<http://bce.ca/imasco/e/new/>>. This should hardly be surprising, since Imasco's objective with respect to its Imperial Tobacco subsidiary is to "continue to build on its strong Canadian trademarks and expertise to generate market share growth" (Annual Information Form, p. 10), and thus has little to do with the well-being of its consumers other than in a superficial, smoking *lifestyle* sense. Thus, we have the contradiction between the abstract language of finance, management, and marketing theory and practice (which engages in ruminations about "portfolios" of "assets", building "market share growth", serving the needs of the "consumer, etc.) versus the lived reality of making money off carcinogens, fast-food, and downsizing. When the veneer of abstract language is peeled away, all the seemingly-neutral and sanitary words serve as ground for the ugly reality.

EPILOGUE

A new technology does not add or subtract something. It changes everything

—Postman, 1993, p. 18.

There's a school of thought that says corporate financial reporting via the Internet is just an electronic version of disseminating paper-based financial information, a sort of 'hyper-space hardcopy,' and many corporate first and second generation financial reporting websites seemed to have been constructed with just this view in mind. But this is a very myopic

Exhibit 6. Some Reasons Why Financial Reporting Via the Internet Can't Be The Same as Via Hard-Copy

<i>Internet Financial Reporting Characteristic</i>	<i>Implication</i>
1. Immediacy; almost real-time (subject to bandwidth and other data-transfer constraints)	Users demand for information, including accountability information, increases. Managers may feel the 'heat' of real-time monitoring (Cushing, 1989); will it make them more risk-averse than they otherwise might be? Would it make them more interested in <i>strategically</i> arranging transactions and contracts to manage the (virtually constant and real-time) flow of information to outsiders?
2. Existing audience for financial reporting information is broadened and deepened; for example, shareholders and potential shareholders who previously may have relied almost exclusively on professional advisors now have barriers to accessing financial reporting information significantly lowered.	More activist shareholders and stock market participants. Perhaps more volatility in the stock and related financial instrument markets, since there is little time to reflect on information. And corporate managers, anticipating this, might be even more prone to strategically-arranging business events (see above cell in this Exhibit) than they otherwise might be. Barriers to ease of access might be designed into corporate financial reporting website pages.
3. A new audience: the 'public domain' (not just shareholders and others who have a direct stake in the corporation).	Demands for 'non-conventional' financial reporting information (environmental costs and liabilities; externalities; perhaps opportunity costs; more disaggregated disclosures; more detailed MD&A) increases.
4. Pressure to push back the boundary separating inside and outside information.	Demands for financial reporting closer to Barry Cushing's concept of 'database financial reporting' (Cushing, 1989).
5. Volume of financial reporting and related information can be increased significantly.	Perhaps a movement towards Sorter's (1969) 'events' approach.
6. Hypertext webpages.	The hyperlinks may give users the illusion of more control over the information they consume (they can 'choose' which links to follow through the corporate financial reporting portion of the website), but the links and the other media and multimedia features of the site are designed by management and management's consultants, with some intent and strategy in mind, even if at first unarticulated. So financial reporting on the Internet is really an endeavor of rhetoric in the classical sense (Aho, 1985; Barilli, 1989). It is not simply a neutral (but electronic) way of providing hard copy financial reporting.
7. Financial reporting information becomes almost commodity-like; it's just a part of a (often-extensive) website which includes a wide variety of commercial information and corporate advertising.	The distinction between financial reporting and other forms of corporate communications (such as self-promotion and advertising) becomes blurred.
8. Alive with graphics, movement, and different (multimedia) experiences. Different metaphors become important to comprehending financial reporting on the web.	Lakoff & Johnson's (1980) comment that (attributed to Charlotte Linde) "people in power get to impose their metaphors" (p. 157) since metaphors "can have the power to define reality" (p. 157), has important implications for financial reporting via the Internet.
9. Strategic approach to website financial reporting: how does website financial reporting fit in with overall corporate strategy and corporate communications strategy?	Website corporate financial reporting has the potential to become (indeed, in many ways is already) an important member of the "battery of belief-forming institutions . . ." (Tinker, 1985, p. 82).
10. The increasing ability of websites and their financial reporting to move closer to fulfilling the 'concept of presence' (Lombard & Ditton, 1997).	The website may, almost virtually, become the company to the user. Perhaps this is the most comprehensive, and inclusive, implication for financial reporting.

view which assumes that Internet technology will have little, if any, impact on the very nature of financial reporting itself. Neil Postman (1993) argues that

New technologies alter the structure of our interests: the things we think *about*. They alter the character of our symbols: the things we think *with*. And they alter the nature of community: the arena in which thoughts develop. (p. 20)

If we take Postman's ideas and apply them to financial reporting via the Internet, the suggestion is that this new technology might so disrupt what we think of as financial reporting that it might change beyond recognition. Some possible reasons for this are set out in Exhibit 6.

This changed nature of corporate financial reporting, when combined with the seductive character of the Internet and the worldviews regarding globalization and corporatism now washing over society, create an urgent need for a more critical pedagogy in university accounting and business studies especially. Such a pedagogy would be part of a curriculum that holds up to critical scrutiny the assumptions of what Barlow (1998) warns is "the global feudalism of the new economy" (p. 12), and thus would help us, as university educators, inch a bit closer to becoming "disturbers of the peace".

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