You're Grounded! Towards a theory of enactive legitimation, materiality and practice.

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Abstract

In this paper, we explore the specific nature of material-based legitimation and examine how it differs from other forms of legitimation. Prior studies of institutional legitimacy have predominantly focused on the discursive and iconic aspects of legitimation, with much less focus placed on the role of materiality. To advance our argument, we introduce the notion of enactive legitimation. We suggest that legitimation is derived from and supported by the ongoing engagement and interaction with materials and material-based practices. To elaborate our argument, we study a case of the use of material signification to legitimise a new financial product within Islamic banking. We show that the legitimacy of the product is grounded in materials and the materiality of a number of ritualised practices. Materials and practices, however, also impose their own specific constraints on the process, and do so in ways that are more evident than when legitimation is based on signs and symbols (both language and images). The paper contributes to practice-based institutionalism by leveraging one of the central tenets of practice theory to extend the understanding of legitimation. It also illustrates what practice-based sensitivity may look like in action.

Keywords: practice theory, institutions, legitimacy, materiality, Islamic banking

INTRODUCTION

In this paper, we examine the role of material-based practices in the process of legitimation. We argue that although materials often work in conjunction with discourse and images to legitimate sustain the belief that actions, processes and forms of organising are, they operate in a particular and distinctive way. By examining the role of materials in legitimation practices, we endeavour to rebalance the current emphasis on discursive, verbal and iconic sources and resources of legitimacy.

Our point of departure from the existing literature is to address legitimacy as a practice rather than a property of social entities or the result of socio-cognitive perception and evaluation (Suddaby, Bitektine, & Haack, 2017, p. 451). We define legitimacy as the "generalized perception or assumption that the actions of an entity are desirable, proper or appropriate within some socially constructed system of norms, values, beliefs and definitions" (Suchman, 1995, p. 574). Addressing legitimacy as a practice positions our work within the emerging field of practice-driven institutionalists. This field is based on the view that institutions should not be seen only as a set of as social norms or structures of meaning that are exogenous to, and imposed upon, human interaction; institutions rather emerge from the everyday work of frontline practitioners (Smets, Aristidou, & Whittington, 2017). Thus, analytical attention is turned towards the role of the everyday work and practices of members in the constitution of institutional orders at the "coalface" of everyday life (Barley, 2008) and the collective performance of institutions through situated, emergent and generative practices (Smets et al., 2017, p. 366). Practices are conceived here as materially mediated, object-oriented regimes of competent sayings, doings and ways of relating that are enacted and sustained over time by a recognisable set of members[1] (Nicolini & Monteiro, 2017).

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[1] Our definition is similar but not completely overlapping with that of Schatzki (2001), who defines practices as "embodied, materially mediated arrays of human activity centrally organized around shared practical

The notion of practice-driven institutionalism gives rise to some rather obvious yet centrally important questions, namely what is the "stuff" of practices, and how might the "stuff" of practices affect our understanding of institutional processes, such as institutional legitimation? We argue that one way to identify the "stuff" of practices is to pay attention not only to the human practitioner but also to the material artefacts that participate in the practice. In other words, what sort of role do materials play in the constitution and legitimation of institutional orders? What work do they perform? In the existing literature, process and practice oriented understandings of legitimation have focussed mainly on discursive (Suddaby et al., 2017) and, more recently, visual practices (Meyer, Jancsary, Höllerer, & Boxenbaum, 2018). How matter matters in legitimation practices remains largely unexplored and as a consequence our understanding of legitimation processes remains incomplete.

In this paper, we address this important gap in the literature by drawing on the enactive theory of material signification to complement existing practice theories in helping to understand how objects signify and how this differs from how symbols and images operate. In a nutshell, our argument is that material signs do not simply represent concepts but substantiate and enact concepts. Empirically, we focus on the material-based practices of legitimation of a new product in the domain of Islamic banking. Islamic finance presents a revealing case for the study of institutional legitimation and for practice-driven institutional theory in general. Since modest beginnings in a small number of Muslim countries, the global Islamic finance industry has spread across the world, and now offers a Shariah-compliant alternative to conventional Western banking. Islamic finance, however, requires a specific way of "doing" banking and finance that, amongst other requirements, links financial transactions to a specific underlying material transaction. This ongoing performance of a set

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understanding" (Schatzki, 2001, p. 2). Schatzki's residual humanism is still ambiguous enough to allow some of his followers to suggest that it is people who do practices — a position with which we disagree (see Nicolini and Monteiro, 2017).

of material-based practices is required to sustain its legitimacy. We argue that this way of solving the legitimation problem of Islamic banking products relies on a specific form of material semiosis that we call enactive legitimation. Legitimacy claims are established and sustained by relying on the capacity of "things" and material modes of engagement to substantiate complex concepts without recourse to symbolic representations. Materiality legitimates enactively. Grounding legitimation in materiality has some critical consequences. The properties that support the semiotic process also impose certain material and temporal constrains that cannot be overcome through discursive strategies, thus revealing a number of core differences between verbal, visual (Meyer et al., 2018) and material-based forms of legitimation.

In the remainder of this essay, we briefly introduce the concept of legitimacy in institutional theory and make the case for focusing on materiality and adopting an enactive approach to the study of legitimation. We then draw on the case of the development and legitimation of an interest-free personal finance product at Gulf Metropolitan Bank (a pseudonym) to identify core aspects and dimensions of how materiality is relevant to the practice of legitimation. We end the paper by discussing the implications of studying institutional legitimation as a material-based enactive practice and the opportunities offered by this approach.

INSTITUTIONAL LEGITIMATION AS MATERIAL-BASED AND GROUNDED IN PRACTICE

Legitimacy is a core tenet of institutional theory because it explains why organisations seek to conform to social expectations (Suddaby et al., 2017). Traditionally, legitimacy has been conceptualised either as "a thing – that is, a property, a resource, or a capacity of an entity", or a "sociocognitive perception or evaluation" (Suddaby et al., 2017, p. 451) arising from the

"fit" between an institution's attributes and the normative and/or cognitive expectations of external audiences (Aldrich & Fiol, 1994). The two different interpretations roughly map to the traditional distinction between subjective and objective sources of legitimation introduced by Max Weber (1978). Subjective legitimation emphasises that values "are only binding insofar as individuals subjectively take them up by making them the basis of their activities" (Klein, 2017, p. 181). Accordingly, socio-cognitive processes of perception and evaluation are of central importance. Objective legitimation emphasises that values are object-like in the sense that they are part of our cultural world and precede the subject — and for this reason they are perceived as external to us. Stoppino (1974), cited in Lippi (2019), argues that objective legitimation can rest on objective contents and discourses that have become taken for granted, but can also rest on objectified procedures that are accepted un-questioningly and followed "blindly".

In recent years, scholars have started to adopt a more processual stance focusing on legitimacy as a process of social construction (Suddaby et al., 2017). Scholars working in this perspective conceive legitimation (and objectification) mainly as a matter of collective meaning-making that occurs through discursive, narrative and rhetorical processes (Phillips, Lawrence, & Hardy, 2004; Vaara & Tienari, 2011; Cattani, Ferriani, & Lanza, 2017; Lefsrud, Graves, & Phillips, 2017). Legitimation as a process is often seen as occurring through discursive interactions at the level of organisational fields, which involves discursive struggles of legitimation (Cattani, Ferriani & Lanza, 2017; Maguire & Hardy, 2009; Phillips et al., 2004, 2004; Vaara & Tienari, 2011) and justification (Reinecke, Bommel, & Spicer, 2018). Language can also be used strategically in legitimation processes, such as by using rhetorical strategies (Suddaby & Greenwood, 2005) or discursive legitimation strategies (Vaara & Tienari, 2008). Discursive legitimation can be used to legitimate new organisational

forms (Greenwood, Suddaby, and Hinings, 2002), new professions (David, Sine & Haveman, 2013) or new industries (Sine & Lee, 2009).

The tendency to understand legitimation as a discursive and symbolic process aimed at rendering things taken for granted (Berger & Luckmann, 1966) reflects the traditional focus of institutional scholars on its ideational and communicational aspects. Institutional scholars in fact have traditionally privileged the role of ideas, beliefs and culture (e.g., shared meanings) in explaining both institutionalisation and legitimation (Jones, Boxenbaum, & Anthony, 2013). This tendency is still present in a number of recent studies that focus on sign systems other than verbal language, and especially images and visual codes (Jones et al., 2013; Lefsrud et al (2017) Meyer et al., 2018). Meyer et al. (2018), for example, offer a comprehensive discussion of the specific affordances that visual artefacts offer in the institutionalisation process. Although this work significantly enriches the understanding of legitimation, its focus is still on the content of images and their semiotic affordances. The materiality of the images and the material nature of media are given scarce attention.

The attention to discursive and ideational aspects goes hand in hand with another typical trait of processual studies of legitimation. Legitimation processes are often discussed at a high level of abstraction (Suchman, 1995; Suddaby et al., 2017) and studies are motivated by the search for general models and mechanisms rather than the associated micro-practices. Authors tend to disregard the mundane work necessary to sustain legitimacy over time. This is not unreasonable if one assumes that legitimation is mainly established in the discursive and ideational sphere, where entities and associations are scarcely affected by the passage of time and other forms of decay. But if legitimation is seen as the accomplishment of ongoing material and social practices, it is likely to require maintenance and repetition because both material objects and social relations are subject to deterioration and decay (in different ways).

In summary, the study of legitimation processes suffers from an imbalance in that authors focus mainly on discursive, verbal and more recently visual rhetorical strategies, whereas the roles of bodies, spaces and material artefacts and the practices in which they are entangled remain in the shadows (see also Ashforth & Gibbs, 1990; Rueede & Kreutzer, 2015). In spite of a number of calls to bring these aspects into the foreground, the actual role of materiality has remained largely under explored (e.g. Cooren, Kuhn, Cornelissen, & Clark, 2011; De Vaujany, Adrot, Boxenbaum, & Leca, 2019; Jones et al., 2013).

In this paper, we address this gap in the literature by examining how legitimacy is invoked through the mundane and routine engagement with materials. In so doing we join a small contingent of scholars who have started to examine how legitimacy is anchored to material objects and settings and how, in turn, materiality imbued with meaning becomes an inherent part of changing legitimacy claims (De Vaujany & Vaast, 2013, p. 727). These scholars have posited that artefacts, digital artefacts, space and time, and embodiment are all relevant to legitimation. For instance, a company may legitimate its existence and activities by building an impressive headquarters or occupying prestigious and history laden premises (De Vaujany & Vaast, 2013; De Vaujany, Varlander, & Vaast, 2019); ideas become legitimated by acquiring material status (Cartel & Boxenbaum, 2019); institutions are inscribed in bodies and reproduced through them (Althusser, 1971). We extend their work by proposing a novel view of the nature of material agency and how it may operate in legitimation processes. In particular, we build on material engagement theory and the enactive theory of material signification, the notion that materiality generates a distinctive form of semiosis which cannot be disassociated from its material features and qualities. According to the theories, material signification emerges through practice, and more specifically in the context of our practical engagement with things of nature and artefacts; the same features and qualities that sustain the enactive signification also impose specific material and temporal constraints on their

mobilisation for legitimation purposes. This leads us to develop the concept of enactive legitimation, the notion that materiality supports a specific type of processual legitimation that derives from the ongoing engagement and interaction with the material world.

MATERIAL-BASED ENACTIVE LEGITIMATION

In this section, we outline our view of enactive legitimation and the role of material signification therein. We start by discussing briefly the current view in the literature on the role of materials in human practice and how their intelligibility is always tied to some form of human practice. We then introduce the enactive theory of material signification. We suggest that this can complement existing practice theories in helping to understand how objects signify and how this may be different from how symbols and images operate. On this basis, we put forward our view that due to its enactive nature material-based legitimation differs from discursive legitimation, which has received most attention in the institutional literature to date. As a final step, we outline three dimensions of material-based enactive legitimation.

Practices, materials and meaning

Practice oriented thinkers agree in principle that practices are "intrinsically connected and interwoven with objects" (Schatzki, 2002, p. 106). Human activity proceeds amid arrangements of entities, for example, people, other living beings, artefacts; things which mould human activity through causation and prefiguration. These material arrangements are themselves very often the result of previous or ongoing human activity. As a result, arrangements of entities and human practices "enable and constrains each other" (Schatzki, 2002, p. 117).

Within this circular relationship between practices and their socio-material milieus, "the meaning of entities amid and through which humans coexistently live derive from activity"

(Schatzki, 2002, p. 56). Practices are the field within which objects (and actions) become intelligible. How things make sense manifests itself in a specific practice and with reference to it. Moreover, this sense (the "meaning" of material and biological things) is pre-representational: we do not need to articulate this sense before acting and the meaning transpires in and through our activity. A common tenet of all practice theories is, in fact, that understanding is pre-deliberative and manifests in the capacity to act competently, in the capacity to account for current and past actions or both). Accordingly, objects can "carry" a variety of meanings and they can do this "silently", although meaning and always intelligibility emerge against a background of human practices (Dreyfus, 1990).

One of the implications of this line of thinking is that the physical, chemical and biological composition and properties of materials and artefacts[2] have significant consequences for human activity. Schatzki (2010, p. 136), for example, suggests that "materiality structure(s) what actions can and might be carried out when, where, how, and for what ends". For instance, the properties of wood "determine how barns, fences, and carts can be built, how they are best painted, how trees can be felled" etc.

A second implication is that although all human practices are inextricably discursive and material, the ways in which discursive and symbolic objects signify may be different from material objects. This is because unlike the former, the latter do not need to operate at the level of articulated meaning: Material artefacts differ from symbols and images in the ways in which they become intelligible and how they "make" sense. A stream of literature that has

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[2] We use the terms 'materials' and 'objects' interchangeably to refer in general to physical and biological entities that are subject to the first law of thermodynamics — a complicated way to say that they are of things of the world, rather than belonging to an imaginary sphere of symbols and ideas that are untouched by the things of life. In this paper, we have decided not to distinguish between objects and artefacts, despite being fully aware of the difference between the two. Artefacts are a subset of objects and constitute the outcome of intentional human activity. Artefacts can be both material and non-material. Artefacts carry inscribed in them some of the intentions of their (human) creators that they may mediate to the new setting when they are put to use. Artefacts therefore have a specific way of signifying. This has already been discussed by authors such as Cole (1996) and Akric (1992). Distinguishing between the two would have added further a layer of complexity to this paper and so for clarity's sake we limit our discussion to "materials".

developed this line of thinking and explored how objects signify in practice is the enactive theory of material signification. This has been articulated by cognitive archaeologists Colin Renfrew (2001) and Lambros Malafouris (2013), whose research focuses on how *things* actively mediate conceptual development. Although derived from a cognate thought tradition, enactive theory can thus constitute a useful ally for practice-base approaches to explain the role of objects in practices in general, and in institutional matters in particular. In this sense, the present study constitutes an example of "forming alliance" between practice-based sensitivities and other traditions, as called for by Schatzki in chapter X of this volume. The assumption is that the "combinations of two or more … theories furnish more comprehensive accounts of social life" (Schatzki, this volume, page XX).

Material signification as enactive signification

Enactive signification conveys the idea that material signs differ from language in the way in which they signify. Like many strands of practice theory, an enactive view of cognition contests "the separation of thinking inside the head and acting inside the world" (Malafouris, 2019:10) and suggests that engagement with materials is "a process of becoming with and through the world" (ibid). From this, Malafouris (2013, p. 90) derives the conclusion that "the fact that language seems to be based on representation should not be projected into the realm of material engagement". Material semiosis works in a distinctive way. Unlike language, material signs do not involve a representational logic but an enactive logic. Material signs are not just the passive materialisation of ideas or pre-existing concepts (Renfrew, 2001, p. 129). Instead, material signs are "enactive signs" (Malafouris, 2013). Material artefacts do not just represent pre-existing significative concepts but also help bring them about through a process of "conceptual integration" between material and conceptual domains. People "think through things, in action, without the need of mental representation" (Malafouris, 2004, p. 58). For instance, Malafouris studied the craft of pottery making to illustrate the constitutive

intertwining of mind with matter, or here, the cognitive processes of imagining form and the embodied, physical engagement with the clay material. Rather than imposing a mental representation on the clay, or imposing mind upon matter, the example shows how material objects emerge in partnership between mind and matter.

Renfrew (2001) describes the process by which material symbols are created through material practice as substantialisation. Significative concepts and their material manifestations arise in unison, as material objects substantiate significative concepts. Thus, concepts and objects co-create each other. Material engagement thereby *enables* the formation of complex and otherwise elusive concepts. For instance, Renfrew (2001, p. 133) argues that the concept of "weight" has "no meaning in a disembodied sense" because the concept is substantiated by embodied engagement with the physical reality of heavy materials. Malafouris (2013, p. 118) draws on the study of Neolithic clay tokens as an example of enactive signification: The physical presence of four clay tokens does not just represent the number 4, but enacts and brings forth the concept of number 4. Here, material signs establish a one-to-one correspondence between material artefacts and the numerical concept. Ultimately, material artefacts such as the Neolithic clay-token system can become material anchors that enable the development of abstract ideas — here, symbolic numerical thinking. Or, in his evolutionary study of shell beads in the Middle Stone Age, Iliopoulos (2016) argues that beads were not material representations of "wealth" and "status" as cognitive concepts. Instead, the idea of "wealth" and "status" only emerged from engaging in the material culture of collecting valuable materials such as shell beads. These examples challenge the cognitivist view that mind precedes practice, or that concept precedes the material symbol. Instead, notions such as weight or wealth illustrate that "the concept is meaningless without actual substance" (Renfrew 2001, p. 130). In sum, material signs do not stand for but substantiate and enact concepts.

Enactive signification does not apply only to objects but can be extended also to rituals and ritualised forms of conduct. Boivin (2009) suggests that the meanings attached to many ritual symbols are not arbitrary "but rather draw upon the material and physical qualities of signifiers to create meaning" (p. 269). The relationship is often metaphorical rather than analogical: Although the meanings of ritual signs are not determined by their material properties, they are "often motivated by them to some degree" (ibid.). Rituals such as carving love graffiti on stone surfaces or attaching "love locks" to bridges cannot be understood without a reference to their physical features and qualities. As Bovin (2009, p. 274) puts it, "in many cases, ideas and cultural understandings do not precede, but rather are helped into becoming by, the material world and human engagement with it during the course of ritual activity".

Towards a theory of material-based enactive legitimation

A material enactive theory of signification has a number of implications that are of particular interest for our endeavour to understand the role of materiality as source of legitimation. These implication extend, refine and give depth to some to the basic intuitions of practice theory.

First, a material enactive theory of signification allows us to understand legitimation as a process of "conceptual integration" between material and conceptual domains (Malafouris, 2013). A material domain is thus not the representation of a conceptual domain, but establishes an ontological correspondence between the two domains (Fauconnier 1997; Fauconnier and Turner 1998). The material domain thereby becomes a material anchor to a conceptual domain. Enacting a material practice can hence anchor legitimacy claims in a material domain. Buildings do not legitimate organisations (only) through abstract association, for example the fact that an insurance firm owns a building, but (also) through the experience of dwelling in the building and engaging with it — for example, when

someone has access to a building without signing in at reception or someone is allocated a private room instead of a cubicle.

Second, following from the above, we can expect that materials substantiate legitimacy claims in ways that are different from those of text and images. Material signs have different semiotic properties from linguistic signs because they enact and substantiate reality. Using a managerialist trope, we can say that objects have a competitive advantage when it comes to legitimation. Signatures are a good example. Signatures do not legitimate only because they stand for the under writer. In certain circumstances, they signify enactively. You cannot make a purchase if your credit card is not actually signed in pen and you cannot cross a border if your passport does not have a signature on the paper (despite the fact that it may have your picture and a chip with your data). Signatures signify (and legitimate) in material ways that cannot be reduced to their symbolic value and have to do with the materiality of the paper, ink and the act of signing (and the underlying practice of writing). The enactive component of material signification also means that material practices cannot be used arbitrarily. Unlike linguistic signs that can be mobilised in very flexible ways, material signs have the capacity to bring forth certain realities, but not others. Thus, enactive legitimation will be intimately shaped by the specific and distinctive affordances of a materiality, in line with practice theory (see above).

Third, the fact that material signs are constituted in and through ongoing material practical engagement allows us to see enactive legitimation as an ongoing process. This is because "meaning does not reside in the material sign [itself]" (Malafouris, 2013, p. 117). Material signs are not isolated or static entities. On the contrary, they are actualised in ongoing flows of activity, as part of a practice or against a background of a field of practice. Objects like Triumphal Arches signify and legitimise their creators both as part of the practice of parading after a victory (their primary and original function) but also thanks to their size and elaborate

décor and against the bundle of practices of building (erecting arches costs money and effort) and travelling in the city (shopping, visiting) which makes the arch visible "for generations to come". An unseen Triumphal Arch hidden in the middle of a forest does not signify anything or legitimise anyone.

Finally, to the extent that material signification is an activity that involves ongoing material engagement, enactive legitimation has a temporal logic and sequence to it, whereby deviation from this engagement will undermine legitimation. In the enactment of a religious ritual (but also in the case of an arrest), the meaning of the ritual/practice emerges through the orderly sequence of a bundle of practices where each event provides the context for the next one. The objective legitimacy derives in part from the integrity of the procedure. Time also has a different role in enactive legitimation; the substantiation of legitimacy claims is subject to decay and may require repetition and reiteration. Granting the title of "Lord" is for life but when the signature on a passport fades away, you need a new passport, and a new signature. Material legitimation is subject to the effect of time (and entropy) in ways that are different to discursive and iconic legitimation.

In summary, an enactive view of legitimation invites us to interrogate the role of material-based practices by paying attention to the specific ways in which materials, their qualities and (perishable) features actively contribute to the process. This requires us to attend both to the specific semiotic affordances of material things and artefacts and also to the forms of engagement and routine activities in which they are involved and through which they signify. In the remainder of the paper, we use the case of product innovation in Islamic banking as a way to elaborate and further explore the implications of enactive legitimation theory. By working through the case using practice-based sensitivity, we shed further light on how materials are enactively entangled in legitimation processes and how their agency manifests during practical engagement.

TURNING MEAT INTO MONEY: MATERIAL-BASED ENACTIVE LEGITIMATION IN ISLAMIC BANKING

Studying Legitimation at Gulf Metropolitan Bank

To explore the implication that a material enactive sensibility can have for our understanding of the process of legitimation, we conducted a study of the introduction of the first Shariah-compliant personal finance product at Gulf Metropolitan Bank, the pseudonym of a large Islamic bank (hereafter: GMB).

The question of material legitimacy is at the heart of the institutionalisation of Islamic banking and finance. Islamic banking developed in response to Muslim consumers' demand for religiously legitimate banking and financing options that do not violate the Shariah. The Shariah, sometimes translated as "Islamic law", is the socio-legal system that governs the lives of Muslims (Ayub, 2007). According to the Shariah, many core elements of modern Western banking are *haram* (prohibited), e.g. interest (*riba*), speculation (*gharar*), uncertainty, etc. (Ayub, 2007). Furthermore, Shariah does not allow trade in items it forbids, such as pork, alcohol, drugs, pornography, etc. (Hayat & Malik, 2014). Indeed, scholars have found that Islamic banking continuously faces the challenge of legitimation as it straddles religious and commercial objectives (Gümüsay, Smets, & Morris, 2019) making it controversial even in Muslim countries (Boone & Özcan, 2016).

We chose the case of personal finance at GMB because it illustrates well the centrality of material legitimation in the rise of Islamic banking and how material legitimation was mobilised by a range of experts from different fields to create *halal* (permissible) Islamic alternatives to Western banking products over the past few decades (Usmani, 2004).

The study was conducted in a Muslim-majority country, and included five months of ethnographic observation of the Product Development department and the Shariah Board at GMB, where one of the authors directly observed the everyday work of members of the

department as they went about ensuring Shariah compliance of the many financial products offered by the bank. Field notes and personal reflections were recorded during these two phases of shadowing and observation.

Access was facilitated by the fact that this author had spent some years undertaking Shariah studies in a *madrassah*, a religious school, and was known to some of the bank's key stakeholders. Due to his *madrassah* experience, he was also able to readily understand much of the Shariah-related jargon used by Shariah scholars. Furthermore, he is fluent in the language used by most of the participants in the study. There is something to be said about the material aspects of this author's appearance (long beard, prayer cap, shalwar kameez as preferred by Pakistani Shariah scholars, etc.), his rhetorical competence (ability to converse with Shariah scholars in their own lingo/jargon, the use of pietist Islamic vocabulary in everyday language, etc.), his religious practice (performing the five daily Islamic prayers regularly and publicly), and how all of these factors together "legitimated" him as a trustworthy insider for Shariah scholars in the country in which the fieldwork was conducted. The observations were complemented by 24 in-depth semi-structured interviews with various key figures at GMB and beyond. Finally, a large number of documents were collected that focused on the bank's Shariah compliance practices. These include minutes of Shariah Board meetings, Internal Shariah Audit reports, External Shariah Audit reports, Product Program Manuals for various financial products including personal finance products, completed transaction documents, etc.

As is typical in ethnographic studies, data analysis began during the fieldwork. The link between the materiality of the underlying asset and the legitimacy of the transaction was one of the key themes that emerged early on during the fieldwork. To understand this puzzling role of materiality, we focused our analysis on the practices that were performed and on the various practitioners that were performing them. Our hunch early on was that material-based

practices were quite different from symbolic or discursive practices of legitimation, and we sought explanations for this. When consulting the literature on practice theory and materiality, we found important insights from material engagement theory (Malafouris, 2013; Renfrew, 2001) which informed our understanding of material signification and its implications for the material-based practice of legitimation.

In reporting our findings, we use pseudonyms throughout in order not to disclose our respondents' identities.

The Shariah as the basis for legitimation in the global Islamic finance industry

Islamic banking is not a unified practice and banks in different regions and nations are subject to different regulatory regimes (Rammal & Parker, 2013). Shariah compliance, however, is central to the legitimation of all Islamic banking activities (Usmani, 2004). One of the widely accepted principles of Shariah on the matter of economic exchanges is the prohibition of *riba*, which can be broadly defined as "any increase over and above the principal amount payable in a contract obligation, not covered by a corresponding increase in labour, commodity, risk or expertise" (Ayub, 2007, p. 53). *Riba* is often translated as "usury" and used to refer to interest charged on loans. To be considered *halal*, all forms of trading and leasing assets must involve risk taking and value addition. In the absence of these attributes, any return or profit earned would be *haram* (Usmani, 2004). Accordingly, in many Shariah jurisdictions personal finance (in the form of personal loans) has been a no-go area for all Islamic banks. The central legitimation problem with personal finance was that Islamic banks could see few means of lending money (in the form of cash) to their customers and making a legitimate (i.e., Shariah compliant) profit from this transaction. The traditional western form of personal finance, a loan to be repaid with interest, is not an option for Islamic banks because charging interest on loans has been considered *haram* in Islam by almost all Shariah scholars throughout Islamic history (Ayub, 2007). However, this does not change the fact that

many people do require personal loans, and in the absence of any such loans from Islamic banks, turn to conventional banks instead. How, then, can one create a Shariah compliant version of such a financial product?

Developing a legitimate personal finance product at GMB

In this section, we explore how GMB developed material-based practices to create a personal finance product that was Shariah-compliant. GMB's original idea was to offer a product similar to one already available in the United Arab Emirates (UAE). In the UAE, the problem was resolved by substituting lending with a series of series of virtual sale transactions, which are acceptable under Shariah law. The good (a concrete material good) would be pre-bought by the bank and sold to the customer on a deferred repayment basis. The customer would re-sell the goods to the bank at an agreed lower price that allowed the bank to make a profit (also allowed by Shariah law). At this point, the customer would start to repay the price of the original good in instalments. The bank therefore made a profit from sales, not from interest. Translating this solution into a new country faced two problems. First, there was a concern that the general public might deem such a product as illegitimate. Mufti Ehsan Hameed (a pseudonym), the bank's Resident Shariah Board Member, explained to one of the authors that it could be perceived as a morally questionable attempt at making interest permissible:

> "When this request came to me, initially it was my opinion that this should not be done, or that we [the Shariah Board] should not give the bank permission to use such a product. I had this opinion because the perception of such a product in the general public is quite negative … they think that all of these things are only done to make interest *halal* (permissible) …"

However, the demand for personal loans and the lack of interest-free alternatives that was driving people towards conventional banks encouraged Mufti Ehsan Hameed to reconsider. Eventually, he became supportive of the idea because it could prevent ordinary people from reaching for *haram* personal finance products.

Second, and critically, the material way in which the personal finance product was structured in GMB's operations in UAE required the existence of a sophisticated commodity-trading platform (e.g. The Dubai Multi Commodities Centre, or DMCC). This allowed the transactions and goods to be real but the possession of them to be constructive. In other words, while the goods figuratively changed hands, physically they were never moved. Such a trading platform did not exist in the country in which our case took place, so the personal finance product offered in UAE could not be replicated and something equivalent to a trading platform needed to be created. This impetus was narrated by a senior member of the Product Development team:

> "How is it happening in Dubai? … It's happening on the DMCC system, but we don't have that system [here]! No such platform exists here. So this isn't possible then. Enter Mufti Ehsan. He said, 'We'll make a platform! We'll do this.' Mufti Ehsan … has lots of friends who are businessmen. He took two or three names, and one of them was Al-Lahm [pseudonym]. He said, 'Let's go talk to them!' … they respect Mufti Ehsan a lot. So when he called them up and said we want to do this [i.e., the personal finance product], they said 'Yes, come. Let's meet and discuss this.'"

As alluded to in the quote above, developing an interest-free personal finance product required putting in place a sophisticated material infrastructure. At the centre of this infrastructure was Al-Lahm (a pseudonym), one of the largest meat traders in the country. Al-Lahm sources meat daily from hundreds of suppliers, processing and packaging it, and then selling it on both locally and internationally. Mufti Ehsan brought Al-Lahm onboard as a partner who would help provide the underlying commodity on which the personal finance product would be based. With Al-Lahm onboard, Mufti Ehsan and the Product Development & Shariah Compliance teams at GMB studied Al-Lahm's business cycle and the physical journey of the meat. A team member explains how studying the sequence of the meat trade helped them identify export meat as a suitable physical commodity to ensure the legitimate sequencing of the transactions necessary for Shariah compliance:

> "We understood the business cycle at Al-Lahm. That okay, the slaughtering is done after *fajr* (dawn) prayers every day, then the meat is tested, then the meat is transferred to Al-Lahm, then it is distributed to their shops and some of it is exported. So we studied it and we thought that there is no real control or schedule for the meat that is being distributed locally, i.e. when the distribution vans will leave. So in that case, the risk [and hence ownership] is transferred onwards once the van leaves. So we thought, okay, we can do this on the meat that is exported instead, since flights take off at a fixed time, i.e. around 5pm in the evening. So if we complete the transaction before that time, i.e. we're able to circle around the transaction and sell the meat back to Al-Lahm, then our product will become permissible and Shariah compliant."

By studying the business cycle at Al-Lahm, Mufti Ehsan and the Product Development & Shariah Compliance team identified a time window in which the export meat would remain present and available in Al-Lahm's warehouse: between approximately 8am and 3pm (when the meat would have to be shifted to the airport for export). For the whole transaction cycle to be legitimate, it is essential that the meat remains physically present and available in the warehouse until the ownership and possession of the goods is transferred to Al-Lahm at the end of the personal finance process flow. Until Al-Lahm receives ownership and possession of the meat, the mean cannot be sold onwards, because one of the essential features of a Shariah compliant sale is that the seller has ownership and possession of the goods being sold. The 8am to 3pm time window was deemed sufficient for the bank to execute all steps of the personal finance process flow, and Mufti Ehsan and the Product Development & Shariah Compliance team told the bank's management that they had a viable product in the making. The product would look as follows.

The lending process for the personal finance product starts off as any other financing product offered by banks, i.e., with the customer submitting a financing request and going through credit checks (as is the case in conventional banks). Once credit approval is granted, the process for generating the cash needed by the customer is initiated. Figure 1 charts the 'process flow' of the personal finance product.

Take in Figure 1

This process can be divided broadly into three stages. These stages are strictly sequential (hence the bank's term 'process flow') and maintaining the correct order is important for the overall transaction to be Shariah compliant. We now take a brief look at these stages in turn (we will discuss them in more detail in the next section).

In the *first* stage, the GMB instructs the Broker (i.e., Al-Lahm) through an Agency Agreement to physically purchase a specified quantity of meat, say, 5,000 kgs, from its (the Broker's) suppliers on GMB's behalf. The Broker purchases 5,000 kgs of meat on the Bank's behalf and stores the meat in their warehouse, alongside the Broker's own stock. The Bank pays the full pre-agreed price (say, 5,000,000 PKR at the rate of 1,000 PKR per kilogram of meat) into an account held at GMB in the Broker's name. GMB now owns 5,000 kgs of meat kept in the Broker's warehouse, that is in GMB's 'constructive' possession (i.e., GMB has the legal right to receive the goods) but not in its physical possession. The Broker sends GMB a Delivery Order, signed by one of the Broker's representatives, that has details of the meat owned by the Bank and that authorises the holder of the Delivery Order to take physical possession of the meat at the Broker's warehouse. This Delivery Order usually has a time limit (for example, two days), after which it expires. The Delivery Order also has customer codes for each of the personal finance cases approved by GMB, and the associated amount of meat bought on each customer's behalf.

In the *second* stage, usually the same day as the bank receives the Delivery Order, the bank contacts the Customer and asks the Customer to go to their local GMB branch for disbursement of the loan. At their local branch, the bank's officer presents a Sale Agreement to the Customer to sign. Through this Agreement, GMB offers to sell the Customer a pre-

determined quantity of meat (e.g., 100 kgs). The price offered to the Customer is the price paid by GMB to the Broker (i.e., 100,000 PKR for 100 kgs of meat) plus the bank's profit (e.g. 30%, or 30,000 PKR). The Customer agrees to pay this price (i.e., the 130,000 PKR) on a deferred basis in equal monthly instalments over the agreed financing period (e.g., 26 months). In return, the bank gives the Customer the Delivery Order for the meat, thereby transferring ownership and constructive possession of the meat to the Customer. At the end of this stage, the Customer owns 100 kgs of meat that are still lying in the Broker's warehouse, and the Customer owes GMB 130,000 PKR in equal monthly instalments over 26 months.

In the *third* stage, the Customer liquidates the meat in order to get the cash they originally needed. They do so by selling the meat they own (specified in the Delivery Order) to the Broker, i.e., Al-Lahm, in whose warehouse the meat is already present. This final spot sale is 'facilitated' by GMB, who ask the Customer to sign a document selling the meat to Al-Lahm for a pre-agreed spot price of 100,000 PKR. GMB are pre-authorised to debit the Broker's payment account for all such transactions. Hence, the bank debits the 100,000 PKR it paid into the Broker's account in the first stage, and transfers it to the Customer's bank account. At the end of the third stage, the Broker has full ownership and possession of all the meat in its warehouse and is free to trade with it as normal. The Customer has received the 100,000 PKR cash they applied for, and GMB is owed 130,000 PKR by the Customer over a 26-month period. The Customer starts paying back the loan in equal monthly instalments from the following month.

The purchase and sale of the meat and its physical presence in the warehouse are what legitimises the bank to charge a profit on the personal finance product. The legitimacy of the whole operation is also predicated on the material nature of the selling practice (the goods actually change ownership) and the integrity of the process (the sequence cannot be altered).

Facing legitimacy challenges, or how the material gets entangled with the discursive and the iconic

After all the documentation had been prepared and approved by the bank's management, it was discussed by GMB's Shariah Board, which consists of Mufti Ehsan Hameed and two other Shariah scholars. All Shariah scholars unanimously granted approval for the product and issued a 'Shariah Compliance Certificate' legitimating the product. However, the Islamic Banking Department at the State Bank, which is tasked with ensuring that products developed by Islamic banks are in line with guidelines issued by the State Bank and the global regulatory body AAOIFI[3], raised an objection; the product had features of Organised Tawarruq (monetisation), a type of transaction prohibited by the top body of Shariah scholars in the Muslim world, the Organization for Islamic Conference's Islamic Fiqh Academy. Specifically, the AAOIFI's standard requires that the bank's customer should liquidate the commodity in the final stage independently, i.e., the bank should not play an active role in the final sale. This was not the case in GMB's personal finance product, where the bank plays an active role in the final sale. In our study, we observed Mufti Ehsan meet with State Bank officials to respond to their objection. He insisted that GMB merely acted as a facilitator:

> "We're not acting as agents of the customer, we're acting as 'facilitators'. A Wakil (agent) is given the full authority to sell the product as he sees fit. We're not given this authority by the customer ... we're just facilitating the sale. If the customer doesn't want to sell through us and wants to sell through someone else, that's fine too. So with such arguments we somehow got the product passed, even though we ourselves know that this is something we need to improve."

Using the word 'facilitator' instead of 'agent' satisfied the State Bank, which allowed the product to be made available to the general public. This rhetorical framing (discursive) was

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[3] Accounting and Auditing Organization for Islamic Financial Institutions

only possible because, indeed, no formal agency agreement was signed (material) between the Bank and the Customer, thereby making the rhetorical framing possible and plausible.

Mufti Ehsan later appeared in a long 9-minute marketing video on GMB's Facebook page to explain the legitimacy of the product. The video begins with recitation of the verses of the Quran that establish the *haram* nature of *riba* (interest). Mufti Ehsan then explains all the stages involved in the personal finance product and highlights how the product does not constitute *'inah'*, a type of sale in which the goods eventually cycle back to the original seller. This type of sale is considered *haram* by most Shariah scholars across the globe, and is also deemed impermissible according to AAOIFI's Shariah Standards (Usmani, 2004). Mufti Ehsan also explains how the product is based on the Tawarruq model, which is discussed in classical books of Islamic law, thereby asserting that the product has legitimate precedents in the Shariah. Finally, he explains that this product is not really an example of Organised Tawarruq because the bank does not act as an agent for the customer in the final sale, but merely as a facilitator, as discussed above.

Mufti Ehsan is using here a multiplicity of legitimation strategies, many of which are well known in the literature. In fact, he is combining different sources of legitimacy to construct a robust legitimacy mix (Lippi, 2019), defined as a hybrid model of legitimacy and derived from the juxtaposition of different modes of legitimation assembled together to withstand delegitimation risks. What is important in our context is that whereas some materials like the Quran play a mainly symbolic role — they legitimate by symbolising and making locally present an existing authority, other like the meat play a much more central and direct role in this mix. It is not enough to merely talk about meat. Without the physical existence of the meat, there would not be a legitimate product at all, because the meat is the basis of the series of sales transactions that differentiate the legitimate (i.e., Shariah compliant) personal finance product from an illegitimate, interest-based personal finance product.

THE ROLE OF MEAT AND OTHER MATERIALS IN ENACTIVE LEGITIMATION

The case of the Shariah compliant personal finance product at GMB helps us to appreciate some of the ways in which materials and material-based practices operate in the context of material-based legitimation. First, the case highlights the central expressive role of the commodity in the legitimation process. Second, the case illustrates how the legitimacy of the product is evoked by and stems from the orderly performance of a practice. Third, the case foregrounds the continuity of performing material-based practices as the basis for enactive legitimation. Fourth, the case highlights a sequence of material events that is critical for the legitimate performance of the practice. Finally, the case reminds us that enactive legitimation is contingent on the material affordances of the involved materials, and sometimes has to wrestle the with constraints imposed by the material nature of the elements upon which it is based. Taken together, these aspects help us to appreciate that material-based legitimation operates in ways that are different from its discursive and visual counterparts.

Enactive signification in Islamic banking

As shown above, material-based enactive signification is central to the very principles of Islamic banking. As we have seen, the use of mundane materials in Islamic finance is closely tied to the idea that it is prohibited to earn profits "accruing to a person without any labour, risk, or expertise" (Ayub, 2007, p. 70). Trading (i.e., buying and selling) meat substantiates the concept of value added and personal effort, in contrast, for example, to financial derivatives that are necessarily symbolic in nature. Equally, meat bestows a sense of legitimacy by virtue of its sensuous nature. Among other considerations, the trade in edible meat is expressive of labour, risk and expertise; anything built on this trade receives legitimacy *from* it. The exchange of meat signifies this enactively without the need of a chain

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of representations. The resulting legitimation mix, in which the expressive power of the commodity and trading practice are combined with discursive processes, is solidly grounded on the materiality of meat and meat trading. Because its foundations lie at such a basic level, sufficiently deep that it is considered objective rather than subjective, the mix cannot be easily disputed (or not so easily). The underlying mechanism of legitimation is therefore not that of allusion (Lippi, 2019) but rather affective evocation and expressivity. The signifying mechanism at work is the capacity of meat to express meaning in a direct and affective way, what Renfrew (2001) call "substantialisation" and what we call here enactive signification.

Enactive legitimation as routinised material engagement

The case suggests that enactive signification also operates in another way. The routinised practice in itself is a legitimating device, as long as it is performed in the established way. Although initially the routine itself needed to be legitimised by a mix of discursive and iconic strategies, as we saw above, once "objectified" it could itself bestow legitimacy on the product. The legitimation process ceased to rely on discursive operations, and was sustained through the material-based practices themselves.

The personal finance product developed by GMB is, in its essence, a series of sales transactions with meat as the physical commodity being bought and sold. This routinised practice needs to be performed for each and every loan to make the financing product interest-free, and thereby permissible. In order for the product to be Shariah compliant, the sales transactions must satisfy all the conditions for a valid sale laid out in the Shariah. If any one of these conditions is not met, the transaction cycle becomes illegitimate, leading to real direct costs (in the form of mandatory forfeiture of profits) and indirect costs (loss of reputation amongst the wider public) for the bank. The most critical conditions relate specifically to the commodity being traded.

One of the most important conditions for a sales transaction to be Shariah compliant is that the subject matter of the sale (i.e., the goods being traded) must exist physically (Usmani, 2004). The confirmable existence, possession and deliverability of a material object, i.e., the commodity, is central to the legitimacy of the whole transaction cycle. Thus, several practices are focused on ascertaining the existence of the meat that underlies the transactions from the very moment the meat is first bought from the suppliers. A senior member of the Shariah Compliance team explains how GMB ascertains the meat's physical presence:

> "As per our agency agreement with Al-Lahm, they provide us with the purchase and payment evidence (e.g., receipts, invoices, etc.). They send this to us on a sampling basis … We also retain the right to demand such evidence for any case as we see fit."

To ensure that the specified quantity of meat (e.g., 5,000 kgs) continues to exist throughout the transaction cycle (and is not sold off somewhere in the middle of the cycle), the Shariah Compliance teams also carries out in-person inspections at least once a month, as a senior Shariah Compliance team member explains:

> "We also do physical inspections and periodical reviews to ensure that the warehouse contains at least the quantity of goods that the bank bought [for the personal finance transaction cycle]. We carried out two physical inspections just this past week."

Another condition of a legitimate sale is that the subject matter of the sale must be specified, i.e., the specifications of the subject matter must be provided to the buyer. As discussed earlier, the Delivery Order delivered by the broker to GMB lists codes for each customer and the specific amount of meat bought on each customer's behalf. One further condition for a legitimate sale is that the subject matter must be deliverable, i.e., that the buyer can take physical delivery of the subject matter. The Delivery Order that is issued by the broker ensures that this condition is met; the holder of the Delivery Order has the authority to take physical delivery of the meat at the Broker's warehouse.

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In sum, the transaction relies on the performance of the material procedure to remain legitimate. In fact, once the legitimating authority was bestowed to the routines' practice, the legitimation mix supporting the product had two material elements: a content element (the actual presence of the commodity) that signified enactively; and a procedural element that signified through performance.

Enactive legitimation as ongoing material-based practice

One of the implications derived from the above is that there is much to be gained by considering legitimation as the effect of an ongoing process of material engagement rather than a fait accompli. Traditional views tend to see legitimacy as a stable state of variable duration. Such a stable state perspective presupposes that once legitimised, an action or practice will remain so until some counter force tries to de-legitimate it. Whereas in many ways and at a very abstract level this is true, this Newtonian view disregards the fact that what looks like a stable state from far, from close up always appears as the result of work and an array of practices. In the case examined above, we can see clearly that legitimacy is not a stable, achieved state but is rather an ongoing, practical achievement. Although the product was granted regulatory approval and continues to be offered to the public, its legitimacy must be constantly renewed and only emerges amid and through an arrangement of people, artefacts and object (Schatzki, Knorr-Cetina, & von Savigny, 2001). For instance, members of the Product Development and Shariah Compliance teams, as part of their everyday work, conduct surprise inspections of the Broker's warehouse at least once a month to ensure that the commodities the bank is buying/selling are physically present. They also periodically ask for purchase evidence from the Broker to ensure that the commodity is actually being bought and the whole exercise is not just a 'tick-box game'. The Broker, as part of his everyday work, ensures that the commodities he is holding for the bank are not sold onwards until the bank has completed its transaction cycle with its personal finance customers. The front-end bank

officials, as part of their everyday work, ensure that documents are presented to and signed by the customer in the correct order. And so on. All of this mundane work on the part of these practitioners working in different departments and organisations jointly ensures the continuing legitimacy of the personal finance product. If any of these practitioners fail to do their work properly, the legitimacy of the product is directly affected.

Enactive legitimation as a sequence of material events

Our case also highlights the importance of the sequence and temporality of material practice in material-based legitimation. It shows how processual events are intertwined in the sense that every component of the trading cycle is continuously influencing another component's potential. For the personal finance product to be legitimate, each stage in the transaction cycle needs to be completed in exactly the right sequence, as detailed in the "process flow" plan. This is because according to the Shariah, in order for a sales transaction to be legitimate, the seller needs to have ownership and possession of the commodity before the commodity can be sold to someone else. If a seller sells something that they do not yet own or possess, that transaction becomes illegitimate (Usmani, 2004). This means that, in our case, the bank can only sell the commodity to the customer after it acquires ownership of the commodity by buying it from the suppliers. The customer, in turn, can only sell the commodity after they get ownership of the commodity by buying it from the bank. Thus, each transaction is conditional upon the previous one. The effect of this is that the sequence of the transaction cycle becomes central to the legitimacy of the product. If any of these steps are performed out of sequence (e.g., if a bored bank official tells the customer to simply sign all the buying/selling paperwork at once to reduce the inconvenience of completing the paperwork in the right sequence), the whole transaction cycle becomes illegitimate.

Our case also demonstrates the importance of temporality in the legitimation process. At GMB, export meat was identified as a suitable underlying commodity because it allowed for

a very specific time window. The difference between the time a commodity enters the warehouse, i.e., T(e), and the time at which it leaves the warehouse, i.e., T(x), is the time window in which the transaction cycle can be legitimately completed.

Take in Figure 2

This time window is central to the legitimacy of the transaction cycle; if the transaction cycle is completed outside the window, the transaction cycle becomes illegitimate. The difference between T(e) and T(x) is affected by the material properties of the commodity, which determine the period it can be physically stored in the warehouse (which we address below). Given the significance of sequence in the legitimation process, the completion of each step in the correct sequence implies the passage of time. Hence, all the steps need to be completed in different, specific time periods, one after the other, in order for the transaction cycle to be legitimate. A paper (the sale agreement in stage 3, for example) being signed in the 'incorrect' time period (after 5pm, when the export flights have departed, for example, or in the time period before the agreements in stage 2 are signed) will result in the transaction cycle becoming illegitimate. Temporality and legitimacy are thus inextricably intertwined and are also, as we will discuss below, contingent on the *material properties* of the underlying commodity itself.

Material affordances and enactive legitimation

Finally, the enactive component of material signification also means that material practices cannot be used arbitrarily. Unlike linguistic signs, material signs have certain affordances to bring forth certain realities, but not others. Our case highlights how the material properties of the commodity itself affect the transaction cycle of the personal finance product and its

temporality. Thus, one cannot arbitrarily use any material practice to make a financial loan

Shariah compliant. All materials are subject to decay, in a way that words and images might

not be. The meat eventually rots, and its material properties change. Thus, if legitimation is

anchored in material objects their transportability and storage become an issue. The

processing cycle of the meat is therefore closely tied to the material properties of meat, which

necessitate that meat be cooled to a certain temperature (in order to prevent rotting) before it

can be sent out for export. The fact that the material properties of meat are such that the meat

needs to be cooled down to a certain temperature before being exported, and that cooling

takes a period of seven hours, is central to defining the time window in which a completed

transaction cycle is considered legitimate, as a senior member of the Shariah Compliance

team explains:

> "...The meat would be kept inside the cold storage for seven hours at a certain
> temperature. Once the meat reached a specified temperature, then it would be
> fitted into a specialized container used for the transport of cold goods, and
> would then be exported. So that's why it had to be shipped in that particular
> time...it couldn't leave before those 7 hours, since the meat has to be cooled to
> a certain temperature in the cold storage in order to maintain the quality [of
> the meat] during the transit period."

This 7-hour cooling period, which is directly related to the material properties of meat,

defined the 8am-to-3pm window in which the bank could *legitimately* complete the

transaction cycle for the personal finance product. The fact that the quality of the meat would

be adversely affected if it were not shipped on the same day is the reason why the bank only

had a few hours in a single day to complete the transaction cycle.

Ultimately, however, this short time window became difficult to work with when sales

volumes for the personal finance product started to grow:

> "The business cycle at Al-Lahm was such that we only had a limited number
> of hours to complete the transaction cycle ... The issue with Al-Lahm was that
> we didn't even get enough time to coordinate with the customer and get
> him/her to come to the bank for the transactions; getting the documentation
> complete is important [and it took time]."

After three years of working with meat as the underlying commodity, GMB ended their relationship with Al-Lahm, and entered into a new relationship with Al-Furqan, a Broker who traded in pulses and grains. Pulses and grains, due to their material properties (i.e., they are non-perishable and do not rot), have much longer shelf lives and business cycles than meat, thereby affording GMB a longer (4–5 days) time window in which a transaction cycle can be legitimately completed. The "process flow" for the personal finance product, and all the associated practices, remain the same; only the commodity has been switched, and the transaction cycle can now legitimately be completed in a four to five day period instead of a seven-hour period.

In sum, the material properties of different commodities (meat vs. grains) have different affordances, which impose their own demands on legitimation processes and shape the temporal and procedural process of material engagement.

DISCUSSION AND CONCLUSION

In this paper, we aimed to rebalance the current emphasis on rhetoric, discourse and communication as the main sources and resources for legitimation (Suddaby et al., 2017). Our contention is that an exclusive focus on the linguistic or perceptual aspects of social life hides other important facets of social life, such as action and materials. Social life is constituted not just by people 'saying' things in various ways (including speech, print, media, legislation) but also by people 'doing' things, i.e., engaging in action mediated by the material objects around them.

The case of the introduction of personal loans at GMB has many elements of a typical discourse-based legitimation process story: legitimation was obtained through a set of agential activities to produce affiliation with existing social categories; the actors at GMB engaged in reframing and translation manoeuvres; we witnessed contested interactions and

legitimation emerged as the result of a patient work of 'bricolage' (Cartel and Boxembaum, 2019) within a nested social situation (Suddaby et al. 2017). The case also shows how legitimation was obtained through the strategic use of not only verbal resources, but also visual resources. The appearance of Mufti Ehsan Hameed and the Quran in the promotional video was used to frame the new product and persuade users of its normative and moral legitimacy (Meyer et al., 2018). Yet, when we applied our enactive sensitivity, new and rarely observed aspects came to the fore.

In particular, our case study brings to the fore the critical role actively played by materials in the process of legitimation. We are not the first authors to call for increased attention to the role of materiality (and especially visual artefacts) in institutional matters. Jones et al. (2013) have noted that visual and material artefacts support legitimation by materialising and heightening the facticity of ideas; supporting translation of existing legitimacy via material camouflaging and mimicry; visual artefacts support incipient legitimation and produce immediate and affective responses (Jones et al., 2017). Although this view has significantly enriched our understanding of the critical role of non-verbal entities in institutionalisation processes, it still adheres to the idea that materials signify in the same way that language does: "Relationships among material objects or aspects thereof reveal a material vocabulary … The relationality of material objects form a language" (Jones et al., 2017, p. 634).

Our study suggests first that in matters of legitimation materials differ from their linguistic (and visual) counterparts. Artefacts and the practices they are involved in do not just designate or represent pre-existing significative concepts, they also often actively substantiate them (Renfrew, 2001). Material signification can be seen as a projection of affordances into an expressive domain. As Gregory Bateson (1972, p. 103) put it, "The lions in Trafalgar Square could have been eagles or bulldogs and still have carried the same (or similar) messages about empire and about the cultural premises of nineteenth-century England. And

yet, how different might their message have been had they been made of wood!" Materials thus signify, and legitimate, by a specific form of pre-linguistic evocation and expressivity that is related to their sensuous nature.

Note that we do not claim that materials can operate or signify "pre-culturally" on the basis of some supposed intrinsic essential quality, as in certain versions of affective theory (Massumi, 1995). The evocative and legitimating power of certain commodities and materials derive from our encounters with them in a variety of mundane practices (see the subsection 'Material signification as enactive signification', above). The sense of the relative durability of stone and wood in the example above can only emerge against a background of human activities (from walking on solid ground to trying to break a stone, to sheltering inside or under natural structures and material artefacts). A signature written in pen has a very different meaning (and legitimating effect) from a photocopied one, in spite of both being semantically identical. and visually similar. Like Trafalgar Square's stone lions, a signature expresses intentional agency and permanence enactively through its material nature and the practice of signing.

Similarly, we do not argue that the expressivity of materials is universal or immutable. Meat is evocative of labour and expertise because of our practical and situated experience with it. This meaning is bound to change when the situated experience changes. Whereas words can be understood via translation and definition (e.g., in terms of equivalence, as when we translate a word from a language we do not know), the questions raised by the issue of "what does this piece of material mean" will be very different and may include, for example, questions of quantity and quality, questions of relation and becoming, questions of place and time, questions of position and state and questions of potentiality and actuality (Malafouris, 2013, p. 97). In a hundred years, love locks on bridges may mean nothing if all doors are secured electronically.

We argue however that enactive meaning cannot be changed at will and that it changes slowly exactly because it is rooted in situated experience of practices, which we cannot modify at whim. In *a hundred* years love locks on bridges may mean nothing if all doors are secured electronically, but until then, they will retain their meaning. The interpretability of material objects is more constrained than that of linguistic symbols and visual images because their meaning is enactive. Material expressivity is perceived as objective rather than subjective because it transpires through and amid a background of practices. The legitimating capacity of the process in Figure 1 is *partly* rooted in the same phenomenon. The product derives its legitimacy from the expressive meaning of the commodity but also from the fact that the legitimation has been translated to the objectified procedure. The procedure expressively evokes legitimacy because as a practice it is perceived as objective.

In summary, our case study helps us see how materials in general, and "meat" in our particular case, may signify and legitimise differently from words and images. We summarise our view in Table 1 below. The table extends the list of affordances of different resources in the process of institutionalisation recently proposed by Meyer et al. (2018) by incorporating the insights from our case. The table suggests that material legitimation operates in ways that are partially different from those of linguistic symbols and images.

Features	Dimensions	Verbal	Visual	*"Meat"*
SEMIOTIC FEATURES	**Basis of signification**	Symbol	Icon, index, symbol	*Substantiation, expressivity (enactive signification)*
	Structure of information	Linear/additive/ temporal	Spatial/holistic/simultaneous	*Evocative/Intuitive*
	Interpretive flexibility	High	Medium (increasing, e.g., deep fake video)	*Low*
	Perspective	Descriptive (pronouns)	Embodied (gaze)	*Embodied (sensuous)*

COGNITIVE FEATURES	**Perception and processing**	Sequential	Immediate	*Immediate/ Affectively driven*
	Determinacy of cues	Lower polysemy	Higher polysemy	*Constrained polysemy (Not everything goes)*
CULTURAL FEATURES	**Social regulation/ accountability**	Strong	Weak	*Strong (emergent at the encounter of affordance and background practices)*

Table 1: Affordances of different resources in the process of institutionalisation. Based on Meyer et al. (2018, p. 395) with the third dimension "meat" added.

In the table, we use the category "meat" rather than "materials" because we suspect that the search for a single generalised grammar may conflate different materials (for example, visual objects, natural things and artefacts) and in so doing it may obscure the different ways in which materials can be used to legitimise new products, practices and institutions. For example, in our case the material is used to legitimise through enactive signification, leveraging the perishable and transportable nature of meat. This also applies to other commodities, and in fact as we have seen that over time meat was substituted with grain, which is expressively equivalent (the choice of grain was not arbitrary – Shariah requires that a material and essential commodity is involved). However, the use of different materials (for example, a living being or a rare element) may configure the legitimating practice very differently. This issue may apply in field others than Islamic finance — an extreme case that here functions simply as the canary in the mine. Consider, for example, the emerging legitimating challenge of moving documents and archives from paper to digital format. According to our argument, part of the legitimating effect of documents comes from the enactive meaning of paper, which enactively expresses, rather than symbolise, durability. What are the long-term consequences of the realisation that digital media decay much faster than we ever imagined? Why does the British government still print its laws on vellum (a

very durable animal skin)? What will be the long terms effects of digitalisation on legitimation practices?

Our paper also extends the idea that legitimation is processual by suggesting that legitimacy itself is the result of a bundle of ongoing practices. In short, we suggest that in many cases legitimation stems from the "distributed effort of diverse … [change] agents at multiple levels who engage in the day-to-day effort of legitimacy" (Suddaby et al., 2017, p. 462). The word "change" in this case should be replaced with "re-produced" or "perpetuated". In our case, although the original legitimacy of the product was the result of the effort of Mufti Ehsan to persuade the State Bank of the decision of the Shariah Board, discussing the product and declaring it Shariah compliant, and Mufti Ehsan recording a promotional video for the public explaining why the product was Shariah compliant, it also depended on the Broker buying the appropriate quantities of commodities from the Suppliers, sending the Delivery Order to the Bank, storing the commodity safely and not selling it on until the Order to Sell was received from the Bank's customer, and on members of the bank's Product Development & Shariah Compliance teams conducting surprise visits of the Broker's premises to ensure that commodity was physically present. All of these actions are central to the legitimacy, in the same manner as the actions of Mufti Ehsan. At least in the case of material legitimation, legitimacy is never a static property or capacity of an entity (Suddaby et al., 2017, p. 451); legitimacy is always the result of activity. The process does not end when things are legitimated. It its process all the way down.

We add that legitimacy stems not from one but rather a multiplicity of processes when these are successfully woven together. We have already seen from our case how material practices (buying, selling, storing and inspecting the underlying commodity) are central to the legitimacy of the personal finance product. We have also seen how temporal practices (the temporal sequence of signing the transaction documents in the 'correct' order and within the

appropriate time periods, completing the transaction cycle within the legitimate time window, etc.) are also key to the legitimacy of the product. As suggested by Lippi (2019), this raises the empirical issue of how these elements interact, conflict with, or ignore one another. What does it mean to apply different types of legitimating processes together? What types of configuration are more effective? How have these configurations changed in the course of history? What practices are required to maintain, refresh and repair the established legitimating verbal, visual or material coupling between practices, organisation and values? Finally, our study suggests that legitimation is rarely, if ever, the outcome of a single type of process. When illustrating our enactive view, we made clear that materiality did not work alone, and that textual and iconic elements were operating at the same time. Following Lippi (2019), we have called this the legitimacy mix. Our case suggests in particular that legitimation emerges at the juncture of three types of semiotic processes: discursive, iconic and material. This observation opens new and interesting possibilities and directions for future research. A legitimacy mix perspective raises the issue of how these three types of processes work together, how they are aligned and what happens when they conflict. This view also suggests that loss of legitimation and "delegitimation" can derive not only from external antagonistic processes of contestation (Suddaby et al., 2017, p. 461), but also from internal tensions and contradiction between elements, or from the decay of one or more elements. This in turn raises temporal questions: do legitimacy modes change over time? If so, why? Do modes of material-based legitimation become historically prevalent? Will digitalisation affect legitimating processes? And if so, why do we continue to use signatures? In conclusion, our aim in this paper was to explore and illustrate the specific and distinctive nature of material-based legitimation, building on the idea of enactive legitimation. As such, the paper constitutes an example of the benefits of applying practice sensitivity to the examination of some of the key issues of institutionalism; it also demonstrates the generative

power of alliances between practice-based approaches and cognate research traditions, which is encouraged by Schatzki in this volume (see chapter X, this volume). This paper, however, is also illustrative of a particular understanding of the idea of practice-driven institutionalism that may differ from how it is conceived by other authors in this volume. Rather than seeing practice-driven institutionalism as speculative discussion on first principles conducted at a very high level of generality and abstraction, we see the application of practice theory as an opportunity to expand our grip on empirical institutional phenomena. The movement is expansive rather than elaborative of existing theory; it builds on the idea that a practice-based approach is better conceived as an evolving infra-language and set of sensitivities to be used in the course of inquiry, rather than the attempt to use practice or other constructs to develop an explanatory "theory" of everything social. It is at this level that we claim that alliances are more promising, as the case of enactive signification demonstrates. We see some perils in understanding practice-driven institutionalism only or mainly as an alliance to further elaborate this or that grand narrative (Lyotard, 1979). Besides enriching our understanding of legitimacy, this paper also suggests that the promise of practice-driven institutionalism is its capacity to generate a range of distinctive questions, rather than providing a set of ready-made answers.

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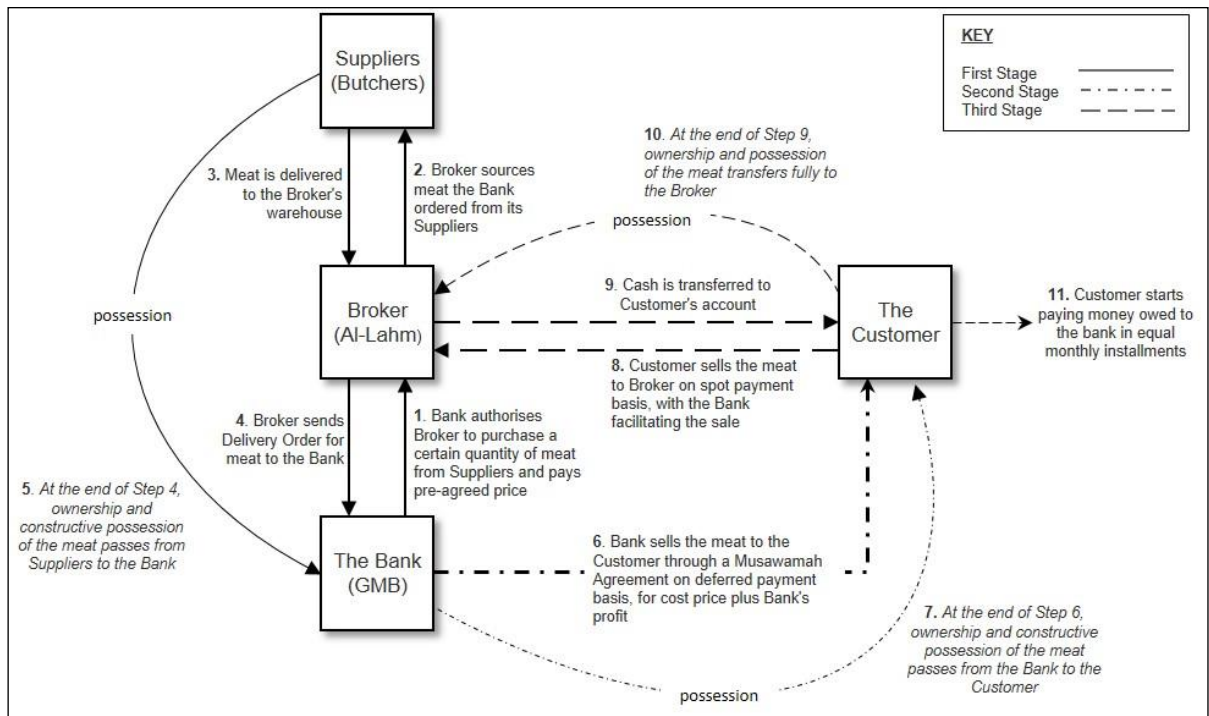
FIGURES

Figure 1: The process flow of the personal finance product

Figure 2: Time window for the meat transaction