



Pragmatic and Idealist Public Accountants: Interpretation of Professional Ethics through Ricoeur's Hermeneutics

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Abstract

For the public accounting profession to remain viable, ethics is a crucial problem. This study aims to analyze professional ethics from a public accountant's viewpoint. In order to accomplish this, an approach based on Paul Ricoeur's hermeneutics is employed. According to Ricoeur, interpretation continues to be explained through conduct after understanding. The information was obtained through in-depth interviews with ten public accountants in Indonesia. Information about ethical transgressions will demonstrate consistency between public accountants' attitudes and actions. According to the study's findings, public accountants have various ethical perspectives. The idealist kind of public accountant views ethics as extending beyond compliance with the code of ethics and rules and grounds his behavior on the principles he believes in. The pragmatic type of public accountant limits ethics to compliance with the code of ethics and regulations. Different behaviors result from different understandings. While the idealistic public accountant can avoid unethical action, the pragmatic public accountant is easily drawn into it.

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Introduction

Public accountants have much duty, especially in preserving the public interest. According to Caglio and Cameran (2017), the roles that accountants must be able to perform inside an economic system will be primarily based on their capacity to uphold strong ethical standards. Public accountants are moral agents (moral agents) trusted by different parties or the community; therefore, to uphold this confidence, they need to be morally upright (Francis, 1990). Public accountants' primary responsibility is safeguarding the public interest, so their nobility and moral integrity are extremely significant (Libby & Thorne, 2007). Therefore, one of the factors influencing whether public accounting will still be around in the future will be how public accountants behave. Unfortunately, various accounting practices that go against professional ethics still happen, even though there are institutions that supervise them.

Various accounting scandals involving public accountants in various countries have been summarized by Jones (2011: 509) and Kizil and Kasbasi (2018), including the cases of Enron, Worldcom, Lehman Brothers, and Hewlett Packard (United States), HIH Insurance (Australia), Zhenzhou Baiwen (China), ComRoad, Flowetex, and Siemens (Germany), Bank of Crete (Greece), Satyam (India), Parmalat (Italy), Kanebo, Livedoor, Nikko Cordial and Fuji Xerox (Japan), Royal Ahold (Netherlands), Afinsa and Forum, and Filatellico (Spain), ABB and Skandia (Sweden), Polly Peck (UK), Ciftlik Bank (Turkey), Samsung BioLogics (South Korea). These cases even involve KAPs affiliated with the big five or four. Likewise, in Indonesia, several similar cases have been reported by the media, including the cases of PT Kereta Api Indonesia, PT Muzatek Jaya, PT Bank Global International, Kimia Farma, Asuransi Jiwasraya, KPMG - Siddharta Siddharta and Harsono, PT Sunprima Nusantara Financing and PT Garuda Indonesia. Similar cases in various countries, including Indonesia, illustrate that ethical issues are important issues that need to be continuously studied to find the best solution. Ethical violations have become a widespread social problem and can threaten the reputation of professional accountants worldwide (Flanagan & Clarke, 2007). Some of the impacts caused by the behavior of accountants can be seen clearly in these cases.

An understanding of ethics is a requirement that accountants must meet to be able to behave ethically. Only when accountants can understand ethical and moral principles well, will they be able to control their thoughts and behavior and build walls to prevent corruption and other deviant behavior (Cheng, 2012). Understanding is influenced by pre-understanding, namely initial understanding from experience, sociohistorical-cultural factors, and one's stock of knowledge (Gadamer, 2008). Pre-understanding is central to interpretation, and therefore no interpretation is value-free. Each public accountant can have a different pre-understanding that has the potential to give rise to a different understanding of ethics. Understanding is characterized by the primacy of the subject so that it needs to be moved towards objective meaning (Ricoeur, 2016: 47). Therefore, following Ricoeur's concept of interpretation, this study not only explores public accountants' understanding of the ethics of their statements but also explores their behavior to explain and see if they are consistent with what is disclosed.

This study aims to interpret professional ethics from the perspective of public accountants. Ethics is considered a text to be interpreted by public accountants. The text of ethics can be interpreted denotatively because the enforcement of public accountant ethics has so far been carried out with various regulations, including the code of professional ethics, which is a text. In addition, meaningful actions can be considered as texts (Ricoeur, 2016, p. 354), so the actions of public accountants are also texts (in a connotative sense) in this study. Efforts to bring together the

subjective meaning of ethics through public accountants' statements with objective meanings through their actions are expected to be able to provide better answers.

Literature Review

Ricoeur's Hermeneutics as Methodology

Paul Ricoeur was born in Valence, Southern France, in 1913. He comes from a devout Protestant Christian family and is seen as a scholar in France (Ricoeur, 2016, p.17). Ricoeur's thinking is outside the three traditions of hermeneutic thought: romantic, philosophical, and critical hermeneutics. Instead, Ricoeur is a mediator or philosopher who mediates between various schools of thought in hermeneutics, especially from the romantic hermeneutic tradition of Schleiermacher and Dilthey and Heidegger's philosophical hermeneutics (Bleicher, 1981). Ricoeur's hermeneutics is at the intersection of interpretive and critical paradigms because it combines understanding and explanation. Ricoeur's relational approach to hermeneutics explores phenomena both subjectively and objectively. Bologna et al. (2020).

Ricoeur (2016) states that the text is an embodiment or derivative of "speech" (spoken language). "Speech" has a different reference system from the text; namely, speech is tied to the context of "I, here, now". Once speech becomes text, the reference system changes for the readers. A single spatiotemporal context no longer binds text. The code of ethics is the main text that becomes a guideline for public accountants in their profession. The code of ethics for Indonesian public accountants was adopted from the Handbook of Code of Ethics for Professional Accountants published by the International Ethics Standards Board for Accountants of the International Federation of Accountants (IESBA-IFAC). However, recognizing the differences in sociohistorical and cultural factors with different values, not all IFAC member countries adopt the code of ethics proposed by IFAC. Pike and Aroztegi (2014) investigated IFAC members consisting of 165 national accounting organizations from 125 countries and found that almost 60% of them had adopted the IFAC code of ethics, and the rest had yet to adopt or choose to develop their code of ethics.

In a written text, the message will experience three forms of autonomy: autonomy from the author's intent, autonomy from the sociohistorical context that underlies it, and autonomy from the initial target group (Ricoeur, 2016). The consequence of this autonomy is that the text becomes open so that the text can be decontextualized, and at the same time, it can be recontextualized in new situations with new meanings according to the context of the readers. For example, Indonesian public accountants have sociohistorical and cultural backgrounds that differ from the country where the international code of ethics was created. Therefore, various interpretations can occur with the autonomous nature of the text. Likewise, various regulations are used to regulate the behavior of public accountants. Therefore, regulators and public accountants can autonomously have different pre-understandings and goals to provide interpretations according to their interests.

According to Ricoeur (1978:11) in the Existence and Hermeneutics section, there are three steps of understanding, namely, first, understanding of symbols, the semantic or pre-reflective level, which is the basis of hermeneutics at the technical level of applicative language; second, careful exploration of the meaning or level of reflection that elevates hermeneutics to a higher philosophical position; and the third is the existential level which is the most complex stage, namely the ontology stage which encourages human understanding in their awareness of a higher reality, namely the power of the universe. The data obtained by the researcher was analyzed according to the three stages in Ricoeur's hermeneutics so that the research results were presented

according to these stages. In addition, data triangulation was carried out on the data obtained to provide high confidence. There are three forms of data triangulation: 1.) Triangulation of data sources: comparing the results of interviews with informants with information obtained from other parties related to informants (colleagues or staff informants). 2.) Triangulation technique: comparing informants' statements from the results of interviews with the results of observations and documentation. 3.) Triangulation of time: comparing the results of interviews at one time with another time.

Pre-Reflective: Narrow vs. Broad Meaning of Ethics

This stage is the first stage in Ricoeur's Hermeneutics. The findings revealed phenomena on the surface, namely how public accountants give meaning to "ethical texts". It is a starting point that will take researchers deeper and find the interpretation of public accountants in the text. The researchers initially found the same initial picture of public accountants at this stage. All public accountants who became research informants revealed that ethics plays a very important role in guiding public accountants to carry out their professional work obligations to realize order and sustainability in the public accounting profession. Public accountants may be restrained or prevented from acting in ways detrimental to stakeholders and the profession by ethical standards. A senior public accountant, Mr. Arief, let us call it that, reveals the importance of ethics for public accountants:

"We in accounting are going concerned, so we must talk about going concern companies, then public accountants themselves, so they must also be concerned. So that we are going concerned, yes, we carry out ethics, if we are not ethical in the profession... then the license is threatened with being revoked and so on it threatens to go concerned."

Going concern, as expressed by Mr. Arief, if interpreted more deeply based on the researcher's information, is related to financial sustainability and is also closely related to non-financial aspects, namely the reputation of the public accountant itself. Ethics that are firmly held and manifested into consistent behavior have been proven to maintain the going concern of public accountants financially and non-financially (one of which is reputation). But the fact is that there are also public accountants who only pursue the financial aspect to behave in disregard of ethics. Although all the informants revealed that ethics is very important, they have different meanings of ethics. Researchers found two meanings public accountants hold: 1) The narrow meaning of ethics. Ethics is interpreted as a code of ethics and compliance with regulations. The goodness or badness of an action is measured by its conformity with the code of ethics and regulations. As long as an act is not expressly prohibited by regulation, then the act is not considered a violation of ethics. 2) The broader meaning of ethics. Ethics is defined beyond adherence to a code of ethics and behavior. For instance, even though rules do not expressly forbid an action, it is unethical if it negatively affects other parties (stakeholders).

The meaning of ethics in the public accounting profession is often equated with a code of ethics, so the code of ethics is the only benchmark when discussing ethics. However, there has been a narrowing of the meaning of ethics. The code of ethics is a product of applied ethics, previously known as special ethics, which pays attention to human behavior in a particular field. Applied ethics relies on ethical theory, so the quality of applied ethics can be determined by the quality of the underlying ethical theory (Bertens, 2013: 212). Based on this, the researcher tries to describe the position of the code of ethics and related rules in ethics schematically as follows:

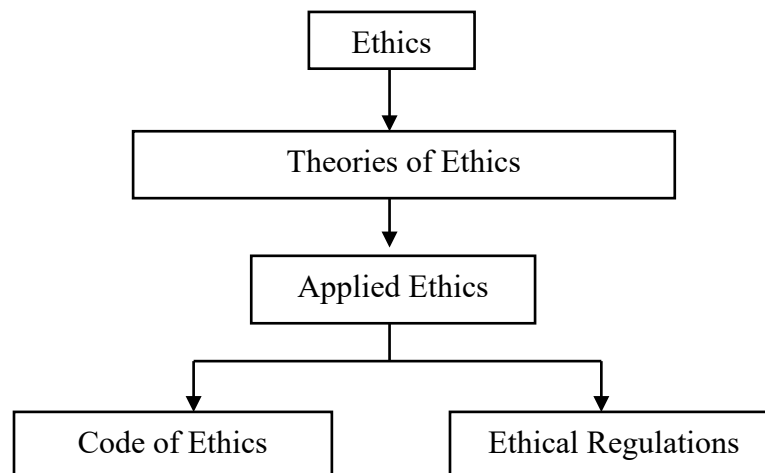


Figure 1. The Code Of Ethics

Based on the picture, the researcher would like to reveal that the scope of ethics is wider than the code of ethics and other related regulations. The code of ethics and other related regulations are part of applied ethics. When the code of ethics is formulated, there is a narrowing of the scope of ethics that is tailored to certain needs or goals. Various rules are set to operationalize ethical values to become more specific and technical guidelines. Thus, the code of ethics and related regulations do not cover all ethical values but are the scope of ethics. Ethics is an important thing in the profession; everyone recognizes it. However, the different meanings of public accountants lead to differences in behavior following the autonomous nature of Ricoeur's text. Although all public accountants state that ethics is important, some of them commit several ethical violations that negatively impact the sustainability of the public accounting profession and the wider public. The next chapter will continue the stage of Ricoeur's interpretation by understanding the behavior behind the meaning of ethics.

Reflection: Public Accountant Behavior Behind the Meaning of Ethics

Reflection is a typical hermeneutical stage of Paul Ricoeur, left by other hermeneutic figures. This stage elevates the hermeneutical position to a higher level, namely the philosophical level, through a back-and-forth process between understanding the text and oneself. Critical reflexivity is a characteristic of Ricoeur's hermeneutics, so using hermeneutics as a methodology in interpretive research in the accounting field can produce in-depth and critical interpretations (Farooq, 2018). The meaning of ethics by public accountants will be reflected in their behavior to see the impact of differences in meaning on behavior. Behavior is categorized by who commits ethical violations and who does not. The data reveals that two ethical violations often occur, namely:

The audit fee is below standard.

Although audit fees are not regulated in the code of ethics or the Law on Public Accountants, the Indonesian Institute of Certified Public Accountants (IAPI) has made a policy regarding minimum audit fee standards. However, the fact is that there are still many public accountants who apply sub-standard audit fees, which has a bad impact on audit quality. For example, one of the public accountants, you name it, Mr. Doni, reveals his reasons for applying a sub-standard low fee in the following quote:

"Then is it wrong to play cheap fees? It is not your fault. There are no violations.. try to see later in the 2020 code of ethics.. the small fee is no problem. There is no violation.. but it is just weakness... So if there are weaknesses, there are indications that the audit procedure will not work at all, that is it."

The audit fee can be one of the important aspects determining how the auditor can carry out the audit process. Public Accounting Firms that charge higher audit fees will conduct audits with good quality for fear of losing profitable clients if they provide lower audit quality (Hoitash et al., 2007). On the other hand, an audit process that is not carried out according to standards may reduce audit quality. Furthermore, audit quality can be poor if the auditor fails to meet professional demands and applicable laws (Francis, 2011). The issue of audit quality is currently being debated because of the increasing number of corporate fraud scandals exploding after an unqualified audit report was issued on the company's financial statements (Ganesan et al., 2019). His research also revealed that high audit fees would affect high audit quality.

Mr. Behavior Doni, who created a "fee war" in the public accounting business, represents another public accountant with a narrow view of ethics. As stated in the Code of Ethics for the Professional Public Accountant (KEPAP), public accountants must exercise their professional judgment because the code of ethics and related regulations cannot identify all situations that pose an ethical threat. It can be interpreted that there are still gaps in the rules and code of ethics, so they cannot fully regulate the behavior of public accountants. This kind of condition is known as a "loophole," which can trigger an act of exploring alternative actions that are not specifically stated in the rules (Kvalnes, 2015, p.90). Loophole as a loophole can be used to justify the actions taken because, explicitly, it is not a violation. This gap allows public accountants like Mr. Doni to gain profits without the threat of strict punishment. On the other hand, public accountants with a broader view of ethics are not involved in the "fee wars" phenomenon because they consider it an ethical violation and should therefore be avoided. The following is an excerpt from an interview with Mr. Dharma:

"Formally, we cannot say it is an ethical violation. Other evidence, because there is nothing in the complaint to the ethics court, for example, which arrived... why was this reported to the ethics court, because the person concerned was slashing prices or price wars... nothing. He does not exist, but in reality, the conditions exist in the field, so for our advice, public accountants do not need to do something like that."

The existence of formal (legal) and non-formal ethics is implied from what Mr. Dharma expresses. A legalistic culture can mislead accountants to mix what is legal (i.e., simple compliance with norms and rules) with what constitutes ethical behavior (Samsonova & Siddiqui, 2016). This kind of culture will form the perception that the boundaries of ethical behavior are formal or legal standards so that unethical behavior not covered by formal standards is considered not to violate ethics. Mr. statement The Dharma means that the public accountant is in control of the ethical boundaries he applies. Formal standards can be an ethical limitation for public accountants, but it would be even better if the ethics of public accountants could exceed these limits. A broader meaning of ethics can close the existing loophole or loopholes, so there is no ethical violation.

Public accountants who hire freelancers

Freelancers are those who are not public accountants but work on behalf of public accountants. Freelancers are not officially registered Public Accounting Firm staff but work with public accountants to obtain signatures or public accountants' opinions on their work. Thus, freelancer access is true with the permission of a public accountant. One of the parties who have the potential to become freelancers is those who have close relationships with clients, such as company consultants. Freelancers and public accountants share the revenue according to the agreement they make. The researchers traced several related regulations, and based on information from informants, there were no rules that specifically prohibited Public Accounting Firms from hiring freelancers. Therefore, it is again the reason for public accountants to hire freelancers. If it is related to the previous finding, namely the "fee war", it is found that public accountants work with freelancers who often apply low fees below the minimum standard. The findings also reveal that public accountants with a broader understanding do not hire freelancers because they are considered unethical, as stated by Mr. The following says:

"There is nothing in professional ethics. Some ethics are written, and some are not written, right? Such an example. Well.. why unethical.. unethical, and not good. It is not good because if it is not a permanent employee, for example, internal training, he will not participate, will he... Especially for external training, he will not participate, even though it is very important to improve auditor professionalism, right? So.. it is not included in the code of ethics, but it is unethical and will interfere with professionalism. Because it is back... suppose we are at the level of the office control system. In that case, there are partners; there are managers, there are supervisors.. this is what it is... I see. Nothing... even I heard that part-timers or freelancers have already made their opinions."

Freelancers can take control of public accountants because freelancers can make significant revenue contributions. It can be a strong reason for certain public accountants to cooperate with or retain freelancers even though they have received warnings from relevant authorities such as the Financial Professional Development Center (PPPK). Freelancers are no longer a secret in the audit services market. The presence of freelancers in the audit services market is one of the causes of the audit fee war. So far, we have seen the results of reflection; researchers read that there is a continuum of ethical understanding for public accountants, which ultimately forms different behaviors according to their respective understandings. Some public accountants interpret ethics as limited to what is written in the code of ethics, but on the other hand, some public accountants interpret ethics more than what is written. Public accountants' different meanings of ethics will manifest into behavior that violates or maintains ethics.

Existential Stage: Peak Understanding

Based on the methodological footing at the pre-reflective and reflective stages, the researcher will move to the peak stage of Ricoeur's hermeneutics at the ontology level. At this stage, armed with research findings, researchers are encouraged to get to the root of understanding. According to this researcher, Ricoeur's strengths are that he incorporates existential aspects into his hermeneutic theory, namely the process of understanding oneself in front of the world projected by the text, and is the culmination of the interpretive process in which a person becomes more aware of himself. In the context of this research, the resulting interpretation is expected to arouse public

accountants' awareness of their existence and nature to provide positive benefits in carrying out their professional obligations.

An understanding of reality, especially an understanding of oneself, will form the goals to be achieved. The understanding of ethics, which is limited to the code of ethics and regulations, occurs because the view of reality is limited to matter and thoughts. Humans have a scheme of matter, body, mind, soul, and spirit (Wilber, 1998, p. 6), so understanding should not stop at material boundaries. The perspective on human nature (public accountants) who only see themselves as physical and intellectual beings will direct their behavior only to fulfill physical and intellectual needs. It is what happens to public accountants with a narrow understanding of ethics so that this understanding leads to their behavior only for material purposes even though they have to put ethics aside. Based on the interpretation made, the researcher calls this public accountant a "public accountant pragmatic type." This term researchers use to describe the Pragmatism that animates the behavior of some public accountants.

Pragmatism is a philosophical school often identified with reasoning and even the typical American way of life. Pragmatism comes from the Greek "pragma," which means action or action. Keraf (1987:15) states that Pragmatism is a philosophy or thought about action. Pragmatism has come to the fore over the last hundred years, and there are several names associated with this school of philosophy, including Charles Sanders Peirce (1839-1914), William James (1842-1910) and John Dewey (1859-1952), (Minderop, 2006: 95).). These figures believe that the existing philosophy has not provided a satisfactory answer to human life, so Pragmatism is needed that offers something practical, which is oriented to the principles of efficiency and benefit.

Pierce, a pioneer of Pragmatism, teaches that it is not important what is the essence of an idea, but what is important is the influence of what an idea does in a plan of action. Likewise, the view of the Father of Pragmatism, namely William James, emphasized that the measure of the truth of something is determined by its practical consequences so that a piece of knowledge is never true but can only "be true". Ideas that can be calculated or considered true have been assimilated, validated and proven; otherwise, they are false ideas (James, 1907, p.201). This statement follows the view of public accountants who assume that ethical boundaries are only ideas validated by written rules such as codes of ethics and other written rules. Restrictions like this will turn off the critical thinking that public accountants should have to deal with ethical dilemmas. The range of thought that stops at this point creates only material-oriented goals. Fee wars and hiring freelancers are thus not wrong, even though the impact is detrimental to many parties. It is because Pragmatism emphasizes the practical consequences of an idea so that what is considered true is only a way of thinking or behaving that provides practical benefits for the perpetrator (James, 1907, p. 222). An example of changing the code of ethics in New Zealand from a code of ethics with ethical principles of virtue to following the basic principles of IFAC did not have a positive impact; there was even a decline in the ethics of accounting professionals (Hooper & Xu, 2012). The new code of ethics has narrowed the legitimacy of interests by prioritizing providing expert services to clients over the public interest.

The second type of public accountant has a different understanding or perspective from pragmatic public accountants. The researcher calls him an "idealist type of public accountant" because he relates it to a perspective in the philosophy of idealism. The idea of idealism is identified with Plato, so Plato is dubbed as the originator or father of the philosophy of idealism. According to Plato, the essence of everything does not lie in what is material but in something behind the material, namely ideas. Ideas are eternal, immaterial and do not change like the soul, while matter is impermanent and can be destroyed, like the human body (Coyle, 2007, p. 171).

Idealism is a strong personal moral belief so that its adherents will avoid actions contrary to these beliefs (Poor et al., 2015). Idealism is the opposite of unethical behavior (Rawwas et al., 2013).

Idealism then developed through figures such as Rene Descartes (1596 - 1650), George Berkeley (1685 - 1753), Immanuel Kant (1724 - 1804) and George Hegel (1770 - 1831). Throughout its history, idealism has been associated with religion because both focus on moral and spiritual aspects (Rusdi, 2013). Idealism believes that the nature of an object is spiritual, immaterial and idealistic. Although the main focus is on ideas or values, idealism does not deny empirical material and views the two as an inseparable whole. Ideas in the form of values that idealistic type public accountants believe are the driving force for them in their work life. The romantic type of public accountant believes that the work he carries out must be accountable to related parties (stakeholders, especially regulators and professional associations) and the "main idea" he believes in, namely God. This idealism is the strength for public accountants not easy to fall into unethical behaviors. Even though they know there are loopholes in regulation, they have values they believe in, which keep them from entering them. Public Accountant Mr. Wijaya expressed his views on this matter:

"Do not assume that with the existence of a supervisor, 100% of fraud will be avoided, meaning that after all, the supervision by the regulator must be limited."

This view implies that regulations and supervision carried out by professional associations and regulators still need to be revised to overcome the problem of violations of professional ethics. So then, what made Mr. Wijaya not take the opportunity of the loophole of supervision or regulation? Here is an excerpt from his statement:

"If I do a good job, that is also prayer; my worship is to God... if I do work that is not right, not good, manipulated, gets bribed, that is also my worship to God, cannot be separated... There is no point in claiming to be close to God because they come to a place of worship, then their daily behavior is contradictory.. one cannot judge who in the worship room is more spiritual than those who are not worshipping because he is working because he has other activities, everything is one unit. I live a pleasing life to God, okay... if I want to please God, I also have to love my fellow human beings; I work well and serve people well, that is all.. that is also worship... God... so what God wants is not abstract, what we can do every day for others, the environment, life, that is also simple for God."

The researcher categorizes other public accountants into idealistic ones and reveals the same thing. The concept of responsibility for his work is to professional associations, regulators, clients and especially to God. "Responsibility to God, that is number one," said another informant; call it Mrs. Gitar. As religious people, these public accountants believe in the existence of God, but different understandings of the relationship between the world of work and the spiritual world will result in different behavior. For example, a public accountant who practices ethics believes that doing his job right is equivalent to adoring God. While the pragmatic type of public accountant, even though he adheres to religion, separates the meaning of work activities from

spiritual activities, known as secularism. Secularists believe God's time and place are only in the house of worship and according to the time of worship. Other spaces and times in life, including his work, have nothing to do with God. Mr. Ivan, a public accountant who has quite a several clients, said this:

"If you do not think about it in the world of work, you will see money; basically, the orientation is money, that is why... that is why there is a variable love of money, love of money... because there is no relationship between God and here in the world of work."

Based on several public accountants' personal experiences and assessments, the world of work is separate and separate from the spiritual world. Mr. View Ivan is following the condition of one of the public accountants (informants), calling him Mr. Bala, who in his daily life is quite religious but often commits ethical violations for personal gain in the field of work. It is again evidence of the impact of secularism in the public accounting profession. It is finally realized by the Indonesian public accounting professional association, which since 2021 has provided space for spirituality to enter into efforts to enforce public accounting ethics through a professional oath. The mechanism for enforcing ethics with regulations as the controller of the profession is a rude and blunt method because it erodes moral practice and critical power (McMillan, 2004). Rules are only able to cover some things or conditions that are very complex. Likewise, the rules cannot reach all the elements contained in humans. The oath/promise of public accountants brings a new atmosphere to the life of the public accounting profession in Indonesia. Recognition of the spiritual aspect of building professional public accountants is reflected in this new effort made by IAPI. The following is an excerpt of the oath/promise uttered by a public accountant:

For God's sake (mentioned according to their respective religions and beliefs), I promise to fulfill my obligations as a Public Accountant and comply with all laws and regulations and the Code of Ethics for the Professional Public Accountant as well as Professional Standards for Public Accountants including the Articles of Association and Bylaws, Meeting Resolutions General Membership/Extraordinary General Meeting of Members and Association Regulations that the Indonesian Institute of Certified Public Accountants has established. The commitment expressed by public accountants through this text is not to professional associations or regulators but to themselves and God. This text can have tremendous power in developing a professional public accountant's personality if this text is not just spoken but internalized into the public accountant as a human being who believes in the existence of God. More than efforts that stop at understanding is needed, as stated by one public accountant who is also a member of the IAPI Certification Board, Mrs. Sandra, in a webinar organized by IAPI. "Ethics is not only understood but internalized, internalized like this, we know, then absorb it... we cannot just know, we absorb it, and we implement it, and that is it... back to each of us", he said. This statement is in line with Paul Ricoeur's view that knowledge of the meaning of the text will only be meaningful if practised in real life.

Conclusion

Ethical issues in the public accounting profession have long received the attention of various parties, especially regulators. As a developing country, Indonesia requires professional accountants who can attract and retain investors to improve the country's economy and public

welfare. Ethical violations that often occur can damage the reputation of public accountants, so they have a major impact on the economy. If you use the term investment world, the behavior of public accountants has a large multiplier effect on a country, even wider than that. Several phenomenal accounting scandals have been a testament to this. The revolution in the world of accounting began with an accounting scandal, namely Enron and Arthur Andersen. Sarbanes Oxley, triggered by the incident, became the forerunner to the emergence of various regulations to improve company transparency, increase protection for investors and anticipate abuse of the role of public accountants. The increase in regulations in the public accounting profession may only sometimes eliminate ethical violations by public accountants. The regulation is important. Regulations related to ethical enforcement are present in the Law on Public Accountants, Code of Ethics for the Professional Public Accountant, Professional Standards of Public Accountants and various other regulatory texts. As with the autonomous nature of the text in Paul Ricoeur's hermeneutics, the ethical text formulated by the regulator can be interpreted autonomously by public accountants according to their sociohistorical and cultural factors. Ricoeur's hermeneutics, which requires tracing understanding to behavior (explanation) and returning to understanding, allows researchers to obtain more in-depth findings.

This study found that public accountants have various interpretations of professional ethics. Some public accountants interpret ethics according to what is written in the regulations. Researchers call this public accountant with the term pragmatic type of public accountant. Thus, an act that violates the regulations is considered unethical, and as long as the regulation does not blame an act, then the act is still considered not to violate ethics. For example, fee wars and freelancers are two things that are not explicitly sanctioned in the regulations. Therefore, the pragmatic type of public accountant considers this not a violation of ethics and takes advantage of this loophole to gain an advantage to exclude ethics. Different ethical interpretations come from the second type of public accountant. The researchers call it the romantic type of public accountant. For the romantic type of public accountant, ethics is not only related to written regulations but is broader than that. For them, some values are believed to be a source of ethics that must be maintained even though regulations do not regulate them. The difference in interpretation then manifests into behavior. The romantic type of public accountant can better resist temptation and does not take advantage of weak sanctions enforcement. There is a smaller potential for deviation in people with high ideals than those with lower ideals (Hastings & Finegan, 2011). In comparison, the pragmatic type of public accountant easily falls into unethical behavior.

Secularism, one of the root causes of the growth of pragmatic public accountants, is responded to by professional associations by initiating the oath of the public accounting profession. This professional oath IAPI has initiated deserves to be appreciated and strengthened through various programs. This kind of "reminder" needs to be continuously developed to raise public accountant awareness so that it manifests into ethical behaviors. The case study conducted by Efferin and Hutomo (2021) has proven that spirituality can increase auditor commitment. Spirituality needs to get space in various aspects of life because it can influence behavior in a better direction (Molisa, 2011). The professional oath acknowledges the need for spirituality to enforce ethics. The reality of implementing the oath or promise will certainly return to the public accountant as a person, according to his understanding of the reality of himself and life. The results of this study can be a reflection for regulators and professional associations that to enforce ethics; two options can be taken, namely: 1) closing the gap in violations by adding regulations or closing the gap by raising awareness of accountants in their nature to create awareness as a strong ethical foundation. Comes from within itself. The following statement is contained in CA (Chartered

Accountant) Magazine, which since 2018 has changed its name to "Pivot" reading for professional accountants in Canada may be food for reflection:

"We can make rules and procedures until we run out of breath, but if people are not honest, they will always find a way out" (Baud et al., 2019, p6).

Rules can only reach the mind or mind, which is the source of rationality. Meanwhile, rationality also provides a way for parties, including public accountants, to find gaps or gray areas that can be used to realize their wishes. Therefore, researchers believe that rules are important. However, the researcher wants to give a meaning based on the findings that rules can always be circumvented, so it is unrealistic to assume that more or better rules will solve the problem. The loopholes of violations appear along with the rules themselves, and rational thinking can find them and find a way to enter them.

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