

ACCOUNTING ON TRIAL: THE CRITICAL LEGAL STUDIES MOVEMENT AND ITS LESSONS FOR RADICAL ACCOUNTING*

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Abstract

It is now time, after a decade of development, to take stock of the growing, varied, interdisciplinary Critical Accounting movement appearing in the pages of *Accounting, Organizations and Society* and elsewhere throughout the 1980s. Critical Accounting bears remarkable resemblance to the highly important Critical Legal Studies movement (or CLS) in American academic law. This paper introduces CLS to accounting audiences and surveys Critical Accounting from the perspective of its larger, older, more fully articulated, more radical and more divisive legal cousin. This paper argues that if Critical Accounting continues to share CLS's theoretical and intellectual stance, but not its targeted critical practice and institutional or political stance, Critical Accounting is destined to remain an interesting sidelight rather than a fully articulated theory of accounting. Finally, this paper comments on existing Critical Accounting work from a CLS perspective, and suggests new directions for Critical Accounting as an intellectual movement.

Not long ago a colleague sent me an early 1989 issue of *Accounting, Organizations and Society* (accounting is a discipline far outside my current academic field), whereupon I ran across the following quite remarkable sentence:

To 'defer' suggests that rhetorical privileging of one term depends not only on a differential 'spacing' of terms but also [on] "... the quest for a rightful beginning, an absolute point of departure, a principal responsibility" (Arrington & Francis, 1989, p. 12, quoting Derrida, 1982, p. 6.).

As a literary theorist whose academic business it is to know more or less what such numbing sentences mean, I could only imagine the reaction of a non-initiate (such as a typical accounting reader) stumbling into it: shake-the-head, get-a-drink, this-is-hogwash, deny-tenure, or most likely, turn-the-page. Intrigued by what I read, I pulled a twelve-year stack of *AOS* off the periodicals shelf, and found among other things a substantial body of literature drawing

on diverse non-accounting sources to challenge many of the "economic", behaviorist, empiricist and positivist bases for accounting theory. What surprised me most, though, was that the "Critical Accounting" (my term only, for now) in this stack of *AOS* — remarkable in its ambition and thoroughness — bore marked resemblance of style, genealogy, mission and thrust to the writings of the controversial "Critical Legal Studies" movement in American academic law. Because of some striking similarities between standard legal and accounting theory, between modern legal and accounting institutions, and between critical studies in law and accounting, Critical Legal Studies will be of prime interest to accounting audiences.

Since its birth sometime in the mid-1970s, the Critical Legal Studies (or "CLS") movement has become the most powerful and divisive phenomenon since the 1930s in American academic law. Throughout the 1980s the pages of America's major law journals — the Harvard,

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Stanford and Yale Law Reviews among others — have been filled with over 700 CLS papers and rebuttals (Hutchinson, 1989, p. 1); CLS books and collections and conference proceedings have busied the legal academic presses (e.g. Kairys, 1982; Harvard 1986; Levinson & Mailloux, 1988; Hutchinson, 1989), hiring and tenure battles have raged, CLS subdisciplines have arisen, and major national magazines have brought the CLS controversy to a wide audience (e.g. Trillin, 1984; Lecayo, 1985; Helm & Tell, 1988).

This paper, then, written for an academic accounting audience from the perspective of an outsider, presents the CLS movement in and of itself, and more importantly, presents CLS as a paradigm for the parallel yet less prominent Critical Accounting movement. After a decade of growth and development in the pages of AOS and elsewhere, Critical Studies in accounting is at a point where it might profitably examine its own history and take account of itself. Though “Critical Accounting” (a so-far infrequently used, variably defined catch-all term lumping together a range of recent, generally anti-objectivist tendencies)¹ has not as of yet constituted itself as a formal movement, the history of oppositional movements tells us that if Critical Accountants do not soon declare or name themselves on their own behalf, then some group far less sympathetic will do it for them, and on less than favorable terms. It is the crucial matter of choosing the terrain on and over which the battle will be fought.

This paper, then, is also a thinly disguised critical account of Critical Accounting. As such it will appeal to three distinct types of accounting audience. Firstly, for those readers who until now have dismissed or ignored the rising, forceful practices of Critical Accounting, this paper demonstrates that their dismissal makes

little sense: there are no theoretical reasons why the recent destabilization of American legal theory will not replicate itself in accounting. Secondly, for those readers who would align themselves *with* a Critical Accounting movement, the law-and-accounting comparison presented here will both critique the movement and provide points of tangency from which to base further inquiry. The third and broadest appeal is for the general reader. Little in the educational or research experience of most academic accountants has taken them into the literary and critical theory which undergirds critical studies movements; a legal comparison will present these tendencies from a fresh perspective, and may help clarify much of the growing and often-confusing Critical Accounting that challenges them today.²

The paper is organized as follows. In the remainder of this section I sketch out the unexpectedly many social and institutional parallels between accounting and law, and will review the again comparable conventional theoretical conceptions (formalist or normative) of both fields. I will push the comparisons hard, though I cannot deny that the fields have many differences as well. The next section recounts the important social-science critiques of normative and formalist legal and accounting theory: the legal version having peaked in the American Legal Realist school of the 1920s and 1930s, and the accounting version in full swing today. By that point the stage will be set for the heart of this paper: comparison and analysis of the Critical Studies movements in both accounting and law. There we will examine the intellectual traces, critical practices, institutional postures and political programs (or lack thereof) of the two movements, taking care at each point to note their interpenetrations and differences. This paper concludes with an

¹ Of course “anti-objectivist”, like “atheist”, only indicates what Critical Accountants do *not* believe.

² “Critical Theory” has two meanings: the first referring specifically to the 1930s’ Frankfurt School of Adorno, Horkheimer, and also Benjamin and Marcuse; and the second, used here, more broadly denoting social, representational and interpretive theories regardless of epoch or geography.

assessment of the Critical Accounting movement in the light of the comparisons just made. I must note that the scope of the claims in this paper regarding accounting and law extends only to the U.S. and to a lesser degree to the U.K. It goes without saying that things are different elsewhere, and that cross-cultural inquiry into accounting should be a priority for any future Critical program.

Social and institutional parallels

Though at first glance the professions of law and accounting might seem quite different (words vs numbers, the layperson might say), the list of social similarities between the two is long. Lawyers and accountants are much closer cousins to each other, for example, than either of them is to engineers, physicians, academics, bureaucrats, financiers, computer programmers, managers, and so on. On the demographic front, using mid-1980s' statistics, there are approximately 655,000 lawyers in the United States (*Statistical Abstract of the U.S.*, 1989, chart 303) as against approximately one million total accountants, 250,000 of whom are CPAs (American Almanac, 1987, p. 263).³ In both professions the private sector employs over 85% of all professionals, though corporations directly employ a greater share of accountants while lawyers are more frequently found in private firms. The balance are in government, education, the judiciary, and elsewhere (*Statistical Abstract of the U.S.*, 1989, charts 303, 1347). Historically, the two professions have been overwhelmingly white, overwhelmingly male, and middle to upper-middle class (with lawyers more frequently in the higher end of the range), though this is today shifting, especially with respect to gender and especially in law.

Both the institution of law and the institution of accounting bear the name "professions", enjoy a certain prestige, a quasi-governmental status, and have certifying examinations (the Bar and the CPA), national professional organ-

izations (the American Bar Association and the American Institute of Certified Public Accountants) and an extensive system of accredited academic institutions employing faculty who both conduct research and reproduce the professional labor force.

In terms of the roles the two professions play in society, both law and accounting take on a similar patina. Both institutions are woven into the fabric of everyday life. Small towns and Rotary Clubs across the land invariably boast an accountant or two and a lawyer or two whose practices serve individuals and small businesses in confrontations with government or each other, or in organizing their daily lives. Large corporations invariably keep internal lawyers and accountants on hand as well as Big Eight (or Seven, or Six) accounting firms and blue-blood law firms by their side for all manner of contingencies and legitimations. U.S. Federal, state and local governments employ some 120,000 accountants nationwide, and it surprises no one that one of every 22 residents of Washington DC is a lawyer.

Both law and accounting are also tools of social and organizational control, prescribing or proscribing in often spectacular detail types of individual behavior, terms of economic relationships, and degrees of government power. Forms of business organization are defined according to legal and accounting structures. Law and accounting play active roles in the direction of public policy and shape debates on countless social issues. "Call your accountants and lawyers" (as if they were one group not two), is a refrain heard daily across the U.S. from the boardroom to the barroom to the bedroom, in regards to tax obligations, bankruptcy resolutions, divorce settlements, public utility pricing, inheritance disputes, product liability, personal injury claims, corporate takeovers, real estate closings, shareholder conflicts, and on, and on, and on. Indeed, to grossly oversimplify, accounting and law have broadly similar histories, with ancient,

³ It is of course antithetical to many Critical scholars to find "truth" in statistics. Such readers may of course treat these numerical comparisons as a rhetorical ploy.

somewhat *ad-hoc* roots developing through greater doctrinal and practical complexity, progressing to today's highly institutionalized and somewhat ossified forms.

Standard-theory parallels

On the theoretical front, again one might at first expect large differences between the traditional conceptions of accounting and law — the words vs numbers argument repeated. However, such is not the case, as the two fields share much. To begin with, both claim as their base highly elaborated, identifiable bodies of written and unwritten rules of judgment and conduct. In law, as embodied in H.L.A. Hart's classic *The Concept of Law* (1961, p. 121), "two principal devices ... have been used for the communication of such general standards of conduct ... The first is typified by what we call legislation and the second by precedent". In accounting, similarly, any basic text tells you the body of rules or generally accepted accounting principles (GAAP) also come from precedent and legislation: they "have evolved over time or have been made 'acceptable' by decree from an official rule-making body" with its ultimate authority in legislative consent (Davidson *et al.*, 1985, p. 3).⁴

In both disciplines, so the standard theory (or story) goes, the rule-interpreters (judges and auditors, among others) are then bound to apply objectively this body of rules to the "facts", thereby arriving at impartial disposition of the case at hand. The language employed by such official interpreters illustrates this purported objectivity. In a judge's written decision, the court "*finds*" the result, say, that defendant X is liable for amount Y. To "find" is to say that

this legal result was not created by the act of judging, but rather pre-existed the enunciation of the judgment thereof — the court simply "finds" (or, in some cases, "the court *is forced* to conclude"), just as my mechanic recently found a well-hidden pre-existing noise deep within my car's engine. Likewise, under Financial Accounting Standards Board (FASB) rules, in corporate financial statements an auditor declares that "the aforementioned financial statements *present* fairly the financial position" of company X, which is as Webster says of "present", "to offer to view, to show". In other words, the auditor, like the judge, by virtue of careful rule-based investigation and diligence brings to light, or un-masks for the world, a factual condition (e.g. cost, liability) that objectively pre-existed the pronouncement of its existence. In epistemology, this is called (naïve, by some) realism.

It is important for the traditional conceptions of both law and accounting to portray themselves as neutral mechanisms, neither creations of nor subject to the desires of individual actors or political interest groups. John Adams's durable 1774 formulation of "a government of laws and not of men", reveals the American faith that laws are somehow neutral or man-free in both genesis and application, just as the goal of our foremost accounting researchers — to provide a value-free basis for subsequent normative decisions (to cite one among many, Jensen, 1983, p. 320)⁵ — is typical of the neutralist desires of standard accounting. If there are numerous, indeed countless counter-examples to the purported objectivity and neutrality of accounting and law, the official story is that this does not compromise the underlying purity of the institutions themselves.

⁴ Importantly, Davidson notes (1985, p. 667) the ultimate legislative base for accounting principles: "Although Congress has the ultimate authority to specify acceptable accounting methods, it has delegated that authority in almost all cases to the Securities and Exchange Commission. The commission has indicated that it will generally accept the pronouncements of the Financial Accounting Standards Board on accounting principles."

⁵ Friedman (1962, page 86, cited in Tinker *et al.*, 1982, p. 169) joins in this neutralist parade: "the economist's value judgments doubtless influence the subjects he works on and perhaps, at times, the conclusions he reaches ... this does not alter the fundamental point that, in principle, *there are no value judgments in economics*" (emphasis added). We will return to the hopelessness of a neutral positive accounting later.

Rather, these counterexamples provide added impetus for legal and accounting scholars, or responsible judges and auditors, to understand and eliminate these biases so as to render the system more perfect.

In the eyes of Critical legal and accounting scholars, there is so much wrong with the standard theory in the preceding three paragraphs that there is in fact not one thing right about any of it at all. But we have gotten ahead of ourselves in our critique. It would be more useful at this point to recount the efforts of academics in both fields who, also uneasy with formalist or normative approaches to accounting and law, have tried to revive their respective fields with the positive elixir of "social science".

TWO SOCIAL-SCIENCE CRITIQUES OF ACCOUNTING AND LAW

In my account of the attempted social-science rescues of law and accounting, I will spend far more time on the former than on the latter. I do this for two reasons. Firstly, this journal's readership is already highly familiar with the positive behavioral, "social", and organizational work done in accounting, while perhaps only vaguely aware of the major American social-science movement in law: the Legal Realist movement of the 1920s and 1930s. Secondly, and most important, as an intellectual movement the Realist application of social science to law ultimately died, and CLS later rose from its ashes. And so an analysis of why Legal Realism died will be instructive for all those implicated in the uneasy coexistence of normative, social-science and Critical approaches to accounting today.

Legal Realism was a powerful American academic and judicial movement which flourished in the 1920s and 1930s. Legal Realism has been well documented elsewhere (e.g. Purcell, 1969, 1973; Harvard *Note*, 1982; Kalman, 1986), and so what follows is only a summary. In the early part of this century, the American legal system was characterized by a burgeoning

and increasingly complex volume of precedent, statute, rules and principle (e.g. "no man should profit from his own wrongdoing"), which three "texts" were seen to constitute the law. At the same time, the dominant conception of law's operation was formalist: as a machine for legal reasoning. Standard early 20th century legal practice placed great emphasis on the application of the correct rule and on logic maneuvers such as the syllogism, e.g. "all men are mortal, Socrates is a man, Socrates is mortal". By virtue of legal reasoning, or careful, dispassionate attention to fact and statute and diligent reliance on the wisdom of precedent (*stare decisis*), judges, virtually mechanically, could arrive at correct legal decisions. Legal Realism arose directly in response to this conception.

Not surprisingly, early Realist opposition to formalism came from practitioners such as Supreme Court Justice Oliver Wendell Holmes:

The actual life of the law has not been logic: it has been experience. The felt necessities of the times, the prevalent moral and political theories, institutions of public policy, avowed or unconscious, even the prejudices which judges share with their fellow-men, have had a good deal more to do than the syllogism in determining the rules by which men should be governed (Holmes, 1901, p. 1, cited in Dewey, 1924, p. 20).

The philosopher John Dewey was among many who noted that decisions actually arise not from syllogistic reasoning, but rather "generally begin with some vague anticipation of a conclusion ... and then we look around for principles and data which will substantiate it" (Dewey, 1924, p. 23). Other Realist scholars took pains to show how courts had reversed previous decisions using identical principles, how the same case had been argued different ways in different courts, and so on.

Realists proposed to replace legal formalism with functionalism, whose most famous formulation is that law is what officials do about disputes (Llewellyn, 1931, pp. 1236-1249). (In this respect, functionalism is similar to today's behavioral models in accounting.) This functionalism, borrowed from the anthropology and

sociology of the day (Cohen, 1935⁶), based law not on its supposed or obfuscatory *conceptual* elaboration but rather on law's actions and social consequences.⁷ Realist legal researchers de-emphasized further elaboration of normative rules and instead focused on the "psychological, sociological, and economic *facts*" (Cohen, 1935, p. 834, emphasis in original) which constituted law.

Realists called for and undertook a variety of projects including examining the effects of government regulations and administrative bodies on the legal system (Llewellyn, 1931, pp. 1244–1249); elaboration of theories of the interests at play in the legal order (Pound, 1930–31, p. 71); and quantitative research into the various stimuli and economic and educational predictors of judicial behavior (Frank, 1930). In Walter Kennedy's celebrated mid-1930s' exchange with the Realist Felix Cohen, Kennedy derisively characterized the functionalist social-science heaven as one in which:

one finds mechanical contraptions clicking merrily away, grinding out the *facts* with unerring accuracy ... the chromium-plated devices of science: the lie-detector and the electronic diagnosis apparatus, the "eight-cylinder social machine," the behavior estimators and free-will eliminators, the sure-fire questionnaires, statistical devices for registering trends, control rooms for systematizing human actions and departments for investigating the sex life of judges ... all these multiple and variegated machines clicking in amazing unison; machines with mechanical fingers grabbing particulars, automatically piling up and weighing the facts, welding them into generalizations, wrapping them with cellophane and

producing the solution of any possible problem of the legal order, untouched by human hand (Kennedy, 1936, p. 276).⁸

No doubt the reader has by this point noticed that such 1930s' Realist social-science research programs are not too far from so much current social-science-based accounting research today. And indeed, both programs are motivated by a desire to rise above any moral biases through so-called objective science (Cohen, 1935, p. 841; Friedman, 1953). In the words of Keynes (1891), this means emphasizing positive science as "a body of systematized knowledge concerning *what is*" over normative science "discussing criteria of *what ought to be*",⁹ while the near-identical formulation of Legal Realism is that social science contributes towards the desired "*temporary* divorce of Is and Ought" (Llewellyn, 1931, p. 1236, emphasis in original).

"And what", an accounting audience may be tempted to ask at this point, "is wrong with that?" Though the Realist critiques of the sclerotic, formalist, apparently socially blind jurisprudence of the day were well founded and often corrosive, the Realists foundered on their alternative program of social science. Against a backdrop of a crumbling moral order in 1930s' Europe, traditional as well as Catholic legal scholars argued that the essence of justice had to be morality; science was limited, also and inevitably biased (hence could not provide the "Is"), and so could be no substitute. Walter Kennedy, after providing the derisive

⁶ See generally pp. 809–849, especially pp. 829–833, discussing the influences of Henry James, Max Weber, Franz Boas, Bronislaw Malinowski and others.

⁷ Note parallels with modern-day accounting, e.g. Hopwood (1987, pp. 209, 213), citing himself, R.S. Kaplan and R.W. Scapens: "not least in significance, increasingly accounting is being examined in terms of the consequences which it actually has rather than those to which it continues to aspire", and "research has come to be more concerned with analysing and understanding accounting in action".

⁸ Emphasis in original. I omit the nine remarkable footnotes in which Kennedy cites these contraptions as having been actually proposed in Realist articles! The exchange between Fordham University's Kennedy and Cohen includes Cohen (1935), Kennedy (1936), Cohen (1936) and Kennedy (1937).

⁹ Emphasis in the original. The complicated genealogy of this quotation is: Keynes, 1891; cited in Friedman, 1953; cited in Zimmerman, 1980; cited in Tinker *et al.*, 1982, p. 169). I can only hope nobody ever has to cite *me* for this quote.

characterization quoted above, left no doubt about what he thought were the ultimate implications of abandoning morality for “science” in the law: the entry of Science was “not merely as a friendly adviser, but as an all powerful, legal *Der Fuehrer*” (Kennedy, 1936, p. 282, emphasis in the original). And might not a social-science-dominated accounting be liable to a similar critique? For while law is about *justice* — a quality at whose core lie no statistics — is not accounting about a similarly non-statistical quality called *value*, an “Is” about which science can make no approximation?¹⁰ Is not social science, so useful in revealing the interests of others, dangerous exactly when it claims to be disinterested *itself*? We will return to this complex question later.

By the end of World War II, at any rate, Legal Realism’s oppositional campaign was largely over in American academic law, though in practical terms its advocacy of increased social awareness was incorporated by American courts in many groundbreaking decisions of the 1950s and 1960s. The Realist banner would not be taken up by legal scholars with any great gusto until the mid-1970s and the rise of CLS. And what was it about that specific historical moment which explains this rise? As Allan Hutchinson points out (1989, p. 2), many of the founding members of the Critical Legal Studies movement (the Conference on Critical Legal Studies is in fact a membership organization) were students during the 1960s’ Civil Rights and anti-Vietnam War protests — a time of great leftist intellectual ferment on a global scale. However, leftist legal activity of the time, such as Legal Aid and public defender lawyering, was more practical than academic or theoretical in nature. Accounting, too, though always a more conservative discipline, was also characterized during the 1960s and 1970s by Naderesque activity, calls for “social” financial reporting, and vigorous critiques of the accounting establishment and corporate behavior (Tinker *et al.*,

1982, p. 192). In both disciplines the theory shift had yet to happen.

By the mid-1970s, though, in legal studies a sharpened sense of concern for the American underclass and an acute dissatisfaction with the American status quo combined with a general resurgence of leftist academic–political thought to breathe transforming life into the older Legal Realist and contemporary “Law and Society” projects. In late 1976 an invitation to the first Conference on Critical Legal Studies was being drafted. That very same year (the intellectual historian may be interested to note), the first issues of *Accounting, Organizations and Society* were being assembled in the U.K. And here our discussion rejoins the discipline of accounting we largely set aside some pages ago.

THE CRITICAL LEGAL STUDIES MOVEMENT AND CRITICAL ACCOUNTING

In rejoining accounting we arrive at the heart of our paper — a comparison between Critical legal and accounting theories, and an analysis of the social contexts in which such theorizing occurs. The reader may be concerned that we have used the term “CLS” for many pages by this point without ever having defined it. No more: Critical Legal Studies is a legal academic movement whose diverse, inhomogeneous participants share: (i) a theoretico-intellectual debt to a certain body of Continental thinkers, (ii) a vigorous critical practice aimed against all varieties of standard legal theory and judicial behavior, (iii) a consciously oppositional or maverick institutional posture with respect to current legal and academic establishments, and (iv) a variably defined radical political program.

In the pages which follow, we shall examine Critical Accounting from the standpoint of this four-part definition. It is my argument that although Critical Accounting shares CLS’s raw material and theoretico-intellectual background, its

¹⁰ Among a large body of literature on accounting ethics, for a recent Critical Accounting intervention see Schweiker (1989).

critical practice is of a weaker nature and its institutional postures and political programs (in so far as their texts are any evidence) are highly suppressed. This relative timidity on Critical Accounting's part helps to explain why it plays a far smaller role within academic accounting than CLS does in academic law, and, I argue, foredooms Critical Accounting to be an interesting sidelight, but never a rich alternative, to the state of affairs in accounting today. To provide some structure to our discussion, we begin with the theoretical similarities, and then move on to their practical applications.

The theoretico-intellectual debt

Intellectual movements do not arise *ex nihilo* — they originate under certain social conditions and historical moments, and they also stand on the shoulders of previous traditions. The intellectual ancestry of CLS has been well documented elsewhere (e.g. Heller, 1984; Boyle, 1985; Brosnan, 1987); to summarize, outside of the Legal Realists discussed above, a CLS “short list” of ancestors includes, more or less chronologically: Karl Marx; Frankfurt School members Theodor Adorno, Max Horkheimer and Herbert Marcuse; Western Marxists Antonio Gramsci and Louis Althusser; and the contemporary “post-structural” Continental theorists Jurgen Habermas, Michel Foucault and Jacques Derrida. It is far beyond the scope of this paper to attempt an explanation of what these nine men have diversely said; indeed none of them “agrees” with each other, and each of them is the object of an entire academic industry, with symposia, conferences, collections and careers revolving around their lives and writings. They have been taken up by legal Crits for different

reasons, and have been deployed to different ends. Nonetheless, for our purposes I will here try to summarize what about them so suits the Critical project.

All of these men can be said, in some fashion or another, to be anti-foundational and anti-positivist. They do not see a self “here” and the world “out there”, with language and sight the objective windows between. They see knowledge as socially constructed, theories as historically contingent, and most see science as more a game of “truth” than a search for Truth. If confronted with the normative and social-science canons of law and accounting, these nine would find most offensive their claims to be objective and value-free. And, not surprisingly, these thinkers are as crucial to Critical Accounting as they are to CLS.

In *Accounting, Organizations and Society*, the rise in citation frequency of these nine Critical men mirrors the rise of Critical Accounting itself. To be specific, by “Critical Accounting” I do not mean traditional leftist accounting projects, corporate social, public or environmental accounting, or participative management–labor information systems. Nor would Critical Accounting include standard-fare reflections on the epistemology of “science” or social science, such as is found throughout the pages of AOS in Durkheim, Koestler, Merton, Popper, Russell, Weber and Whitehead. By “Critical Accounting” I mean a set of discursive practices (more encompassing than “a body of writing”) embodying a radical epistemological (or political) stance which questions objectivity in the first place, finds “accurate representation” an impossible goal, and seeks alternative descriptions for what accountants do and the role accounting plays.¹¹

¹¹ The reader should note that this is as close to “defining Critical Accounting” as I will get in this paper. A definition of Critical Accounting would be a Critical paradox, at least in so far as “define” meant, as Webster says, “to identify the essential qualities or meaning of; to discover and set forth”. Such definition would bear with it the objectivist implication that I could “reveal” rather than “construct” what CA is — a stance the Critical scholar rejects.

Of course it would be Critically acceptable for me to “define” CA in the sense of creating or making it, but this I also refuse to do too sharply. For this type of creation entails not only affirmation but violence, a cutting away of what doesn't belong, for as Webster says of define: “fr. *de-* + *finire* to limit, end, fr. *finis* boundary, end — more at FINAL”. Indeed an anonymous reader of this paper in draft suggested I “sharpen” my definition of Critical Accounting.

My refusal to define CA more sharply comes not from a blanket rejection of violence but from a rejection of my right as an outsider to commit it — to wield the scalpel without consulting the patient. Definition of (speaking *for*) unempowered groups — “women”, “Africans”, “Critical Accountants”, and so on — needs be the product of the defined. What remains should be sufficient for the purposes of this paper.

By this standard, the early history of Critical Accounting is slim. We can consider two early AOS papers to be proto-critical: Gambling's (1977) "Magic, Accounting and Morale", and Belkaoui's (1978) "Linguistic Relativity in Accounting". While neither paper claims a "Critical" stance nor cites any of the Critical canon listed above, they make use of the seminal relativist anthropologist Evans-Pritchard and the influential linguistic relativists (and Legal Realist sources (see Cohen, 1935, p. 812)) Sapir and Whorf. Not until 1980 do the first self-consciously Critical pieces appear in AOS, starting with the UCLA Conference Mission Statement:

... What is the nature of the metatheory of measurement underlying accounting, and is the traditional perspective still valid? Is accounting free of value issues? In what sense is accounting a social or historical artifact? (Flamholtz, 1980).

Not surprisingly, 1980 also featured the debut of our Critical canon in AOS: that year Foucault and Marx appear once each in AOS research bibliographies (in Burchell *et al.*, 1980).

From 1980 to 1984, only two or three Critical articles appear each year (notably Tinker *et al.*'s seminal "The Normative Origins of Positive Theories", 1982), and Critical bibliographic citation counts are correspondingly low. The jump in Critical articles (five by my count in 1985, eight in 1986, 16 in 1987) corresponds with a jump in Critical references: Foucault, who appears but twice from 1977 to 1985 in AOS bibliographies, appears 52 times from 1986 to 1988! Habermas appears first in 1984 and 14 times in the following three years, while Adorno, Althusser, Derrida and Gramsci all put in frequent mid-1980s' appearances. A dialogue within Critical Accounting also begins, with Tinker, for example, enjoying 25 AOS literature citations in 1987 alone. The odd mention of theorists such as Gadamer, Ricoeur, de Saussure, Roland Barthes, Nietzsche and anti-foundationalist anti-"science" writers Paul Feyerabend (15 citations 1987–1988) and Bruno Latour round out the intellectual foundations of Critical Accounting — a foundation, as men-

tioned at the outset of this section, quite similar to that of Critical Legal Studies. The application of these parallel intellectual heritages is the topic of our next section.

Critical practices — parallel trends

In the short Critical histories of accounting and law, a number of common themes or approaches have arisen which have come to characterize the two movements. This section closely examines several key texts from the literature of these two disciplines, and is organized around four of the major tendencies: the archaeo-historical, the epistemological, the deconstructive, and theories of contract. The analysis presented will attempt to show that although Critical Accounting interventions in AOS are quite technically proficient, they often (although not always) fall short relative to CLS in pinpointing the institutional, practical or political implications of the theories they develop. In the section on "Critical Practices — CLS Alone" which follows this one, we will see that the CLS/CA difference is even greater in other, "non-scholarly" domains.

Archaeo-historical. By 1990 most scholars in the human sciences had become aware of the work of Michel Foucault, the late French master thinker who, as I noted earlier, is a major source of inspiration for modern intellectuals in every discipline. Without a long citation of Foucault's works, we can attribute to him numerous revolutions in historical and social thinking, including: specific institutional histories written as paradigms for larger historical situations; history conceived as a history not of "facts" but of discourses or "discursive practices"; the notion of the *episteme* — an historically changing mindset which accounts for similar, simultaneous historical shifts in disciplines as seemingly unrelated as biology, linguistics and economics; the mutual interdependence of knowledge and power; the reconception of power in society as emanating not from central sources such as government, but rather as "a multiple network of diverse elements — walls, space, institution, rules, discourse ... a strategic distribution of elements of different natures and

levels" (Foucault, 1977a, p. 307); and finally the related notion that therefore resistance to power must come locally, in the everyday, and at every point.

The integration of Foucault into Critical Legal Studies has been broad and deep. While there are no practicing "technical Foucauldians" in CLS, an entire genre of CLS writings — the targeted, highly theorized exposé of a particular repressive effect of a given legal system — stands as unfootnoted homage to Foucault's work. On the level of Critical legal *theory*, it is common to find in the closing paragraphs of long, complex, seemingly unFoucauldian Critical essays in legal theory, long revelatory excerpts from Foucault, or Foucauldian sentences such as "At the level of theory, global theory must be replaced by a local set of theoretical practices" (Heller, 1984, p. 196), or "Finally, I sketched out a vision of 'local' theory — a partial, nonprivileged account of particular areas of life that is informed by the mediating devices that the tension has uncovered" (Boyle, 1985, p. 778).

In Critical Accounting, the deployment of Foucault has been at once less widespread and more, shall I say, procedural: Critical Accounting employs Foucault's model of how to write history, without abiding by the vision of Foucault's overall project. Critical Accounting's Foucault-inspired papers (e.g. Hopwood, 1987; Miller & O'Leary, 1987; Hoskin & Macve, 1986, 1988) focus on early formal accounting practices by using the Foucauldian model of discursive institutional history, and so detail the development of particular, exemplary, or "constitutive" early accounting systems such as those at Wedgwood or West Point. To take one notable example, Miller & O'Leary (1987) rewrite the history of the early 20th century development of standard costing and budgeting theories; their paper "takes much of its inspiration from the work of Michel Foucault" (p. 237).

In keeping with Foucault's rejection of any "science" of the social, Miller & O'Leary first scrap the notion that the development of theories of standard costing and budgeting is

the story of rational advances in neutral financial observation or representation (p. 239). Rather, they begin by reconceiving these early developments in accounting as a *rendering visible* of crucial aspects of firm performance, with the focus of this visibility the individual person — a focus obtained by "surrounding the individual at work by a series of norms and standards" (p. 239). Demonstrating that historical shifts in knowledge are never the result of isolated advances, Miller & O'Leary link this "surrounding" of the individual to the contemporaneous

emergence of a range of discourses and practices which, in both Britain and the U.S.A. in the early years of this century, concerned themselves with the physical and mental health of the population ... They took as their object ... detailed questions concerning the habits, lifestyles and activities of the individual (p. 242).

Employing copious references to academic, political and governmental documents of the day, the authors then locate this "rendering visible" in at least three different fields: "the discourse of national efficiency" (p. 243), "philosophical and sociological conceptions of a rationally administered social" (p. 246) and "some actual practices of socio-political management" (p. 248). In keeping with the Foucauldian model of highly detailed specific institutional histories, Miller & O'Leary then return from the general back to the particular: the firm as the example *par excellence* of this new observational focus on the individual. The authors quote extensively from the celebrated rationalizer F.W. Taylor and from contemporaneous early industrial psychologists. Through this point in their detailed paper, and through their subsequent gestures to the influences of early accounting on more recent practices, Miller & O'Leary provide a rich Foucauldian account of accounting, substantially enriching, or rather reorienting, our understanding of costing history.

It is with their conclusion, however, that one begins to question how carefully the authors considered what Michel Foucault was trying to accomplish in the first place. For Miller & O'Leary finally come to regard the discourses and practices they have examined as embodying

not sheer power but “a positive concern to take and to improve the life of the person. Quite literally, the person was to be worked upon, to be managed through a series of interventions into an enhanced state of life” (p. 261). It is this unqualified embrace of the effects of power that also led Miller & O’Leary’s discussant Boland (1987, p. 270) to echo, without the slightest hint of abashedness or irony, that “power and repression of the individual is not negative or prohibitory, but a positive organizing force”. That Foucault would oppose totally any such sanguine conclusions about the effects of power would seem to ooze from the pages of every book he ever wrote, and from the transcripts of every interview he ever gave. For his decisions to focus on certain institutions such as prisons and madhouses were motivated not so much by curiosity or randomness as they were motivated by a sense of metaphor, metaphor for a society he sees as fundamentally imprisoned. To excerpt from among dozens of available passages stretching over a decade:

I was surprised that so many who had not been to prison could become interested in its problems, surprised that all those who had never heard the discourse of inmates could so easily understand them ... Isn’t this because, in a general way, the penal system is the form in which power is most obviously seen as power? ... What is fascinating about prisons is that, for once, power doesn’t hide or mask itself; it reveals itself as tyranny pursued into the tiniest details; it is cynical and at the same time pure and entirely “justified”, because its practice can be totally formulated within the framework of morality (Foucault, 1977b, pp. 209–210).

Yet somehow Miller & O’Leary miss the tyranny pursued into the tiniest details and can only conclude their paper by valorizing the current state of power in accounting:

... what is at issue in these more recent developments is a form of power which operates through freedom: a freedom for the individual to have an informed life within the organization, to deviate from criteria of rationality, to brood on personal problems ... we would suggest that accounting today can be viewed as in continuity with, albeit in a considerably modified form, a mode of exercise of power which was installed in the early decades of this century (p. 263).

My question is this: have the authors missed the Foucauldian critique of early-1900s’ Taylorism in *Power/Knowledge* (Foucault, 1980, pp. 162–163)? Have they passed over Foucault’s oft-quoted query, “Is it surprising that prisons resemble factories, schools, barracks, hospitals, which all resemble prisons?” (1977a, p. 228)? And more importantly, have they ignored the critical concluding page in Foucault’s single most famous work?

... in the central position that [the prison] occupies, it is not alone, but linked to a whole series of ‘carceral’ mechanisms ... which all tend, like the prison, to exercise a power of normalization. ... these mechanisms are applied not to transgressions against a ‘central’ law, but to the apparatus of production — ‘commerce’ and ‘industry’ — to a whole multiplicity of illegalities, in all their diversity of nature and origin, their specific role in profit ... In this central and centralized humanity ... we must hear the distant roar of battle (1977a, p. 308).

What is clear from these juxtaposed passages, as would also be clear from juxtaposing many other works by Foucault with so much archaeological accounting, is that Critical Accounting is far more politically conservative than both its Critical Theory antecedents and its Critical Legal cousins. The three basic modes in archaeological accounting’s political timidity are, firstly, disengagement (e.g. Hopwood, 1987); secondly, equivocation (e.g. “There can be no doubt of the extraordinary power of the disciplinary system ... but yet it remains a questionable regime of power-knowledge practices” [Hoskin & Macve, 1986, p. 135]); and thirdly, Foucauldian reversal (as in Miller & O’Leary, above). Finally, one cannot claim that such “neutral observer” Foucauldian analyses are necessary precursors to later Foucauldian critiques, at least not without reasserting an objective, pre-critical ground on which one can stand. We will pursue the reasons for this relative timidity later.

Epistemological. Says Webster of epistemology: “the study or a theory of the nature and grounds of knowledge esp. with reference to its limits and validity”. The second motif common to both Critical accounting and law is the attack on the realist epistemologies which undergird

both normative/formalist and social-science theory: that reality consists of a world “out there” which exists independently of the knower; that such a world is objectively describable and measurable; and that suitably precise language (including mathematical language) can transparently do this describing and measuring. Despite the fact that such simplistic realism has been dead in the pure sciences for over half a century, and in philosophy since the turn of the century, the realist illusion is still alive and well in certain backwaters of intellectual life, such as traditional Anglo-American jurisprudence, and those many parts of modern economics which do not problematize the information they employ.

Because the Critical Accounting attacks on objectivism (not mounted by all “Critical” accountants) have been made in such a broad variety of ways, a detailed explication of one of them (as in the previous section on archaeology) would not do justice to the actual range of work. Rather, a brief, selective survey will suffice. To begin with, Ansari & McDonough (1980) term their alternative to objectivism “intersubjectivity”, a notion in the Kantian tradition which sees reality as constituted mutually by subjects and objects.¹² In contrast, Sotto (1983) identifies accounting’s objectivist tendency as a longing for a scientific utopia, while Hopper *et al.* (1987) attempt to replace objectivism with a dialectical approach in the Marxian and Gramscian tradition.

Lavoie (1987) appeals to a “hermeneutical” (interpretive) view of accounting research, using language (as in “accounting is the language of business”) as his central metaphor. Since the pioneering research on Native American languages by Sapir and Whorf (e.g. Whorf, 1956) in the first half of this century, it has been clear that language shapes or constitutes rather than describes reality. Thus Lavoie’s paper correctly

restores to the unthinkingly used “language of business” metaphor its true anti-realist implications. Hines (1988) takes a completely different approach by trying to fit her medium to her message. Rather than making a rational argument for anti-rationalism, Hines produces a long, fascinating, problematized dialogue describing a business organization, taking as her literary model a well-known book of mystical conversations with a Mexican Indian sorcerer (Castaneda, 1968). For the benefit of the traditional reader, Hines shifts back to rational discourse in her extensive endnotes to buttress her view of “constructed realities”. Finally, Morgan (1988) also makes the anti-objectivism case, principally by means of a literature review encapsulating the long series of metaphors which have been used to shape recent accounting theory: accounting as history, economics, information, rhetoric, ideology, mythology, magic, etc.

It is clear that each and every one of these inhomogeneous interventions (indeed I sample only five of some 20 possible examples) do damage to the objectivist pretensions of both normative and positive accounting research. But what is less clear about these anti-objectivist papers is the classic question “So what?” What’s at stake in these attacks? What’s the point? Or, what is the goal of such anti-realist works? We may discount at least three of the traditional explanations for accounting research: firstly, that it’s to increase the accuracy of the discipline (since they deny accuracy in the first place); secondly, that it serves to maintain the privilege of the existing economic élite (this persuasive view (e.g. Tinker *et al.*, 1982) would not apply to such oppositional theorizing); and thirdly, that its objective is to promote the academic careers of its writers (this explanation reveals nothing about the anti-realist approach, since it would apply to all other approaches as well).

¹² The reader who wishes to pursue the question in its original formulation is referred to Kant’s *Critique of Pure Reason* and *Critique of Judgment*, the latter from which: “The understanding, by the possibility of its *a priori* laws for nature, gives a proof that nature is only cognized by us as phenomenon and implies, at the same time, that it has a supersensible substrate, though it leaves this quite *undetermined*” (Kant, 1790, p. 33, italics in original).

And so what are the goals of Critical Accounting's anti-objectivists? For Morgan (1988, p. 484) it seems to be to promote a "reflective and critical understanding" that would "address many of the problems and tensions that characterize relations between accounting, organizations and society". Hines (1988, pp. 258–259) is only slightly less nebulous about consequences when she maintains in a buried footnote that "by influencing conceptions of reality ... one influences social action". Though she maintains that existing positivist research legitimizes "the social, political, and economic interests in the status quo" she does not explain exactly why her delegitimization might be desirable. Sotto (1983, p. 70) is contradictory about the utopian impulse in accounting, for while he suggests that accounting be given a strengthened role in society since it is neutral "with respect to the reality observed", he cannot then explain why, if this is a neutral tool, "there have been no serious attempts by working-class political forces" to use social accounting in their program of reform.

For Lavoie (1987, p. 601), the consequence of non-objectivist epistemology is that accounting must then come to terms with the "bidirectional nature of the market communication process and the nature of the information that gets communicated in each direction" (see footnote to Kant, above). For Lavoie, such a model would fulfill accounting's "theoretical 'responsibilities' to come to terms with accounting as practiced in the real business world". This goal, of course, is mostly a reinscription of everybody else's realist desires, which posit a "real world" accessible independently of models. Finally, Ansari & McDonough's "intersubjective" replacement for objectivist epistemology seems to imply at least four different things (1980, pp. 140–142): that accounting must encourage "pluralism"; must "make its values explicit"; must "leave the familiar havens of form for the uncharted waters of substance"; and, fuzziest of all, must "facilitate the natural expansion and integration of the growing intersubjective community which defines the socio-political realm

of accounting". Needless to say, all this is not an action program you can go out and do a lot with.

In sum, while Critical Accounting makes fine and varied theoretical attacks on traditional objectivism, it has suggested no serious or consistent consequences for its critique. This perhaps explains why no researcher in the realist or objectivist camps has seen fit to defend his or her epistemological turf: because the Critical attacks have placed nothing at stake. In the pages of AOS and other major journals, one finds no anti-Crit rebuttal, no flood of impassioned responses from Chicago or Rochester, in short no real counterattack by the high priests of the received faith. Why is this? Is it because accounting's Critical epistemological theorizing has gone on in closed rooms only? If so, then this is a major weakness, for how can you claim to have attacked, if your adversaries are still not aware that they have anything to lose?

Such is not the case, however, in Critical Legal Studies, for in its highly consequential attack on traditional legal epistemology, CLS both encompasses and surpasses the efforts of its accounting cousins. Like Critical Accounting, CLS also sees reality not as objectively available outside of discourse, but as socially constituted in signifying systems. But unlike Critical Accounting, CLS makes clear what is at stake in this battle over reality: control over social "facts", and control over the U.S. Constitution. On the social facts front, for example, CLS scholarship demands to know how American law can be called objective if its "facts" underwrite definitions which imprison a higher proportion of its population than any nation in the world save the U.S.S.R. and South Africa (Rudovsky, 1982). With liberalizations underway in these latter two countries, one wonders how long before the declared war on the legal fact of "drugs" will vault the U.S. into the coveted no. 1 spot.

Let us cut to "hard science" for a moment, to examine the status of facts in that domain; this will be of interest to those accounting researchers who would feel that "being truly scientific" or "positive" would solve their

problems (or at least, and more precisely, get them published), and who thus try to ape what they think “objective hard science” is. In a recent article tellingly entitled “Taxonomy as Politics”, the noted Harvard paleontologist Stephen Jay Gould (1990) questions the “science” that classifies some highly addictive, hugely lethal drugs as legal (such as alcohol and tobacco), while declaring criminal other more innocuous substances (such as marijuana and opium). Gould dismantles the objectivist pretensions of all naming, writing that:

Taxonomy, or the study of classification, occupies a low status among the sciences because most people view the activity as a kind of glorified bookkeeping dedicated to pasting objects into preassigned spaces in nature’s stamp album. This mistaken judgment rests on the false premise that our categories are given by nature and ascertained by simple, direct observation ... our classifications are human impositions, or at least culturally based decisions on what to stress among a plethora of viable alternatives (Gould, 1990, p. 73).

This implies of course that there are no positively, objectively, or empirically identifiable “drugs” — or “firms”, “costs”, or “profits”, for that matter. There are only human (i.e. cultural, social, political) definitions of what these (and any) terms mean. CLS argues that the invocation of “scientific objectivity” (which does not exist) thus becomes just one more rhetorical strategy, and, since the right to claim this rhetorical prize has historically been possessed by those already in power, the appeal to objectivity is essentially conservative in nature; it favors the status quo. In the sharp words of Harvard legal philosopher Roberto Unger, in the hands of traditional jurisprudence the social sciences have been

perverted into the source of argumentative ploys with which to give arbitrary though stylized policy discussions the blessing of a specious authority (1983, p. 432).

In the Constitutional debate within CLS, the consequences of epistemology have been made equally clear. On one side are ranged the objectivists or “strict constructionalists” such as Judge Robert Bork (e.g. 1984), who claim that the Constitution is a stable document whose unchanging meaning is contained in the text itself and in the objectively determinable intentions of its framers. The opposing “interpretivist” camp points to many inconsistencies with a jurisprudence of original intent: didn’t the framers in fact have many and conflicting intents? How can we decide which predominate? What would the Constitution mean if we found that the drafters of the free speech amendment had owned newspapers? If textual interpretation were objective (a position virtually no serious literary critic holds today), this would imply that the Constitution means the same thing today as it did in 1789. If so, how can we account for the shifting rulings that have derived from it? How can we claim that it speaks to questions of biotechnology? Would “the right to bear arms” then only refer to loose-powder muzzle-loaders? And how can the judiciary explain its progressive effect on American history? Such public debates over Constitutional (and, in the U.K., common-law) epistemology should be sufficiently familiar to most readers as to not require further elaboration. The point for accounting, though, remains: claims to epistemology do have consequences, and these consequences must be insisted upon if one wishes anybody to engage you in serious debate.

Deconstruction. The third general Critical approach we will deal with here is deconstruction, a stance which has surfaced recently in both CLS and Critical Accounting work.¹³ Because of deconstruction’s importance, we will spend some time on it. “Deconstruction” was invented by the charismatic Franco-Algerian

¹³ For introductions to deconstruction generally, begin with the perceptive, accessible Campbell (1986). More thorough guides include especially Culler (1982), and also Leitch (1983). The “horse’s mouths” (or pen-wielding hooves) are of course the mightily dense works of Jacques Derrida. The three selections in Adams & Searle (1986) are excellent places to begin.

philosopher Jacques Derrida in the mid-1960s. Deconstruction was taken up in the 1970s in the U.S. largely by literature departments and achieved a major position there by the mid-1980s. Since then deconstruction has invaded countless other disciplines; a recent check on the "Infotrac" database reveals art, architecture, education, feminism, linguistics, political science and theology among them. Deconstruction has a ten-year history in law, the subject there of articles, conferences, controversies and indeed writings by Derrida himself. In *Critical Accounting*, however, the first shots in the deconstructionist battle have only just been fired.

Deconstruction (which like Marxism no longer consists solely of its progenitor's thought) follows in a broader 20th century tradition of uncertainty, undecidability, or subject-position principles. Like the writings of its predecessors Nietzsche and Heidegger, deconstruction attempts to break free of the rationalism or "logocentrism" that has prevailed in Western philosophy at least since Descartes, and does so in a very particular fashion. Deconstruction holds that the meaning of any verbal text is undecidable and in fact self-subvertible; each text contains the seeds of its own hermeneutic self-destruction. In other words, deconstruction holds that to undermine a particular argument or piece of research you do not need to bring in some outside theory or "better" stance; rather, to take apart or "deconstruct" any given work, you need only use the very terms the work uses to ground itself. Much of deconstruction's strength derives from its practice: up against a savvy deconstructionist one cannot come up with any unassailable account of what a particular poem, novel, Management Discussion and Analysis, or theory of accounting means. If this explanation of deconstruction is not that helpful (explanations of deconstruction seem *never* to be clear enough), perhaps a concrete demonstration of deconstruction at work in accounting will help.

In a dense, remarkable recent paper, "Letting the Chat out of the Bag", Arrington & Francis (1989) introduce deconstruction to accounting audiences and provide a corrosive example of deconstruction at work, dismantling *on its*

own terms Michael Jensen's influential "Organization Theory and Methodology" (1983) — an attempt to found a positive accounting theory. After outlining their general philosophy, Arrington & Francis do their work of deconstruction in a series of what they call "moves". Their first move applies Derrida's "aporia", or self-engendered paradox (p. 10), to Jensen's assertion that positive theories "are required for purposeful decision making". Since Jensen's assertion implies that before the development of positive theories, decisions can only be unpurposeful, we are left, pre-positive-theory, with the impossible task of developing positive theories when we can only make unpurposeful decisions!

Arrington & Francis's second move is a classic Derridean reversal of an accepted hierarchy, in this case that of positive/normative. (The reader will recall from an earlier section that this debate is not new.) How is it possible, the authors ask, to develop a positive theory in a non-normative way? "What would such a positive theory look like? With no goals, no values, no objective function, the researcher would have no basis to decide what aspect of how the world behaves to investigate" (p. 11). The authors employ Derrida's (1972) "différance" (a French neologism encompassing "differ" and "defer") to describe the twin faces of Jensen's impossible desire: to have positive and normative *differ*, and to *defer* the normative until the positive is in place. Moves three and four (pp. 13–15) for Arrington & Francis employ Derrida's (1967) concept of the "dangerous supplement": a supposedly peripheral item which is in fact necessary to the supposedly complete thing in the first place; an add-on which reveals a lack. The authors identify Jensen's "tautology" of survival of the fittest as such a supplement. Without this undisprovable (i.e. unscientific) political belief which masquerades as science, they suggest, supposedly self-sufficient positivist observation could not alone produce Jensen's positive accounting.

Move five (pp. 15–16) is another Derridean hierarchy-reversal, focusing on Jensen's call to

“philosophy” to buttress or supplement his “positivism”. Jensen wishes to be simply “positive” and avoid “logical positivism, a school of thought in philosophy which has been controversial” (Jensen, 1983, p. 320). Pointing out that logical positivism in fact was an advance over an earlier and faulty naïve positivism which Jensen seems to embrace, Arrington & Francis conclude that “calling logical positivism controversial from a positivist perspective is like calling Einstein controversial from a Newtonian one” (p. 16). In Arrington & Francis’s sixth move (pp. 16–18), the authors employ the Derridean “trace” to show how, despite a rhetoric of a total break with normative accounting, Jensen’s paper reproduces large parts of the text of the normative standards of ASOBAT (the American Accounting Association’s “Statement of Basic Accounting Principles”). After two more “moves” (space does not permit us to examine all of them), Arrington & Francis’s ninth and final move (pp. 20–21) again makes use of the notion of the supplement — the add-on which reveals a lack. Though Jensen employs the terms “science”, “scientist” and “scientific” 31 times in his exposition of positive accounting research, he qualifies this frequently with appeals to the need for “qualitative” and “institutional” evidence, much of which “cannot be summarized by measures using real numbers”. Arrington & Francis use this evident supplementarity to imply that Jensen’s “science” cannot in fact stand alone, that it is more like Feyerabend’s (1975) “anything goes”, that it

seems little more than a rhetorical ploy to have one’s cake (the privilege of science) and eat it too (without going through the “rigor” of scientific practice) ... The extra-science appeal subverts the rhetoric of Science which he uses to ground and privilege positive theory over the presumably nonscientific theories he is in competition with (p. 21).

If Arrington & Francis’s paper is any indication of the power of deconstruction in accounting theory, and I think it is, then deconstruction may be a powerful force indeed in Critical Accounting. Still, there are some important points that must be made about what Arrington & Francis have done. Firstly, deconstruction is not a toy, not a game, not a collection of tools to use or techniques to master — “supplement”, “trace”, “aporia”, etc. — for as Derrida writes,

I utilize such concepts, like many others, only for their strategic convenience and in order to undertake their deconstruction at the currently most decisive point (Derrida, 1972, p. 12).¹⁴

In fact, as the late Yale literary critic Paul de Man points out about deconstructive readings,

The reading is not “our” reading, since it uses only the linguistic elements provided by the text itself ... The deconstruction is not something we have added to the text but it constituted the text in the first place (1979, p. 17).¹⁵

And from this the only possible conclusion is, as Arrington & Francis rightly point out, that there is no reason that what they did to Jensen cannot be done to anybody else, themselves and myself and yourself included.

No doubt the reader who has grasped the full implications of the deconstructive challenge will have some serious questions about it. And so, because the deconstructionist attack on accounting has only just begun, it would be useful to examine the longer wars deconstruction has fought in literature and law. The most common critique of deconstruction in both disciplines has been that it is nihilistic, since with it one can undo any meaning. Critics (e.g. Eagleton, 1983, pp. 127–150) have focused on the political and moral implications of this, imagining, say, the enormous danger involved

¹⁴ Because these tools are strategic rather than essential, it is unimportant that Arrington & Francis slightly misread the implications of “difference”, or employ an only partly Derridean concept of “intertextuality”.

¹⁵ The specific reason for this is grounded in a concept of language first developed by Saussure (1915) which views language as non-referential and purely differential.

in taking *Mein Kampf* in 1932 and proving its meaning to be undecidable. Deconstruction, contend politically or morally oriented critics, is a decision-making abdication; in practice, or rather in given circumstances, texts do mean things, or rather do have effects.

Indeed I too agree that a deconstruction-is-nihilism critique is valid when brought against deconstruction in its cruder form: deconstructing for the sake of deconstruction. However, such practice mistakes the true Derridean project, a project articulated most recently in Derrida's (1989) Cardozo School of Law address. In his complex paper, Derrida differentiates between "law" and "justice" (the accounting reader may substitute "accounting" and "value" or "accountability" for these two terms in the excerpts that follow), stating that

... law is essentially deconstructible ... because it is founded, constructed on interpretable and transformable textual strata, or because its ultimate foundation is by definition unfounded ... (Derrida, 1989, p. 17),

whereas justice, on the other hand,

... in itself, if such a thing exists, outside or beyond law, is not deconstructible. No more than deconstruction itself, if such a thing exists. Deconstruction is justice (p. 17).

In essence, Derrida claims that to hack away at all that is constructed is affirmative rather than negative:

... never to yield on this point, constantly to maintain an interrogation of the origin, grounds and limits of our conceptual, theoretical or normative apparatus surrounding justice is on deconstruction's part anything but a neutralization of interest in justice, an insensitivity toward justice. On the contrary, it hyperbolically raises the stakes of exacting justice ... and strives to denounce not only theoretical limits but also concrete injustices ... deconstruction calls for an increase in responsibility (pp. 24–25).

Deconstruction, then, after trashing existing work (an important step) forces us to reconsider what it is we are about as accountants. Accounting is ultimately about value just as law is ultimately about justice. And, as the opponents of Legal Realism knew, every bit of science and social science, every sure-fire questionnaire and statistical device for registering trends may be useful but cannot be Truthful; they only distract our attention from the unasked value questions below: what is "value"? Does value equal "profit"? Why does accounting privilege additive over distributive value, and isn't the answer always already culturally specific? What set of interests has decided that this should be the case? The bottom line, as they say, is value.

CLS v. contract theory. The fourth and final topic we shall consider in our investigation of parallel practices in CLS, Critical Theory, and Critical Accounting is not so much an "approach" such as archaeology or deconstruction as it is a subject matter: contracts. Contracts deserve special mention in this paper since they are a major concern of recent accounting theory as well as an area of focus within CLS (e.g. Horwitz, 1974, 1977; Gabel & Feinman, 1982; Harvard *Note*, 1980, 1984; Mensch, 1981; Dalton, 1985). Essentially, CLS would call into question many of the "naturalist" contract assumptions on which positive and agency theories of accounting base themselves.

We once again take as our text Michael Jensen's influential "Organization Theory and Methodology" (1983),¹⁶ in which he attempts to found a value-free positive accounting (p. 320), and finds it productive (and, I suppose, morally neutral) to define an organization as "a legal entity that serves as a nexus for a complex set of contracts (written and unwritten) among disparate individuals" (p. 326) or "maximizing agents" (p. 327). However, CLS scholarship argues that Jensen's unproblematized,

¹⁶ I should make it clear that although Jensen has twice been a target of this paper, nothing personal is intended. As a principally literary theorist, my access to accounting texts is limited, and Jensen's paper has presented itself at a convenient moment.

unhistoricized conception of contract as agreements between “maximizing agents” is based on a crude, nostalgic, 19th century social-Darwinist notion of society as refereed warfare. As Gabel & Feinman (1982) show, for only a short span of American history (long since over) were contracts considered to be between freely contracting individuals. In the pre-capitalist 18th century.

contract law was not the enforcement of private agreements but the implementation of ... traditional norms. If a physician sued for his fee, the jury could decide that even an amount agreed to by the parties was inequitable, and so award a smaller sum instead (pp. 173–174).

Subsequently, continue Gabel & Feinman, in the fully capitalist

19th century the legitimating image of classical contract law was the ideal of free competition as the consequence of voluntary interactions among many private persons ... If a person promised to pay a large sum of money for a worthless piece of paper, the 19th-century court would ‘protect’ the exercise of free will between supposedly equal parties and bind him without weighing the substantive fairness of the transaction (pp. 176–177).

Today, they conclude, the principle of regulated competition needed to legitimize or humanize modern capitalism leads courts

to inquire into the fairness of a bargain under the recently developed doctrine of unconscionability ... sometimes consumers and other parties with little economic power can be protected from the more outrageous excesses of economic predators (p. 180).

Further problematizing Jensen’s call for a value-free nexus-of-contracts conception of the firm, current CLS scholarship questions whether current contract law adjudication justly interprets the important contract requirement of non-coercion. As we all would agree, contracts signed at gunpoint are not legally valid, whereas vending-machine purchasers of 50-cent chocolate bars contract freely. The key, of course, is where you draw the line. CLS scholarship argues that free will is in fact very limited in

today’s society, and would contend that many of the “freely contracting” or “maximizing” agents in Jensen’s “value-free” nexus (the poverty-line employees of McDonald’s or minor suppliers of General Motors, for example) are in fact (illegally) coerced. In the words of Mensch (1981, pp. 152–153),

... the legal boundary identifying freedom ... has varied over the course of history. In particular, it has arbitrarily excluded economic pressure from the legal definition of duress. That exclusion concealed the fact that coercion, including legal coercion, lies at the heart of every bargain. Coercion is inherent in each party’s legally protected threat to withhold what is owned.

In the end, Mensch refers to the concept of maximizing agents as “the irony of coercion imposed in the name of freedom” (p. 155).

This concludes our four-part examination of some of the parallel practices of Critical Accounting and Critical Legal Studies. The next section deals with some of the differences.

Critical practices — CLS alone

Up to this point, this paper has sketched out a remarkably long list of similarities — perhaps “family resemblances” would be a better term — between Critical Accounting and Critical Legal Studies: kindred professions, similar “raw materials” to work with, similar normative and formalist theories and social-science critiques of those theories, and similar theoretical and intellectual heritages of the Critical movements. In the last section, though, it became clear that although CLS and Critical Accounting shared numerous theoretical approaches to their critical practice, CLS was much more aggressive in pointing to the consequences of the various theoretical stances.

If anything, however, that literature review understated the differences between Critical Legal Studies and Critical Accounting. CLS, as indicated earlier and detailed below, is a much broader-gauge movement than Critical Accounting insofar as, in addition to the purely academic critiques that both movements undertake, CLS has extended the scope of its critiques to many everyday practices, has taken a maverick

stance within the legal profession, and has gone beyond pure critique by presenting alternative programs for justice. In my view, these four characteristics — “high theory”, everyday or “low” critique, institutional auto-critique, and alternative proposals — are as interdependent as the four legs of a table: neglect any one, and the stability and durability of the overall structure is severely compromised. Having gone into great detail on the first, high-theory leg, this paper will examine the latter three legs neglected by Critical Accounting in the paragraphs which follow.

The first of these three CLS-only legs is what might be called the *daily-life-of-the-law exposé*, a genre of works which is simply not present in published Critical Accounting circa 1990.¹⁷ In this genre, Critical legal scholars in a sense “go to the street” to unmask what effects existing jurisprudence has on a broad variety of aspects of everyday, individual lives. This strategy has been targeted at numerous areas, only a few of which space permits mention of here. Freeman (1978) examines how law has been both protector and perpetrator in the battle over racial discrimination, while Olsen (1983) demonstrates how courts have “objectively” defined family relationships to the detriment of the freedom of women. Klare (1982) focuses on the implications of Critical theory for collective bargaining and labor law, while Chambliss, Kelman and Rudovsky (three articles, all 1982) propose revisions of, respectively, crime statistics, the science of “criminology”, and the role of the police in adjudication of “crime”.

As noted above, contracts have been a frequent area of daily-life focus in CLS, while in another domain, Tushnet (1982) re-examines the “neutral” American legal principle that corporations are “persons” in their right to free speech. Importantly, too, MacKinnon (1983) exposes the male-typical views embodied in

legal definitions of rape, and proposes a radical and feminist redefinition of the crime. These diverse efforts, to summarize their common thread, consist of showing, in a single, targeted, concrete and contemporary domain, how legal principles which are made at first glance to seem “basically uncontroversial, neutral, acceptable” (Gordon, 1982, p. 286), are in fact inevitably and historically contingent, gender- and race-biased, ideologically loaded, and operate in a way to preserve the dominance of those who write the laws — in short, that they are not objective prescriptions but matters for serious policy debate. One might speculate on why this type of study is not present in Critical Accounting work as of this writing, but it is certainly not for lack of any subject matter.

The second of the three CLS-only Critical legs is the *maverick posture within the profession*. It must be said first of all that Critical Accounting scholars have been courageous in many ways. They have initiated discourses which if accepted would call into question the principal works of countless influential accounting researchers. They have introduced new and difficult thinkers into the literature, and have experimented with research conventions: exegesis of classic French *philosophes* (Tinker, 1988) and political thinkers (Sotto, 1983); five-act dramas (Pinch *et al.*, 1989), and even, as mentioned before, dialogue with fictional Mexican sorcerers (Hines, 1988). Nonetheless, there is at the same time a clear institutional restraint, characteristic of the profession generally, present in Critical Accounting work. The rarity of direct Critical attacks (despite serious differences) on specific objectivist authors and papers, the general absence of published challenges to the profession itself or the institutions that comprise it, and the generally polite prose style of Critical Accounting are all evidence of its professional moderation.

The legal Crits in contrast are quite another

¹⁷ The incisive, muckraking work of the American Abraham Briloff in *Barron's* financial newspaper and elsewhere would count as “Critical Accounting” save for its untheorized realism. This of course raises the important question (addressed in part in the conclusion) of whether a theoretical purity or an ends-based pragmatism should form the basis for CA.

breed. They write distinctively — part sarcastic “trashing” of traditional legal scholarship, part dense theory, and part visionary excess — , espouse solidarity, and above all stand in institutional opposition to the legal/academic establishment. Witness the opening passage of a celebrated article by Harvard Law professor and CLS “founding parent” Duncan Kennedy:

... the modern law school seems intellectually unpretentious, barren of theoretical ambition or practical vision of what social life might be. The trade-school mentality, the alternating grimness and chumminess of focus on the limited task at hand, all these are only a part of what is going on. The other part is ideological training for willing service in the hierarchies of the corporate welfare state (1982, p. 41).

Or even better, try this picturesque passage by Mark Kelman (1984, pp. 320–321), recalling his days at Harvard Law School, in the prestigious pages of the *Stanford Law Review*:

Arguing that standard legal argument is vague, non-empirical, windbag rhetoric is just not worth it. ... Mercifully, I've burned the notebooks. Recalled in brief snippets, it all seems vaguely whimsical — even a bit jolly in its slap-dash way. Read straight through, it's a fucking oppression.

To take just one more notable example, we shift to the “visionary” rather than so-called “trashing” mode of Critical Legal writing; the following passage concludes legal philosopher Roberto Unger's crucial piece “The Critical Legal Studies Movement”, considered to be one of the pivotal (though, in a plural movement, not “defining”) documents of CLS as a whole:

When we came, they were like a priesthood that had lost their faith and kept their jobs. They stood in tedious embarrassment before cold altars. But we turned away from those altars, and found the mind's opportunity in the heart's revenge (Unger, 1983, p. 432).

In sum, since the legal Crits see no difference between the standard legal theory they oppose and the institution that created it, these scholars adopt a no-holds-barred style. From their proposal to establish lottery admissions to Harvard Law School to their annual summer camps,

Critical legal scholars consider their intellectual work and their institutional stance to be two sides of the same coin. As for the reasons why they do this, or find it possible to do this, we will defer until the end of the next section.

The third and final non-Critical Accounting leg here considered is CLS's *radical political program*. While CLS occupies no identifiable point on the political spectrum (neither Socialist nor Green, for example), and while every CLS writer would define his or her program differently from the next, some common traits are clear. At a bare minimum CLS is highly dissatisfied with the current effects of the legal system. This is seen in CLS's focus on “street” as well as on historical and theoretical issues, and in its undiluted declaration of the “undeniably numerous, specific ways in which the legal system functions to screw poor people” (Gordon, 1982, p. 286), or that law essentially consists of “a small group of old white men deciding which members of the underclass to send to prison” (Taibi, 1989). The CLS program is anti-pure-capitalism and anti-hierarchical, quite experimental and often highly spiritual.

As with the Legal Realists, however, the CLS alternative programs are what run them into trouble. On the practical front, CLS *does* attempt to reach out and *does* engage many of its members in fighting concrete injustices, but the bulk of such work seems still to be done in more traditional left-realist modes. On the theoretical alternative-program front, however, having rejected just about everything currently existing, legal Crits are left hypothesizing about “destabilization rights”, “reimagined transformative politics” (both Unger, 1983), and “unalienated relatedness” (Gabel & Kennedy, 1984), or suggesting that “we should alter the social conditions that cause loneliness” (Singer, 1984, p. 69). Understandably, these ideas have not yet been implemented. In practical terms, to conclude, though its critiques are clear enough, with its arcane prose and elusive proposals CLS has not only failed among intellectuals in developing respectable alternatives, it has frozen out the working classes and

daily-grind leftist lawyers it sought to ally with and empower in the first place.

Why the differences between CLS and Critical Accounting?

The question, after all this enumeration of CLS vs Critical Accounting differences, is why, with so many social and theoretical homologies between accounting and law, and with such intellectual and theoretical parallels between CLS and Critical Accounting, are Critical Accountants so much less academically “street-oriented”, institutionally maverick and politically radical than their legal counterparts? Why, indeed, would the conviction that “rational” accounting is a social mystification whose terms are controlled by a very specific race- gender- and class-segment of the population offend Critical Accountants epistemologically, but not politically? Or, is it that Critical Accountants are offended, but do not or cannot, under the given circumstances, say so very loudly? Obviously, as an outsider I do not have an answer to these questions. But I do find some indications.

One clear cause of this moderation is the social nature of accounting — the traditionally polite and stewardly attitude of its professionals, a tradition (or cloaking rhetoric) markedly absent among lawyers trained to argue. Indeed, law is much more openly organized along advocacy lines, leading to more rapid acceptance of relativist theories than would be the case in accounting, whose more monolithic apparatus of truth-production conceals its true advocacy roles. A second reason lies in the hopelessly indirect social-science prose style of accounting research, which has at least three modes which all readers will recognize: firstly, obfuscatory agentlessness — “the principal findings are that” (Houghton, 1987, p. 143 Abstract); secondly, (twice-, thrice- or) *four-times-removed* — “this paper represents an attempt to understand” (Armstrong, 1987, p. 415 Abstract); and thirdly, timorous, especially in situations where controversy or opposition might arise — “Indeed, we would be anxious to avoid any impression that critical studies in accounting are anything other than a collection

of diverse and stimulating contributions ...” (Cooper & Hopper, 1987). Set the house on fire, Dad, *me?* No, I’m just doing a little *combustion theory* here!

A third clear cause for Critical Accounting’s restraint is that the effects of accounting may seem to be far more diffuse and far less dramatic than the effects of law, which feature state executions, twenty years in the slammer, billion-dollar divorces, and so on. There are no media stars in accounting. In Foucauldian terminology (1977a), accounting’s effects are more panoptical than corporeal. But of course, since Foucault demonstrates that panoptical power is no less oppressive than the corporeal, and must be confronted at every point, this should only spur Critical Accountants to more rather than less vigorous engagements. Again quoting Foucault (1977a, p. 308), “in this central and centralized humanity ... we must hear the distant roar of battle”. A fourth cause for Critical Accounting’s weakness might be a lack of Critical self-declaration of community (diffusion is no recipe for strength), though recent and planned “Other Voices” or “Critical Approaches” conferences show a clear positive trend. Still, it is worth noting again that CLS has been an independent membership organization since its earliest days in the 1970s.

Yet other reasons for Critical Accounting’s relative moderation find root in differences between the U.S. and the U.K. across the two professions. In the legal world, the English establishment is a half-millennium older and that much more tradition-bound than its American counterpart, which has been an intermittently radical force since Revolutionary days. Thus it is not surprising that nearly the entire body of Critical legal thought has been developed in the U.S., and not in the U.K.

In accounting it is the opposite story. While in Britain most university academics are paid ultimately by an (often, once, or residually leftist) state, their American counterparts more frequently get paid by private university business schools underwritten by (never leftist) corporate and corporate-earned donations. As Mark Kelman points out (1987, p. 298, n. 12), these private

American schools depend for their status on continual recertification by elite employers who court their graduates with a no-frills-barred furor that one generally expects only in sexually obsessed suitors; to scare away those suitors would be a blow indeed. It is interesting then, that of the 93 participants at the Critically important 1989 Iowa conference on Accounting and the Humanities, who represented 33 institutions on three continents, not one came from any of the 13 private schools among the "top twenty" American business schools as listed in a recent issue of *Business Week* magazine (Byrne, 1988): Harvard, Stanford, M.I.T. (Sloan), Chicago, Dartmouth (Tuck), Pennsylvania (Wharton), Rochester, Columbia, N.Y.U. (Stern), Duke (Fuqua), Northwestern (Kellogg), Carnegie-Mellon, or Yale. And, it is not surprising either, that within Critical Accounting the most politically engaged research comes not from America but from the U.K. and Australia.¹⁸

CONCLUSION

At the end of such a multifaceted study as this, there are of course many closing points which must be made. The first is the conclusion towards which all of the foregoing has been driving: our comparison shows that relative to Critical Legal Studies, Critical Accounting — notwithstanding its remarkable accomplishments in the face of a difficult environment to date — is currently in a precarious and

incomplete state. Precarious because without ruffling some feathers or rousing some rabble it may just stay politely ignored by the existing academic accounting establishment, although perhaps academic accounting's rules are different, and moderation is indeed a better style.¹⁹ Incomplete for three reasons. Firstly, its theoretical critiques are inconsequential if they do not point to some of the effects that the targeted theories have had on actual life. Secondly, since theories are not God-given but are products of institutions, Critical Accounting's attack on theories remains fragmentary without a challenge to the institutions which generated them. And, thirdly, without proposals for specific alternatives (i.e. without having a political program), the ultimate value of Critical Accounting's original interventions will be limited at best. As stated above, a table missing three legs will not stand for long.

My second conclusion is something I would hope has been evident from the very outset of this paper, although I suspect this conclusion may come as a surprise to many of my normative and social-science accounting readers. To reverse an old and famous Shakespearean quotation, Critical Accounting has come to praise accounting, not to bury it. The time, research and intense scrutiny to which Critical Accountants subject their discipline can hardly be a sign of any disdain for it; on the contrary, such attention can only be interpreted as a sign of the highest respect. For all know that in a complex society, accounting is present when we eat, drink, marry, drive, play, publish, and

¹⁸ In the notable counter-cases of Tinker and associates and Arrington & Francis, Tinker is British-born and trained, Arrington and Francis have taken leaves outside the U.S., and none works at a private U.S. School. Also, to be fair to the Iowa conference, Chicago did have one representative — from its *Divinity* School. Interestingly, many CLS members work in the most prestigious private American law schools, and their articles bear the imprimatur of general-purpose rather than "specialist" journals. One must also note that top-ranking third-year law students edit U.S. law journals, which are thus more open to change than their senior-faculty-edited accounting counterparts.

¹⁹ Of course, the style of *this* paper expresses its author's view of moderation. Among the comments from the accounting readers of this paper in draft were: (a) "be more modest", (b) "*be more modest!*", (c) "be careful", (d) "be careful!" and, of course, (e) "be more modest and careful!" But how can one modestly and carefully call for an increase in combativeness? The "style" of this paper, like the style of all papers, critical and traditional accounting included (right down to citation conventions), is part and parcel of its "content", the distinction between content and style being illusory.

die. It is and will remain one of the most powerful social and economic forces ever known, and nobody proposes abolishing it — just reworking it. To better characterize then what role Critical Accounting wishes to play, I will rewrite a Derrida quotation I deployed above. Perhaps it will become a rallying-cry for Critical Accountants everywhere:

Never to yield on this point, constantly to maintain an interrogation of the origin, grounds and limits of our conceptual, theoretical or normative apparatus surrounding value is on Critical Accounting's part anything but a neutralization of interest in value, an insensitivity toward value. On the contrary, it hyperbolically raises the stakes of determining value, and strives to denounce not only theoretical limits but also concrete injustices. Critical Accounting calls for an increase in responsibility.

My third conclusion stems not so much from my research on CLS as it does from my experience in reading, from no prior base of knowledge, some half-million words of accounting literature over the past six months. It seems to me, from the perspective of a far-outsider, that academic accounting suffers from an *inferiority complex* (perhaps my word is too strong) *vis-à-vis* the social sciences in general and economics in particular. “Guest” economists writing in the pages of accounting journals are treated with particular deference; the historical canon of accounting's antecedents inexplicably seems to include more economists and social scientists than, say, political theorists, ontologists, epistemologists and hermeneuticists; and the methodology of so much modern accounting research seems to get buried in the statistics and models of an older, declining social science (and a completely dead physics) before it addresses the fundamental questions that these models should provoke in the first place.

It seems to me, again from an outsider's perspective, that this economics/accounting hierarchy is, as they say in Tennessee, bass backwards. An analogy, indeed homology from my own field of literary theory may be useful here. For much of the past three centuries in British and American higher education, literary study was considered as distinctly inferior to

historical study, both in method and in consequentiality. No doubt my accounting readers will recall that their school and college English Literature courses focused more on authorial biography and historical context than on anything else to explicate the meanings of the works in question — either that or the teacher would hide from history and formalistically and normatively focus on “the work itself”, the verbal artifact (see generally Graff, 1987).

It has only been with the rise over the past three decades of literary theory as such that this history and literature hierarchy has begun to be reconsidered and even properly reversed. For what is history, after all? Though its goal is no doubt to understand facts, events, “the Real”, its practice is almost exclusively the interpretation and re-fictionalization (in the originary sense of fiction, *fingere* — to shape or make) of documents and texts — the very stuff of literary studies. As Fredric Jameson writes,

... history is *not* a text, not a narrative, master or otherwise, but ... it is inaccessible to us except in textual form, and our approach to it and the Real itself necessarily passes through its prior textualization, its narrativization ... (1981, p. 35).

With the rise of such theories as Jameson's and Foucault's, the traditional hierarchy history/textual studies has been radically questioned, if not reversed, and unproblematized historical reference and untheorized use of historical research models has disappeared from the most productive literary studies today. Historians themselves are now troubled by the rumblings of literary theorists digging under their methodological edifices. It is my position that an exactly analogous reversal must take place in the economics/accounting hierarchy, for what do economists do all day if not manipulate accounting information? Klammer & McCloskey (1989) have argued compellingly for such a hierarchy-reversal as this, calling accounting “the master metaphor of economics”. In Derridean terms (see above), we might equally well call accounting the “dangerous supplement” — the add-on which reveals a lack — of supposedly self-sufficient economics.

My fourth concluding point is brief. I have approached Critical Accounting by highlighting trends and focusing on issues; I have by no means covered every aspect. In particular, I have given insufficient attention to an important and vital Marxist trend (e.g. anything by Tinker and much by his associates) and also to a strong "hermeneutic" or interpretive trend (e.g. Boland, 1989). I wish also to make clear that in identifying a certain timidity in Critical Accounting I did not mean to make a blanket assessment of all researchers or all papers in the field. Specifically, I must identify again Tinker (especially Tinker *et al.*, 1982) for political clarity, and Arrington & Francis (1989) for institutional posture, as not fitting the model of detrimental moderation that I sketched out above.

Point five is bibliographic. I would hope that the information presented in this paper would spur accounting researchers of all stripes to further investigate the Critical literature. In addition to the numerous texts already listed in this paper, I strongly recommend, in the interests of one-stop-shopping, the anthology edited by Adams & Searle (1986), *Critical Theory Since 1965*. Begin the anthology with the accessible selections by Kuhn, White, Geertz and Fish; it also contains selections from Derrida, de Man, Saussure and Whorf, all mentioned previously in this essay. In addition, Adams & Searle include writers deployed elsewhere in the Critical Accounting literature such as Althusser, Ricoeur, Levi-Strauss and Gadamer. The selections by all six women are remarkable, particularly for those working on issues of accounting and gender (which is to say, for all of us, whether we know it or not). (See also Moore, 1991, on gender in accounting.) Defer the Foucault selection, for his (1977a) and (1980) are more germane to accounting. Outside of the Adams & Searle anthology, Bourdieu (1979), Fish (1980, 1989), Latour & Woolgar (1979), Latour (1988), Feyerabend (1975) and Smith (1988), should all prove fascinating, depending on one's particular interests.

My next-to-last note regards the usefulness of Critical Accounting for various of the goals of

accounting research. The reader may be wary that the model of Critical Accounting sketched out here has been tilted in its effects towards what is un-nuancedly called the political left. This should be no secret and no shame either. In its recognition of so much accounting (including so-called "positive" accounting) as political discourse posing as science, Critical Accounting opens the way for a democratization of knowledge about accounting issues, and as such Critical Accounting can make policy debate that much better informed. At the same time, it should also be emphasized that contrary to popular belief, no tenet of the political left opposes production efficiency as such, nor discourages wise allocation of resources.

To this end, it would be useful to point out, as but one example among hundreds possible, a way in which Critical Accounting could be useful to non-Critical accountants in their work. In numerous recent publications Robert Kaplan (e.g. Johnson & Kaplan, 1987) has attacked current accounting systems for their increasing distance from the informational requirements of modern manufacturing. He contends that after about 1925, financial reporting began to take precedence over strategic costing in the production of accounting information within firms. Unfortunately, it took sixty years and the rise of Japanese manufacturers to highlight this misdirectedness of information. Yet an accounting conceived of as neither "information" nor positive science but as interested rhetoric might have spotted this situation decades in advance, and may expose similar situations today. Critical Accountants and Kaplan might continue to disagree over whether rhetoric-free accounting is ultimately possible; the pure Critical view would be that any meritorious changes produced by new empirical data would just be a differently interested rhetoric. Nonetheless, for those in oppositional postures such as social progressives and neo-empiricists, the relevance of Critical Accounting as an analytical tool should not ever be lost.

Finally, I cannot conclude without addressing the begged question of "What does it mean to be Critical?" As noted above, being Critical

does not mean “to relegitimate the status quo” nor does it mean “to deploy a rhetoric to get tenure” — at least no more so than any other research style. Being Critical clearly does not mean “to try to increase accuracy and objectivity”, but does it mean only — is its project simply — “to deny accuracy, to deny objectivity”? If it is project unified (though not encompassed) by such denials, then what’s the point? If the point of that denial is “to question the status quo” or, as suggested above, “to call for an increase in responsibility”, then why should being Critical exclude responsible formalist realisms such as Briloff’s, or realist social sciences of a type which would show, for

example, that equal work is paid unequally across gender lines? Because such realisms reinscribe the very terms with which the status quo maintains its position?

These and other questions will be among the tasks of Critical Accounting in the years to come. At this point I end what must serve as background for various further studies of the formation and deployment of accounting truths, not in “organizations and society” as reified entities, somehow separable from “accounting”, but in society and organizations as entities literally non-existent if not, paradoxically, socially accounted for.

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