

## **Being Critical in Accounting**

Michael Gaffikin<sup>1</sup>

**Purpose** - It is argued in this paper that there is a need for accounting researchers to adopt a critical stance to their research questions. This entails challenging conventionally held positions in order to generate new understandings of and possible solutions to the issues facing the discipline. An appropriate basis for establishing this is found in what is usually referred to as critical accounting studies. **Approach** - The paper is a theoretical paper and therefore provides theoretical arguments for why a critical approach to researching accounting problems has been taken in other studies and outlines the philosophical bases for this approach. **Originality/value** - Although many accounting researchers have been exposed to the different epistemological approaches to research there is little evidence in the accounting research that they are aware of the full implications for research using alternative positions and this has resulted in a sterile and fruitless research environment.

### **1. What is Being Critical?**

The word critical is used in many different contexts which has resulted in many different shades of meaning some with negative connotations, some more positive. In its most general uses it would indicate finding fault with someone. It is also used to indicate some thing or person essential for the success of a venture. However, it has more positive connotations when it is used in the context of "constructive criticism" such as in a review of a film or any work of artistic expression; or in the evaluation of matters such as management style where "feedback" has been requested. The expression critical thinking has become very fashionable in the education literature concerning professional or quasi-professional educational objectives or aims. Thus, recourse to the internet would reveal a considerable number of references to defining, describing and noting the merits and importance of developing critical thinking. While there are common "elements", sometimes extremely remote, in all notions of being critical none of the above relate directly to what is meant by critical accounting.

Critical accounting refers to accounting studies which have, to a lesser or greater extent, been informed by critical theories. Here too there is ambiguity because the expression critical theory is used in either a specific sense to relate to the theory developed by the Frankfurt School of social philosophers (starting in the 1930s), or a more general sense to relate to a variety of social theories developed in opposition to dominant post enlightenment, modernist thinking; what Best (1995:pxvii) refers to as social theories "critical of present forms of domination, injustice, coercion, and inequality". This modernist thinking had promoted the methods of the natural sciences as the only basis for developing reliable knowledge: knowledge that was based on empiricism, expressed in theory-free observation sentences which enabled

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<sup>1</sup> **Biographical Note:** Michael Gaffikin is Emeritus Professor of Accounting & Finance in the School of Accounting & Finance at the University of Wollongong, Wollongong, NSW, Australia 2522. Michael can be contacted at his email address - [gaffikin@uow.edu.au](mailto:gaffikin@uow.edu.au)

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an objective understanding of reality or truth. These social theories have recognised that there are several dimensions to knowledge in the social disciplines which had hitherto been overlooked, ignored or dismissed in mainstream modernist thinking. These include cultural, historical, political and linguistic factors all of which are closely interrelated.

The Classical Greek scholar, Plato claimed that any theory of man (sic), implicit or explicit, will be reflected in a theory of the state (cf Rist, 2002:pp228 - 29). Therefore, insofar as critical theories acknowledge the political, a connection between fundamental political questions and accounting can be made. These concern the fact that our current political systems (in countries such as Australia) are premised on a capitalist order. Over the last four hundred or so years the majority of mainstream accountants have seen themselves as the handmaidens of what we refer to as capitalism, providing information to facilitate optimal economic decision making. Accounting has been instrumental in maintaining the capitalist ethos - it has unashamedly served the interests of the providers of capital. Critical theories challenge the assumptions inherent in capitalism. With accounting's subservient relationship to capitalism this poses problems for accounting from a critical perspective. In the last fifty or more years many accounting academics have been seduced by the rhetoric of the neoclassical economists and have attempted to provide accounting theoretical explanations based on what was claimed to be scientific neoclassical economic theory in which capitalism is defined in terms of (free) markets. We have in recent times witnessed the failure of markets; we have seen how:

“. . . the market economy becomes an utterly inadequate instrument for utilising the available resources. The medium-sized private enterprises and free trade, the basis for the gigantic development of men's (sic) productive forces in the 19<sup>th</sup> Century, are being gradually destroyed by the offspring of liberalism, private monopolies and government interference. Concentration of economic activity in giant enterprises, with its consequences of rigid prices, self-financing and ever growing concentration, government control of the credit system and foreign trade, quasi-monopoly positions of trade unions with the ensuing rigidity of the labor market, large scale unemployment of labor and capital, and enormous government expenses to care for the unemployed, are as many symptoms for the decline of the market system.” (Pollock, 1989:p97)

Pollock was writing in the late 1980s, obviously well before the recent global financial crisis (GFC) which further illustrated the failure of market capitalism. He was not opposed to capitalism or the market system. Nor was the economist Amartya Sen who was opposed to “Today's prejudices” (in favour of the pure market mechanism) which, he argued, “certainly need to be carefully investigated” and “partly rejected”. He argued that the “present economic crisis (that is, the GFC) is partly generated by a huge overestimation of the wisdom of market processes” (2009:p4). Both commentators were arguing for a more critical engagement with the current economic thinking. If this is so then clearly accounting is equally failing to deliver its meaningful professional responsibility to society and, therefore, in need of critical enquiry.

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Critical theories reject objective certainties and acknowledge the need for subjective assessments. Generally speaking, accountants have avoided meaningful self reflection. By far the majority of accounting researchers proceed without questioning the very essential features and assumptions of their discipline. Similarly, most practitioners are content to operate on the basis of the fundamental assumptions of past practices despite the fact that some of these have contributed to the financial and social crises we have suffered from in recent years. This situation has arisen largely due to the modernist mindset.

## 2. Modernity

The period in history known as the Renaissance (15<sup>th</sup> and 16<sup>th</sup> Centuries) is so called because it acknowledged the rebirth of confidence in the human capacity to learn, understand and explain the world. It marks the beginning of individuals examining and attempting to explain the world increasingly without resorting to metaphysical explanation. Attention was directed to human achievements and ideas. It started in the Florentine state at the beginnings of the 15<sup>th</sup> Century and spread across Europe over the next two centuries. It marked the rediscovery of the thought and work of the Classical (Greek) scholars. But, during this time there was an increasing number of scholars who were casting doubt on the wisdom of Aristotle's explanation of worldly phenomena. (For example, his claim that stones fall to the ground because they have a propensity - their natural characteristic - to fall to the ground.) Early in the period we know of such scholars as Kepler, Francis Bacon and Galileo Galilei.

The Renaissance ushered in the era of modernity: the replacement of traditional (non-industrialised) society by modern social forms. The characteristics of modernity have been and continue to be debated rigorously. However, most commentators are agreed about the impact it has had and continues to have on our societies; for example, its emphasis on scientific reasoning and its universalising nature. Much of this is manifested in what is referred to as the Age of Reason or more specifically the "Enlightenment Project", a movement centred around Parisian intellectual life in the 18<sup>th</sup> Century but which continues to influence intellectual thought today. Although in the 18<sup>th</sup> Century a French movement it was always heavily influenced by the work of the English empiricist philosopher, John Locke (1632-1704) especially his *Essays Concerning Human Understanding* (1690). The two most well-known dominant figures in France were Francois-Marie Arouet (known to us by his later adopted name, Voltaire) and Jean-Jacques Rousseau. The ideals of the Enlightenment attracted many international scholars to France at the time and has greatly influenced Western thinking. For example, the major author of the American constitution, Benjamin Franklin was one such visitor to France during this period and it is thought that he incorporated some of the ideas he encountered there into that work.

However, the "Enlightenment Project" has continued down to this day. Objectivity, knowledge, truth, and science became intertwined by definition and this became accepted as the essential dogma of methods. This found its most influential expression in the rise of positivism - first espoused by Auguste Comte in 1800 as the application of this scientific approach to knowledge to the study of societies. It became the methodology for developing the methods of understanding social phenomena. It was also believed that there could be a value neutral language in

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which knowledge could be communicated. It found expression in the 20th Century in Vienna in what was referred to as logical positivism and was particularly dominant in Anglo-American thought. The meaning of knowledge is identified with the sciences hence many disciplines sought to claim scientific status - the "social" sciences such as economics.

For the logical positivists meaning and testability were the same thing. A proposition, or a statement, is factually meaningful only if it is verifiable, all other statements are meaningless. Thus, only experiential knowledge is admitted; that is, it is an empiricist epistemology. Non-empirical propositions are only significant if they are tautologous. Logic and mathematics are tautologous. Meaningful propositions are the basis of scientific knowledge, other, non-scientific, forms of knowledge are generally meaningless. As it is an empirical epistemology, all propositions must be verifiable (or tautologous). It is based on a realist ontology and all knowledge is objectively determined. Consequently, ethical, aesthetical, and theological statements are meaningless.

Most people may well be aware of the above. However, there is little evidence in the accounting literature to suggest that either they are aware of the implications for their research or they just reject it. The majority of accounting research studies continue to be framed in positivist terms or something that approximates them. It seems researchers continue to believe the demonstrably false premise that objective (or something very close to it - say value neutral) knowledge is the aim of research. Political, historical and linguistic implications of knowledge claims continue to be overlooked even in such obviously subjective areas as ethics and social and environmental accounting!

### 3. Rejection of Modernity

The term modernity is often used as a synonym for positivist scientific method. Comtean influences existed in the development of social theories for many years and positivist social theories dominated in sociology (although in later years they were referred to as functionalist). An important point to note is that positivism is an empiricist epistemology. Much of the criticism of positivism centres on deficiencies in empiricism. Therefore it is probably possible - at least as some would argue - to have a "scientific" study of society so long as it was not positivist (cf. Benton & Craib, 2001:Ch2). However, modernity has been rejected for other reasons.

In 1958 Peter Winch published his influential book, *The Idea of a Social Science*. In the book Winch challenged the dominance of the positivist and functionalist forms of social inquiry. In so doing he denied that inquiry in the social sciences could proceed on the same basis as the natural sciences. To him the social sciences, more specifically the discipline of sociology, were more akin to philosophy than (natural) science; more the unfolding of discourse than chains of causation. However, given that research in accounting from that time has persisted with the mistaken belief that establishing a science of accounting was dependent on showing that research in this discipline proceeded along the lines of a scientific method, Winch's book seems to have not had much impact on accounting researchers.

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A few years after Winch's book, another book was published which greatly influenced those interested in the creation of knowledge – Thomas Kuhn's *The Structure of Scientific Revolutions* (1962). Kuhn demonstrated that even in the traditionally held sciences knowledge did not progress in the orderly and rational manner that many held to be the method of science. While some accounting texts - in fact most accounting theory texts do - allude to Kuhn's work, the thrust of his message also seems to have little affected mainstream accounting *research* which, as indicated above, persisted in attempting to demonstrate the appropriateness of the conventionally described method of science in developing rigorous accounting knowledge. In the decades of the 1960s and 1970s there was considerable debate (and often violent disagreement) on methodological issues but the overall tenor of the debates was determining a science of accounting.

With mathematics being claimed to being the ultimate language of science most of the social sciences - especially economics but also including accounting - employed mathematics as the ultimate expression of their theories. This obviously affects the form of "new knowledge" in these disciplines - quantitative expression was superior to any other medium of expression. This obviously led Christenson and Demski (2003) to justify their approach to (so-called) accounting theory; that is, the need for "*parsimonious compression*" (p6, emphasis in the original). This is necessary because accounting, they claim, "is a formal financial measurement system" (p4).

### 4. Development of an Alternative Vision

Underlying positivism and empiricism, particularly in the English speaking (Anglo-American) and Nordic worlds, was analytic philosophy. Analytic philosophy claims it stands for argumentative rigour, clarity and precision hence its emphasis on quantitative explanations (and hence Christenson and Demski's preference for "*parsimonious compression*"). Contrary to this and in order to "combat the cosy contentment of the philistine (or positivist-empiricist cousins), critical social theory makes the very givenness of the world the object of exploration and analysis" (Calhoun, 1996:p436)<sup>2</sup>. Theory, Calhoun argues, has a complex relationship to fact - "It cannot merely summarise them, or be neatly tested by them, since theory of some sort is always essential to the constitution of those facts" (p436).

It is for these sort of reasons that there was a "qualitative turn" in accounting research – a greater emphasis being placed on qualitative rather than quantitative research. The hallmark of this "new" movement was the rejection of the analytic philosophy and the quantitative model building that dominated the accounting literature in favour of seeking more qualitative means of assessing and determining accounting knowledge. This was the beginning of the era of critical accounting research: "an umbrella term for a wide variety of theoretical approaches perhaps more united in what they oppose than what they agree upon" (Hopper et al., 1995:p535).

Interest in qualitative research has grown exponentially over the last forty years. Reflecting on the progress of qualitative research as a field of inquiry in its own right,

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<sup>2</sup> Quoting Davies, Calhoun (1996:p430) defines a philistine as "someone who is content to live in a wholly unexplored world" – something with which we academic accountants are all too familiar!

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Denzin and Lincoln (2003) have determined what they refer to as “seven historical moments” - seven periods in its development. Interestingly, the development of the accounting “critical” movement, to some extent, parallels those periods. However, many commentators in accounting have seen fit to avoid any mention of critical accounting. Books purporting to be addressing accounting theory make no mention of it and this is especially true of the US texts (for example, Christensen & Demski, 2003; Evans, 2003). And no mention of it is made in a book claiming to be a comprehensive history of accounting – Chatfield and Vangermeersch’s historical encyclopaedia. (1996). Such actions – or lack thereof – do little to inspire confidence in the intellectual maturity of the discipline. As Baker and Bettner have so aptly noted, ideology, it would seem, inhibits honest intellectual debate (Baker & Bettner, 1997).

Denzin and Lincoln's first period (1900 - 1950) is termed the traditional. Probably all accounting research prior to 1950 could be described as qualitative. Much of the research was tentative and exploratory but it would be wrong to simply dismiss it as having little significance. Many of the ideas expressed in this period have either directly or indirectly influenced later notions and helped shape accounting thought. Obvious examples are the work of Canning (1929), Sweeney (1936), Paton and Littleton (1940). Few of the works could be considered as “critical” (alternative) but there were some who challenged existing accounting thought, for example Scott (1931).

The 1950s and 1960s are a time when there was a conscious move to greater intellectual rigour in accounting research starting with the work of Chambers and Mattessich (see Gaffikin, 2008). This rigour was clearly to be found in modernist notions of science (see Gaffikin, 2008) so the period conforms with Denzin and Lincoln’s second period - the modernist or golden age moment.

Denzin and Lincoln’s third period is referred to as the blurred genres phase in which “the boundaries between the social sciences and the humanities . . . become blurred” (Denzin & Lincoln, 2003:p25) in that social scientists were increasingly turning to the humanities for research tools. This being so, it meant that researchers had “a full complement of paradigms, methods and strategies to employ in their research” (p24). A review of the accounting research literature indicates a “slow” start but was followed by a great many papers later in the period in which there was debate and discussion of the various available “paradigms, methods and strategies”. The critical (alternative) research output expanded so much that new outlets for research papers emerged, for example, the journals *Critical Perspectives on Accounting*, *An International Journal for Social and Organizational Accountability* and *Accounting, Auditing and Accountability Journal* joined later by the *International Journal of Critical Accounting*.

The fourth period is referred to as one in which there is a crisis of representation and is so named because of the crisis in the confidence of researchers in claims to representation. Battles over matters of validity, reliability and objectivity previously thought to have been won resurface and researchers seek new approaches to “truth, method and representation”. The parallels to the critical accounting research movement during this period become more difficult to draw. The crisis in representation (if any) in accounting research was observable in the loss of patience

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by editors and other gatekeepers in methodological debate and a call for greater utilisation of the “newly discovered” in actual research in the field. In addition there were sometimes bitter debates on the utility of different methodologies which reinforced the demand for field evidence of the practical significance of the methodologies employed.

Denzin and Lincoln claim that there are three other periods but each overlaps others and all are with us today; thus there are no distinct phases but emphases. A significant development is the emergence of work employing so-called postmodern or poststructural positions<sup>3</sup>. Others preferred to remain attached to more traditional “critical” theoretical frameworks<sup>4</sup>. There is also a discernable move back to the security of postpositivist positions<sup>5</sup> such as grounded and institutional theories. Research methods have included the “computer-assisted methods of analysis that permit frequency counts, tabulations, low-level statistical analyses” referred to by Denzin and Lincoln (2003:p14).

The introduction of postmodern or poststructural thought into the critical movement created some tension within it. Earlier adherents held a realist ontology as a consequence of a strong residual objectivism or what Bernstein many years ago referred to as the “Cartesian Anxiety” (1983:pp16-20). So, although critical research can no longer be seen from within a neutral or objective positivist perspective there are many researchers reluctant to fully accept that qualitative research is a matter of interpretation: it is guided by sets of beliefs about the world and how it is studied and understood. This group would include those that refer to themselves as critical realists and probably many of the other newly emerged fashionable positions such as institutional theorists, grounded theorists, and many others. Thus, they deny positivism and the omniscience of quantitative research methods but they still cling to possibility of the realisation of much of the Enlightenment Project.

Bernstein’s Cartesian Anxiety still haunts us and “hovers in the background” (1983:p18). This creates a reluctance to fully abandon the certainty and security of the naïve or critical realist ontologies of the positivist and postpositivist. We need, as Bernstein argued nearly thirty years ago, “to exorcise the Cartesian Anxiety and liberate ourselves from its seductive appeal”. It has led accounting researchers to be “hung up” on questions of objectivity of knowledge (value neutrality), of restrictive definitions of rationality, foundationalism and the neutrality of language. Insufficient attention is paid to questions of power, ideology, history and language. While there are (and have been) many accounting writers with an excellent grasp of philosophical issues, to many these issues are taken to be of purely peripheral concern. In ignoring them much accounting research is doomed to shallowness and

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<sup>3</sup> As the term critical is being used loosely these positions are also included as part of the critical accounting movement – purists would, of course, argue they should not. Nevertheless, in terms of the rejection of the scientism of the positivists they share some of the objectives of (pure) critical accounting research. See the work of those such as Arrington, Hoskins and McVe, McIntosh, Miller and Preston to mention just a few.

<sup>4</sup> Again, this list is too great to mention all but for example see the works of Laughlin and Braodbent, Cooper, Tinker and others.

<sup>5</sup> There are differences between positivism and postpositivism but both hold to naïve or critical realist ontologies. That is, the positivist contends there is a reality “out there” to be examined, understood, explained and controlled. The postpositivist holds that reality can never be fully comprehended only approximated and undertakes multiple methods for capturing as much of reality as possible. Both positions emphasise testing and verification of theories.

insignificance. Surely this is a major reason for so many accounting researchers attaching themselves to the mainstream, positivist informed research methods which are based on, as Christensen noted, also more than a quarter of a century ago, “an obsolete philosophy of science” (1983:p19). In doing so, it seems that many accounting researchers have ignored the advice of Carl Devine to not let the profession “define itself to a wasteland of repetitive calculations and vacuous assertions” (1985:Introduction to vol5).

### 5. Telling What We See

In broad terms there are essentially two ways we see the world - two broad classifications of ontology both with numerous subtle variations. Positivists adhere to a realist ontology. They hold to the view that we live in a world that exists independently of us and our thoughts. Their position is often described as naive realism. Postpositivists are said to subscribe to critical realism. "True" critical theorists (Habermasians<sup>6</sup> are said to subscribe to a historical realism. Those who reject a realist ontology usually hold a constructionist ontology. Like realist ontology there are variations of constructionism (unusually, sometimes referred to as constuctivism; more often referred to as social constuctionism).

As its name implies, naïve realism is the most fundamental and it is probably to that to which most mainstream accounting researchers subscribe. Critical realism differs from naïve realism in that while it holds there is a reality it can only be imperfectly apprehended by human agency. Historical realism acknowledges the human agency in appreciating the world but stops short of accepting that it is a social construction. That is, reality is shaped by social, political, cultural, economic, ethnic and gender values which crystallise over time. "True" critical theorists (such as Habermas), it seems, are unwilling to go so far as to run the risk of being labelled, relativist, not objective and even irrational and this is only made possible by the fact that these terms have been defined by positivist principles established in the Enlightenment. It would also seem that there is a resistance to moving away from what is popularly conceived of as the method of science.

In his *Idea of a Social Science* Winch drew inspiration from his teacher, Wittgenstein – the later Wittgenstein - and the ideas debated by the ordinary language philosophers. To simplify, he argued that language was essential to an understanding of social life, the major concern of interest of those involved in the social sciences. He also cast doubt on the possibility of social scientists checking the validity of their arguments against any “firm” social data such as the statistical laws based on observation that Weber thought existed. The results of research in the social sciences are dependent on interpretation. This is important for understanding the significance of a constructionist ontology, which, contrary to belief of critics, is not dependent on relativism.

Relativism is usually presented as the antithesis of objectivism. This has a long history in western philosophy and in developing their work Socrates, Plato and

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<sup>6</sup> While I have used the term critical accounting in its general sense and to include those subscribing to Frankfurt School critical theory it is important here to include the latter as modernists. They are not positivists in that they reject the methods of science as the *only* method for acquiring knowledge but they hold a realist ontology. Thus critical accounting includes a wide variety of views as the earlier quotation of Hopper et al. indicates.

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Aristotle, who are generally regarded as having provided the platform on which western philosophy is built, were, it is usually claimed, reacting to the “absurd” relativism of the sophists. This has been maintained by Enlightenment propaganda and perpetuated by the various forms of positivism and its offshoots. It has also been part of the agenda of philosophers such as Habermas who has worked to salvage the Enlightenment project from the “disbelievers”. This position is at the core of Bernstein’s Cartesian Anxiety. We are playing one game with the rules of another. If knowledge is dependent on interpretation - how we interpret the phenomena before us rather than accept that they exist independent of us then we have to turn to the hermeneutic tradition in which such a dichotomy between objectivism and relativism has no significance. Or, at least to what is often referred to as ontological or philosophical hermeneutics especially discovered in the work of Hans-Georg Gadamer to whom “understanding is a primordial mode of being in the world” (Bernstein, 1983:p34).

As very significant members of the analytic philosophy movement, in the first half of the 20<sup>th</sup> Century, the ordinary language philosophers sought to establish a close connection between linguistic activity and social life. Winch’s aim was to extend the work of later Wittgenstein to provide a basis for a methodology of the social sciences. However, Thompson has shown that there are serious problems with some of the conceptualisations by Winch (1981:pp121-3). Although similar themes are found in the work of Gadamer he never sought to determine a methodology for social inquiry – in fact he argued that there can never be a method for uncovering “truth” as positivists would suggest. Any truth belongs to history and can never be fully disclosed and we can only attempt to do so through the medium of language. This resulted in what has been referred to as the “linguistic turn” in the social sciences - a term to indicate that the path to knowledge is through language and centres on the role of discourse and forms of representation. Discourse involves language and subjectivity. For example, this could refer to a speaker and a listener and thus would refer to how the speaker uses language to influence the hearer. At one level it concerns the technical, structural elements of language (as in traditional linguistics). However, in terms of social analysis, it involves text, context and economic and institutional power relations: what are the regularities that permit the discourse to be produced? Social actors in “conversation” are interdependent and the behaviour of one defines and constructs the social relations with the others. This leads on to questions as to *how* this discourse is represented. A modernist holds the view that language is adequate for such representation. A non-modernist questions whether this is so as language is a socially constructed system that is in constant flux - it changes *over time* - thus it is historical. The linguistic turn introduces the influence of the work of significant “new players” such as Foucault and Derrida. My recognition of these scholars as being of immense importance in understanding knowledge, specifically accounting knowledge, is not novel and there have been many others who have arrived at similar conclusions (for example, Arrington & Francis, 1989; Hoskins & Macve, 1994; Macintosh, 2009, to mention just a few).

Foucault and Derrida have been variously classified as poststructuralist or postmodern although both denied knowledge of the meanings of these terms and, therefore, their categorisation as belonging to one or either or both. Postmodernism is not a fashionable fad as some commentators have tried to claim. It represents a skepticism about the Enlightenment equation of increasing rationality with progress

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in respect of "justice, virtue, equality, freedom, and happiness" (Bernstein quoted by Smart, 1996:p397). And, as Smart points out, this is "by no means confined to those analyses which have recently been designated "postmodern" (p:397);

"The modern project has been problematised in and through a longstanding tradition of critical reflection and inquiry, a tradition which has sought, in various ways, to explore the complex, uneven, and even unpredictable consequences of modernity, a tradition which is virtually coterminous with modernity itself." (p 396)

Thus, Foucault and Derrida belong to a long tradition of scholars diagnosing the limits and limitations of the Enlightenment project. Central to both Foucault and Derrida is the notion that meaning is established differentially - a notion not novel to them and which is consistent with 20<sup>th</sup> Century theories of measurement and linguistics. Advocacy of the significance of Foucault's work is not trendy or fashionable. It has had a tremendous influence on the development of thought in very many disciplines over the last fifty years. His work centres around three axes, namely, knowledge (truth), power (governmentality) and subjectivation (ethics). There are three "phases" or "dimensions" in his methodology, generally referred to as archaeology, genealogy and problematisation, which roughly correspond to the axes. However, there is significant overlapping of all the notions and methodologies. His approach is through discourses - how language and concepts do not reflect reality but are employed "to structure it, to make it visible, effective, active in institutions and social organisations" (Scott, 2007:p31). Thus, his work has tremendous potential for researching and analysing accounting: what are the discourses that make and have made accounting visible, effective and active in institutions and social organisations? I claimed above that accounting has served particular interests only. We could ask how have the discourses in accounting been used to support these actions by "accounting" - how have professional bodies defined the actions of accounting in order to maintain the dominant economic power interests? How have large accounting firms exerted power over the discipline - defined accounting "truth"? Why have accounting academics simply "accepted" the power of dominant interests in teaching and research? What is the "language" accounting regulators use (that is, the discourse of accounting regulation) to maintain accounting knowledge and power? These are just a few examples of how applying a Foucauldian critique to our "knowledge" of accounting may provide a new understanding.

Derrida is equally concerned with language, knowledge and power. However, unlike Foucault he is not concerned with discourse but the *text*. His approach to understanding is through a process he called deconstruction but the term has been misused by many to refer to a more simple linguistic analysis. To Derrida the text is a site of contestation and struggle. It is not enough to simply say the author meant this because the text may very well invoke unconscious, unquestioned or implicit assumptions not intended by the "author"; meaning is grasped without reference to any external reality - the text is "all there is" to provide meaning. This does *not* mean, however, anything goes. His approach is dependent on the meaning of text because to him it is only through the text that we can gain understanding. Thus, despite its intuitive attractiveness to analysing a subject like accounting it is likely to be quite complex so its use in accounting research is probably going to continue to be limited (but see Arrington & Francis, 1989). Nevertheless, properly understood, it may well

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be very useful in a subject such as auditing in which "reading the text" (in its broadest sense) is essential. The deconstruction of the "texts" of a firm's affairs would seek to investigate beyond the assumptions made by the preparers of the "texts" - words do not necessarily mean what they say! What are the assumptions used by financial statement (text) preparers and why is it expressed in a particular form, language - what is being privileged and what hidden?

### 6. The Need for Critique

Accountants are a pretty passive lot which probably accounts for our reputation as exciting and daring individuals in comedies. Yet there have been critics. They were not being negative but they saw problems with the accepted norms and dared to challenge them - to provide critiques. Paton was a rather mild critic who challenged the notion of a discipline without an accounting theory and wrote a book suggesting what this theory would look like (Paton, 1922). Sweeney (1936) sought to change the basis of accounting measures to reflect values rather than costs. Scott (1931) argued that there was a need to recognise the broader, social implications of accounting information. MacNeal (1939) decried the lack of truth in current accounting (financial reporting) practices. Chambers devoted his entire working life to challenging conventional accounting practices and presented a very carefully constructed alternative (for example, 1966). There have been other - for example Trevor Gambling, Abe Briloff as well as many more. Almost all have met with resolute resistance from parties representing the status quo - powerful business interests but including practitioner and academic professional bodies as well as individuals. Consequently, little has changed in accepted accounting thought despite the claims of a discipline in crisis as spectacular corporate collapses and financial scandals continue.

However, critique goes beyond criticism, beyond an examination of the system's flaws and imperfections. Critique concentrates on the grounds of the system's possibility.

"The point of critique is to make visible those blind spots in order to open a system of change. . . . . to open the possibility for thinking (and so acting) differently." (Scott, 2007:p23)

It has been associated with many famous scholars - Plato, Kant, Hegel, Nietzsche to name but a few. "The idea of staying open to the future is at the very heart of critique and defines it as an ethical project" (Scott, 2007:p24). The aim of critique is to make things better even though it might make us uncomfortable.

The purpose of this paper is to draw attention to the potential of critique, of the need to be critical in accounting. None of the accounting scholars mentioned above were critical in the ontological and epistemological senses I have used the expression critical accounting. They were all methodologically conventional. However, to varying degrees they shared the "spirit" of being critical in order to "open the possibility for thinking differently" as Scott has argued it is necessary if things are to change for the better. In doing so they were concerned with similar matters. For example, Chambers did not resort to a poststructuralist linguistic analysis but was very much concerned with the "sloppy" use of language in accounting and he set about defining

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meticulously the terms in his theorising. Briloff argued tirelessly for an end to the abusive use of power by accountants - power that was used to bolster unjust, inequitable and unethical management/business processes. To him accountants had an obligation to act in the greater social interest of facilitating business practices that lead to a fairer and more just society. To have accounting knowledge is to hold power in the manner that Foucault and others have claimed. Briloff's reward was the abuse of and denigration by the philistines - those unwilling to look beyond the simple "bottom line" of conventional business/accounting practices.

I believe critical resistance is essential for the future welfare of accounting as an independent discipline (cf Gaffikin, 2009a). We should not continue to accept theories developed in disciplines such as economics, finance, psychology, law and others as inviolate. We cannot use the totally discredited modernist, positivist, methods of analysis of our forebears. Yet the philistines continue to churn out material with the misguided and blinkered vision that they are producing scientifically determined understandings. Critique would enable us to think and act differently - use the notions of others critically to develop a truly intellectually independent discipline. This would enable greater attention being paid by accounting researchers to the moral needs of a free democratic society. Not only would this be the appropriate basis for developing new accounting knowledge generally, it would also be consistent with the increased interest in subjects such as ethics and corporate social and environmental responsibilities in accounting research as well as the interests of businesses. I would like to think Bob would agree with (part of?) this.

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