Critical accounting research and neoliberalism

Prof. Eve Chiapello

EHESS Paris, PSL University, Institut Marcel Mauss (UMR 8178 CNRS/EHESS), 190 avenue de France, 75013 Paris, France

ABSTRACT

This article reflects on the way critical accounting research has addressed the question of liberalism. I show that the rise of this theme has been accompanied by a broadening of the issues addressed, but fairly little enlargement of the geographical spaces concerned. Three different approaches to neoliberalism are identified (as a phase of capitalism, as a discourse and as governmentality): while dialogue may exist between them, they are still disjointed and built on different inquiries. I seek to outline the contributions and limitations of each one. A second section studies the various roles critical authors have attributed to accounting and its actors in the neoliberal phenomenon and the way accounting is seen in their research (as an instrument, a project or an object). This mapping leads to proposal of an analysis framework that can be used for a broader conception of accounting’s role in economic and social changes, based on a study of the conventions embedded in accounting devices and the distributive effects of the tests or trials they equip. Avenues for research are opened up throughout the article, with a view to enriching work on neoliberalism and delineating the specific contribution made by accounting researchers to its criticism.

1. Introduction

Reference to neoliberalism has become obligatory in critical thinking. From the 1930s to the 1960s the term was used by certain think tanks to describe their stream of thought and their efforts to renew liberal thinking (Audier, 2012), but it now has almost entirely negative connotations. The word “neoliberalism” has become part of the critical vocabulary. Like capitalism when the concept was first forged (Chiapello, 2006, 2007), neoliberalism is primarily known, understood and analyzed by people who are critical of it. It has become harder for people to claim they are neoliberal, unless they intend to provoke an audience reaction. It is thus quite natural to find this concept used by critical accounting research. This article aims to better understand the uses of the concept and its history in this academic space, and to sketch out several avenues for research. As in other disciplines, notably geography where it has been particularly popular, reference is made to neoliberalism to describe a range of phenomena that are the subject of criticism, such that the introductory comment made by Ferguson (2009) to his own community provides us with an entry point:

In thinking about the rapidly expanding literature on neoliberalism, I am struck by how much of the critical scholarship on topic arrives in the end at the very same conclusion—a conclusion that might be expressed in its simplest form as: “neoliberalism is bad for poor and working people, therefore we must oppose it.” It is not that I disagree with this conclusion. On the contrary. But I sometimes wonder why I should bother to read one after another extended scholarly analysis only to reach, again and again, such an unsurprising conclusion. (Ferguson, 2009, p. 166)

E-mail address: eve.chiapello@ehess.fr (E. Chiapello).
It seemed to me that to answer this question, we had to try and understand what accounting research is doing with this concept. I have thus attempted to organise the literature in order to show its main themes. The wide variety in both uses and analyses conducted under the neoliberalism label can certainly be used to suggest that such a vague, all-encompassing term is ultimately useless. But it can also help to determine what the term contributes, particularly the possibility of moving between its multiple meanings and illustrations, and to show links and relationships between the phenomena studied. The first type of analysis (part 1) concerns the use made of reference to neoliberalism: what do accounting researchers say about it, how is it understood, what phenomena are associated with it, which theoretical references are used? In the end, the variety of appeals to neoliberalism that this study will bring out is fairly similar to what we observe in other fields of the social sciences (Ferguson, 2009; Pestre, 2014). Since the aim is to understand what the critical accounting literature is doing with the concept of neoliberalism, I shall not seek to give a definition in advance, for example to position it in relation to liberalism or capitalism. As we shall see, the answers to these questions depend on the approaches taken. The second type of analysis (part 2) sets out to grasp the role authors attribute to accounting, its practices and its actors in the development of liberalism or capitalism. As we shall see, the answers to these questions depend on the approaches taken. The second type of analysis (part 2) sets out to grasp the role authors attribute to accounting, its practices and its actors in the development of neoliberalism. Which aspects and dimensions of accounting have accounting researchers chosen to look at? How do they conceive the relationships between these elements and neoliberalism?

The aim of this two-level reflexive review of the uses accounting research has made of the neoliberalism concept is of course not solely taxonomic, but also programmatic, because it should identify research perspectives that will be brought out throughout the following discussions.

2. Critical accounting research and neoliberalism

To delimit the intellectual area this examination will cover, I have chosen to concentrate on publications in the three central journals of social-based accounting research (as opposed to economics-based accounting research): Accounting, Organizations and Society (AOS, founded in 1976), Accounting, Auditing, Accountability Journal (AAAJ, created in 1988) and finally Critical Perspectives on Accounting (CPA, created in 1990).1 In early March 2015 I collected all the articles published or put online by these journals since their foundation that contained the words “neoliberalism”, “neo-liberalism”, “neo-liberal”, or “neoliberal” in their title, key words or abstract (i.e. in the key descriptive fields). This procedure was used to identify the articles that made central use of the concept. The resulting corpus comprises 51 articles (see Appendix A2). If I had collected all articles using one of these words at least once in their text, the corpus would of course have been much larger. And as I did not want my corpus to be based on a presumed meaning of the word “neoliberalism” (since one of the objectives of this review is to bring out the role authors assign to this concept in their writings), I did not include articles that concern phenomena often associated with neoliberalism, such as New Public Management and privatisations, but do not actually use the concept. After a general presentation of the corpus and what it teaches us about the history and pervasiveness of the concept in accounting research (1.1), we shall identify the different meanings of the concept of neoliberalism encountered (1.2) and the principal theoretical frameworks used (1.3).

2.1. The rise of neoliberalism in accounting research

Unsurprisingly given the word’s critical dimension, reference to neoliberalism is more frequent in CPA (34 articles) than the other journals, with 8 articles in AOS and 9 articles in AAAJ. The first article that considers the concept important enough to place it in the key descriptive fields is *Nikolas Rose’s* 1991 article in AOS, but AOS subsequently published no more articles of this type until 2009 by which time the concept was widespread. AAAJ published its first such article in 1993 (*Humphrey, Miller, Scapens, 1993*), and this should be related to the Foucault-inspired research in sociology being undertaken at the same period by Miller and Rose (*Miller & Rose, 1990; Rose & Miller, 1992*). So a very small circle of authors inaugurated the concept of neoliberalism in these two journals, but the framing of their work by this concept was not taken up by accounting research, although as we know, it subsequently became a nerve centre of the Foucauldian approach (*Chiappello & Baker, 2011; Gunderson & Baker, 2005*). Twelve years passed before AAAJ published a second article referring to neoliberalism (2005). The profile for CPA is different: the concept of neoliberalism made its entrance in 1996 with *Cooper, Puxty, Robson, Willmott (1996)* and remained less remote (3 articles in 1999; 2 in 2003, then regularly from 2006).

Another striking factor that is clearly visible in Fig. 1 concerns the temporality of the reference to neoliberalism: this was sporadic until the mid-2000s, but took off from 2005. It reached a plateau in 2009–2010 with 5 articles in the three journals, and has remained more or less at that level since then, with a peak of 9 articles in 2013. The mid-2000s is thus clearly a point when a shared understanding of the world encapsulated in this reference became established. It is difficult to account for these collective phenomena which suddenly catapult a word only previously used by a few people into widespread use. In the English-speaking world, an important factor was the publication in 2005 of Harvey’s book *A Brief History of Neoliberalism*,

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1 I also undertook a quick search of the histories of other accounting journals that also occasionally publish social-based accounting research (such as European Accounting Review, Management Accounting Research, and Abacus) but found no occurrences. The only exception is Accounting Forum, but only 4 articles published in that journal up to March 2015 use a derivative of neoliberalism in the key descriptive fields.

2 In this article, the articles belonging to the corpus are quoted preceded by a * (eg. *Rose (1991)*). In that case, the complete reference should be found in the Appendix A, not in the References list.

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making its author known beyond Marxist and geographical circles. In a powerful narrative, Harvey set out a new connection between a multitude of ideological, political and economic phenomena occurring on all continents since the 1970s. He is also the author most frequently tied up with the concept of neoliberalism in our corpus, if only to borrow a de

inition. Still in the field of ideas, the publication in France in 2004 of Michel Foucault’s lectures discussing the question of neoliberalism at the Collège de France (given in 1978–79, published in an English translation in 2008) presumably contributed to the theme’s popularity in accounting research given how important Foucault has become in such work, even though only the most recent articles in the corpus contain references to this publication. As regards economic events, the financial crisis of 2008 was also a turning point, as it was immediately considered as a crisis of liberalism similar to the 1929 crisis, and like that crisis also led to State interventions on a massive scale. Once the spotlight had shifted to the debt crisis in developed countries, and reforms had begun, many observers noted the incredible resilience of (neo)liberal ideas (see, for example, Mirowski (2013) and Streeck (2014) for recent expressions of this diagnosis, which are themselves embedded in extensive historical narratives, or Guénin-Paracini, Gendron, and Morales (2014) in accounting research).

The 51 articles in the corpus were written by 73 authors, only a few of whom have made neoliberalism a central concept in their research trajectory. Examples are Jane Andrew who has published five articles with a number of co-authors (two with Ying Zhang), and Christine Cooper, who has published six articles written alone or co-authored.

2.2. Did someone say neoliberalism?

The rooting of reflection in the question of neoliberalism can be tenuous. Some articles in the corpus hardly use the vocabulary concerned in the body of their text (slightly under a quarter of articles – 12 out of 51 – use a word deriving from neoliberal fewer than 10 times). Also, some (often the same) articles never use the nominal form with the meaning provided by the –ism ending indicating some form of system, an overall logic or ideological core. The presence of the nominal form grows over time until it accounts for the majority of occurrences by 2009, which I see as a clear indication that a whole series of phenomena were by then clearly perceived as constituting a system. Towards the end of the period, many articles take for granted that neoliberalism is a marker of contemporary times. The term no longer needs to be explained and presented, but is important to inform reflection. This is seen in programmatic articles such as the research published by *Boyce (2008), *Lehman (2012) and *Cooper and Colson (2014), but also in case-study focused publications.

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3 *Cooper (2015) and *Sikka (2015) are examples of very direct considerations of this crisis. Both articles were published in a special edition of CPA dedicated to the crisis (Chabrak & Gendron, 2015).

4 Only 9 authors published two or more articles in the corpus. After Christine Cooper, Jane Andrew and Ying Zhang they are Carolyn Windsor (2), Cheryl Lehman (2), Keith Robson (2), Prem Sikka (2), Robert Jupe (2), and Yves Gendron (2).

5 2 articles out of 9 in AAAJ, 4 out of 8 in AOS and 8 out of 34 in CPA do not use the nominal form at all, or only use it once in the whole article, preferring to use the adjective, which is less charged with meaning and can apply to “smaller”, more “localised” objects that do not necessarily suggest incorporation into a global system.
What all these ways of using this vocabulary have in common is that the terms are designated as descriptive of the public policies implemented from the 1970s and 1980s, generally considered to begin with the election victories of Margaret Thatcher in the UK and Ronald Reagan in the US. Reference to neoliberalism is thus primarily used to comment on public policies. The economic system may be called “capitalist” or “financialised”, but the policy is “neoliberal”. The criticism of neoliberalism is above all a criticism of governments and their policies. In fact the objects that are called neoliberal are doctrines, discourses, reforms, agendas and political projects. Neoliberal policies encompass a vast range of reforms, often referred to as a whole (privatisation, deregulation, dismantling of social welfare apparatus, tax cuts, etc.), underpinned by a common intent to draw more broadly on market mechanisms and private actors, particularly businesses, consulting firms and NGOs, to regulate the economy and distribute all sorts of products and services, including those that are educational, social, etc. (the free market, small government doctrine).

As a result, an enormous collection of policies is addressed in the corpus: privatisation policies are generally associated with neoliberalism (eg. *Arnold, Cooper, 1999; *Uddin, Hopper, 2003; *Cole, Cooper, 2006; *Andrew, 2007; *Jupe, 2009; *Smyth, 2012; *Jupe, Funnel, 2015), but so is New Public Management (“Humphrey, Miller, Scapens, 1993; *Edwards, Ezzamel, Robson, 1999; *Ellwood, Newberry, 2007; *Parker, 2011), the post-socialist transition (“Mennicken, 2010), certain tax policies (“Sikka, 2015; *Cooper, Danson, Whittam, Sheridan, 2010), climate policies that use market mechanisms or self-regulation (“Andrew, Kaidonis, Andrew, 2010; *Lohman, 2009; *Andrew, Cortese, 2013), and development policies led by national and international agencies (“Duval, Gendron, Roux-Dufort, 2015; *Sikka, 2011; *Uddin, Hopper, 2003). Certain accounting standards and laws governing businesses may also be called neoliberal (“Zhang, Andrew, Rudkin, 2012; *Zhang, Andrew, 2014; *Ravenscroft, Williams, 2009; *Merino, Mayper, Tolleson, 2010).

Most of the cases analysed are British policies that are a legacy of the Thatcher years. The brutality of the reforms conducted at the time, their openly ideological stance based on the work of the economists of the Chicago school, and their pioneering nature as policies that would later spread to other developed countries, explain this focus on the UK which even during the Labour government years and right up until today has continued to apply more economically liberal policies than most countries in the European Union. Another explanation is that a large share of critical accounting research has been forged in resistance to such policies, and is driven by British authors whose particular historical experience provides a decisive contribution to research into neoliberalism. Australian authors (*Andrew, 2007) and New Zealanders (*Cronin, 2008) recount their own country’s experiences. There is a small number of studies on developing countries such as Bangladesh (*Uddin, Hopper, 2013), Chad and Cameroon (*Sikka, 2011) and Sri Lanka (*Jayasinghe, Wickramasinghe, 2011). There is only one article on China (*Zhang, Andrew, Rudkin, 2012), and one on Russia (*Mennicken, 2010). US policies are relatively rarely studied, except for two articles concerning reconstruction in Iraq (*Chwastiak, 2013; *Cooper, Catchpole, 2009), one on the Sarbanes-Oxley Act (*Merino, Mayper, Tolleson, 2010) and one on a FASB standard (*Ravenscroft, Williams, 2009). The small number of American examples raises questions. American monetary policy since 1979, under Paul Volcker then Alan Greenspan, and the election of Ronald Reagan as President in 1981, are usually considered as major neoliberal political turning points. Also, the criticism of neoliberalism generally makes the US the reactor core, because the country has fed on the work of the Chicago economists and because its ideological, economic and military power makes the US an extraorinary exporter of political ideas and practices (see also the expression “Washington Consensus” used to designate the doctrinal agreement between the US government and the global institutions IMF and World Bank). It is clear that since the structure and modes of production and reproduction of accounting researchers in the US emphasise economics-based accounting research – i.e. research which by construction is part of the Chicago economics and has trouble detaching itself from the neoliberal model, in some cases actively promoting it (in my corpus, see *Ravenscroft, Williams (2009) and *Chabrak (2012)) – broad deployment of critical accounting research by US-based researchers is very difficult (*Panozzo, 1997).

While “neoliberal” initially referred essentially to Thatcher’s policies and then Reagan’s, the spectrum was enlarged by a gradually-established major narrative of neoliberalism built up by its denigrators. This enlargement is also visible in the diversification of the objects of accounting research, although it remains incomplete. The origins of neoliberalism are now increasingly traced back to the Chilean coup d’état of 1973, and South American experiences (Dezalay & Garth, 2002; Fourcade-Gourinchas & Babb, 2002; Harvey, 2005; Klejn, 2007) which are not covered at all in my corpus. They can also be considered to encompass (at least some) former socialist European countries’ experiences of the transition to capitalism after the fall of the Berlin wall in 1989, the structural adjustment policies of the 1980s and 1990s, and even the shift seen in an entire country such as China, which began the transition to a market economy in 1978 (Harvey, 2005). As seen earlier,
although these areas are present in the corpus studied, they are still not extensively examined. Also, the doctrinal sources of neoliberalism have been traced to the Mont Pèlerin Society, an international learned society established in 1947 by Friedrich Hayek, involving liberal economists from various allegiances: Austrian (notably Hayek), German (including ordoliberal like Walter Eucken), and American (including Milton Friedman) (Audier, 2012; Dixon, 2008; Mirowski & Plehwe, 2009). This origin allows criticism to use the encompassing term of “neoliberal” to connect the reconstruction of federal Germany around the postwar Mark and the “ordoliberal”-inspired European construction with the “ultraliberal”-inspired policies of Reagan and Thatcher (Dardot & Laval, 2009; Foucault, 2008). The influence of this interpretation opens the door to new objects in the accounting criticism of neoliberalism, such as European policies or the Greek debt crisis (*Morales, Gendron, Guénin-Paracini, 2014).

Among the possible avenues for more in-depth critical accounting research on neoliberalism, I strongly suggest that it should address more diverse objects, drawn from those associated with neoliberalism more recently than the objects that have mainly occupied it so far; while acknowledging that the objects already examined have at least had the merit of enabling the research to forge several analytical instruments, which we shall now study.

The next Section (1.3) continues the focus on the concept of neoliberalism: I seek to identify the major approaches to the question of neoliberalism in the articles identified, especially the meaning assigned to the term. The second part of the article, which more specifically considers accounting in the same corpus, leads me to address other questions such as the way the “accounting” object is conceptualised (Section 2.1) and the identified forms of contribution made by accounting to the neoliberal phenomenon (Section 2.2).

2.3. Some theoretical approaches to the question of neoliberalism

Although it is not always easy to establish a clear association between articles and theoretical approaches, three major approaches to the question of neoliberalism can be identified. The first relates to the Marxist tradition, and sees neoliberalism as a phase of capitalism. The second considers it as a political discourse and sometimes also has a Marxist tendency (using the concepts of ideology or hegemony). The third engages in dialogue with the Foucauldian tradition and sees neoliberalism more broadly as a manifestation of liberal governmentality. As we shall see, each of these approaches involves choices concerning specific objects of study, and particular methods of demonstration.

2.3.1. Neoliberalism as a phase of capitalism

In this interpretation, broadly popularised by the work of researchers such as Duménil and Lévy (2001, 2011) and taken up by Harvey (2005), the current phase of capitalism is associated with neoliberalism, i.e. policies actively pursued by States, and financialisation, i.e. the growing importance of “finance” in the operation of the economy. Neoliberalism is thus a stage of capitalism, the latest so far, and its chief feature is its reinforcement of the power and income of the capitalist class. In this analysis, whatever official motives and discourses are associated with economically liberal policies, only a class analysis can uncover the truth.

The article published by *Arnold and Cooper (1999) was the earliest in my corpus to present a case study combining neoliberal policies, in this case the privatisation of an English port, with class analysis. It was followed by *Cronin (2008) and* Jupe and Funnell (2015) in a well-established tradition of critical research studying accounting from a class relations angle, especially as regards the situation of workers, whose exploitation is hidden from sight in capitalist forms of calculation, although it lies at the source of profit. What is new is that these analyses extend to public policies and public actors who may find themselves just as dispossessed as workers, for the greater profit of capitalists. Some of the research thus consists of re-establishing “the true account”. The case of privatisations, many of which are analysed in the corpus as noted earlier, is particularly appropriate to this type of research, since from the outset privatisations are operations to increase capitalist ownership.

The link between neoliberalism and financialisation, which is also considered as a result of neoliberal policies designed to make the financial markets more important, or to reinforce shareholder primacy (i.e. the primacy of the capitalist class) has been explored in more recent times, essentially since the financial crisis (eg. *Cooper (2015)). The type of public policies examined in this stream of research tends to relate to financial market regulation and the influence assigned to financial actors in orientation of the rules governing economic life, which of course include accounting standards (eg. *Zhang, Andrew, Rudkin, 2012; *Zhang, Andrew, 2014).

In this productive research perspective, it seems to me that there is still a lack of accounting research able to provide a better description of the phenomena of rising inequalities and displacement of the sites and forms of profit formation that have come with the new capitalism. They are fairly well described at macro-economic level (Epstein, 2005; Krippner, 2005;
Lin & Tomaskovic-Devey, 2013; Piketty, 2014), although for a relatively small number of countries, and with a notable inability to document the effects of globalisation, since the statistics are national while the actors are transnational (Durand, 2014). *Sikka (2015) has begun to propose some analyses of the “role of accounting and accountancy firms in deepening income and wealth inequalities and the economic crisis” for the United Kingdom, and these should now be extended. There is also a shortage of research at organisational level, inside the new “secret laboratory of production” (to use Marx’s expression), which would help us understand how income distribution is founded on an understanding of the structures of financialised, neoliberal capitalism, i.e. an organisation of the economy in which the power of financial actors has increased and the legal context has been broadly redefined. Accounting researchers have the resources and skills to explain the mechanisms at work at micro-economic level, in particular what public policies are doing to profits. Participation in multidisciplinary research by accounting researchers alongside economists and lawyers, who are to some extent in search of such skills, is certainly a dynamic that should be encouraged.11

2.3.2. Neoliberalism as a (hegemonic) discourse

This approach to the neoliberal question may take for granted the previous interpretation of neoliberalism as serving capital, or may remain agnostic. What all these articles have in common is their focus on the strength of neoliberal ideas and the associated rhetoric. What is then recognised as an ideology inspires public policies, organises their presentation and public justifications by supplying analyses and a phraseology, emphasises certain modes of problematisation and the search for solutions. The writings of Gramsci (1971) on hegemony, or of Chomsky (1989, 2003) and Herman and Chomsky (1988) can be used to examine the cases studied.

*Arnold and Cooper (1999), for example, refer to Gramsci’s analyses concerning the different roles and positions of “organic intellectuals” to understand the role of auditors in the wave of neoliberal privatisations. *Merino, Mayper, Tolleson (2010) present the different tactics used to gain consensus – coercion, agenda-setting (for example through lobbying or political campaign contributions), and manufactured consent – considering this last tactic, based on the power of ideas, as “the most effective form of power”.

Endowing the neoliberal discourse with a hegemonic nature means it can be considered to play a crucial role in implementation of the reforms studied (e.g. privatisations); also, for more recent periods, it can explain the apparent inability of crises and scandals to lead to a change of political direction. *Merino, Mayper, Tolleson (2010) attempt to analyse the Sarbanes–Oxley act’s inability, after a series of accounting scandals including Enron and WorldCom, to “address the systemic problems associated with deregulation”. *Morales, Gendron and Guénin-Paracini refer to a “failed scandal” in discussing the effects of the discovery that Greece had used accounting manipulation on its national debt; this did not result in any long-term questioning of the financial derivatives industry, even though derivatives were also central to the 2008 financial crisis. These authors use a detailed press review to show how presentation of the crisis problem in a way that stressed Greece’s failings ultimately superseded the initial responses blaming the role of financial actors. *Cooper, Danson, Whittam, Sheridan (2010) show from a study of an attempted tax law reform in Scotland that “one of the tricks of ideology is that it makes it very difficult to imagine alternatives” (p.209).

One of the notable research perspectives emerging from this approach is the need for a better combination of actor-based approaches (as proposed by *Andrew and Cortese (2013), who map out the actors involved in the Climate Disclosure Standards Board) with discourse-based approaches that pay attention to problematisation and framing operations (as used by *Morales, Gendron and Guénin-Paracini (2014)). The risk of staying at the discourse level is that power may be attributed to the discourse alone. This research direction could also be an opportunity to develop Bourdieusian research into neoliberalism,12 since as Bourdieu (1998, p.1) explains, “neoliberal discourse is not just one discourse among many. Rather, it is a ‘strong discourse’ – the way psychiatric discourse is in an asylum, in Erving Goffman’s analysis. It is so strong and so hard to combat only because it has on its side all of the forces of a world of relations of forces, a world that it contributes to making what it is. It does this most notably by orienting the economic choices of those who dominate economic relationships. It thus adds its own symbolic force to these relations of forces. ( . . . ) The neoliberal program draws its social power from the political and economic power of those whose interests it expresses”. On the whole these comments have yet to be converted into a research programme. Another pitfall for analyses considering neoliberalism as a hegemonic discourse is that in highlighting its infinite repetition, they tend to reinforce the strength of that discourse. There is a risk that the researchers will only pay attention to parts of the political construction that serve their analysis, and play down anything to the contrary. Research into neoliberalism as a hegemonic discourse should, in my view, take a more plural view of the concept of neoliberalism, to show that today, as in the 1950s (Audier, 2012), the corpus of doctrine is not all that homogeneous and internal struggles exist; it should also take seriously the counter-discourses and competing discourses, in order to account for the variable

11 One illustration is the research by Baud and Durand (2012), which is a good example of cooperation between an accountant and an economist.
12 I did not encounter any Bourdieusian research in my inquiry. *Jayasinghe and Wickramasinghe (2011) use the work of Bourdieu to account for the way “neoliberal” poverty alleviation schemes are implemented in an Sri Lankan fishing village. But Bourdieu does not really help their understanding of neoliberalism. The other article claiming a central reference to Bourdieu is by *Cooper and Coulson (2014), but the inspiration for their research is more Bourdieu’s figure as a public intellectual than his theoretical work.
achievements of neoliberalism evidenced in studies like "Jayasinghe and Wickramasinghe (2011) in Sri Lanka, or *Mennicken (2010) in Russia. It is important to identify resisting and opposing forces, and to seek to theorise them as "Smyth (2012) does in the case of contestation of social housing policies. Alternative discourses are all the more likely to be neglected if the very people who call for them simultaneously stress their futility. Also, there are many different reasons for undertaking neoliberal-style reforms (Fourcade-Gourinchas & Babb, 2002), and it is equally obvious that the language that has come to be considered neoliberal, with its emphasis on individual responsibility, transparency and the role of civil society, is also increasingly used by actors who appear to be more preoccupied with social or environmental progress than economic profitability. The strength of the neoliberal discourse lies perhaps in its ability to redefine the whole world. And if so it is perfectly possible for alternatives to be expressed partly in the same language, if only to have some influence on the world. In fact this is the type of reflection suggested by Ferguson (2009) when he describes his ambivalence towards South Africa's Basic Income project to reduce poverty. These initiatives could no doubt be considered as nothing more than an operation by which neoliberal capitalism attempts to take over its critics, in line with my own previous research (Boltanski & Chiapello, 2005; Chiapello, 2003), but with the proviso of understanding that while it tends to weaken the force of contestation, this "taking over" also transforms the way the world works, and that criticism also acts on the world by being taken over (Chiapello, 2013).

2.3.3. Neoliberalism as governmentality

This third approach to neoliberalism, inspired by Foucault, can engage in dialogue with the other two, particularly the view of neoliberalism as an ordered discourse that organises the world, because they all three consider it as a political project. Yet there are fundamental differences in what is scrutinised, and the association with capitalism is here largely non-existent.

This time, neoliberalism is understood as "part of a much wider phenomenon, a shift in the rationalities and practices of Western processes of government" (Humphrey, Miller, Scapens, 1993, p. 13). In fact when Foucault (2008) refers to neoliberalism (i.e. German ordoliberalism of the 1930s to 1950s, and postwar American neoliberalism) in his lecture of 31 January 1979, it is not in order to criticise it but to place it in the continuity of the new (liberal) art of governing, which was invented in the 18th century and has a complex relationship with freedoms, because it must produce them, and in doing so may destroy them. The specificity of approaching the government of people from the standpoint of their freedom developed by neoliberalism is in Foucault’s view – as compared to “old” economic liberalism – not that it reduces the State’s role to make room for the market (the laissez-faire approach), but that it actively produces a society, subjects, and the markets themselves – which are no longer considered “natural” – so that they will produce benefits, and organise and regulate the interaction of liberties. This requires the human being to become a calculating subject, set up as an entrepreneur responsible for himself, in order to be governed based on his interests: the homo economicus becomes the sole interface between power and the individual. This long lineage of neoliberalism – which “Rose (1991) also associates with the lineage of democracy – casts light on the seductive appeal of neoliberal policies, which the critical research generally finds difficult to recognise, having failed to continue the reflection initiated by” Humphrey, Miller, Scapens (1993): “much of the ‘success’ of Thatcherism and its neoliberalist philosophy in the public sector has resided in its ability to link together and give coherence to a diverse range of criticisms of welfarism and the mechanisms of social government; criticisms coming not just from the ‘New Right’, but from radical socialists, sociologists, feminists, civil libertarians, social researchers and the newly constituted welfare consumers” (p.13).

The Foucauldian approach to the liberal art of government, when it is not trying to grasp theories of government, is interested in practices of power and the many apparatuses through which subjects are both produced and governed. And accounting and its practitioners play a specific role, by participating in the production of a governable world: “Neo-liberal rationalities of government may revive the old nineteenth-century liberal themes of freedom, the market and choice. However, they become possible bases for a technology of government only in the presence of a population of personal, social and economic actors who will reason and calculate their freedom. They require a numerised environment in which these free, choosing actors may govern themselves by numbers. And they depend upon the elaboration of an expertise of number, embodied in all those professions (economists, accountants, statisticians, demographers) and all those techniques (censuses, surveys, national income tabulations and formulae, accounting practices) which render existence numerical and calculable” (*Rose, 1991, p. 691). From this standpoint, even though Foucault considered governmentality via a reflection on the State, his analyses encompass more

13 All the same, we should not subscribe too hastily to Harvey’s (2005) argument that the mixed achievements of the liberal agenda are essentially explained by the “fact” that the reforms’ main objective was to restore the power of capital, which only draws on neoliberalism insofar as it serves its purpose in different contexts.
14 *Merino, Mayper, Tolleson (2010) suggest that this difficulty (opposing a regime that wants to expand freedom) can be overcome by going back to the classic opposition between “negative freedom” (the freedom not to be subject to the decisions of others, which for thinkers such as Friedman is the most important freedom) and “positive freedom” (the freedom to have the capacity for action). The positive freedom of being able to do things can, for example, justify ambitious public policies to attempt to equalise true freedoms, and is a highly desirable freedom, even for critics of neoliberalism, while Friedmanian neoliberalism, which essentially values negative freedom (the freedom not to be subject to the decisions of others), instead proposes a dismantling of these policies. “Positive freedom requires subsidies. There is a tradeoff between negative and positive freedom. Taxes curb some individuals’ activities, but if those taxes provide a subsidy for education, they create freedom for others by offering more opportunities from which to choose. We rarely see discussion of positive freedom in the academic archival literature, but it is critical to any democracy.” (*Merino, Mayper, Tolleson, 2010, p. 780)
than the forms in which power is exercised by and inside the public administration apparatus. Liberal governmentality, just like the disciplinary practices he studied previously, does not concern the State alone.

The introduction through New Public Management of new practices of “accountable management” (value-for money audit, performance indicators, budgets and internal markets, etc.) (“Humphrey, Miller, Scapens 1993) has been a relevant object of study for this approach (see also *Edwards, Ezzamel, Robson (1999) on the UK’s education reform). But other articles in the corpus turn toward practices that are not particularly associated with the public sector. “Power (2013), for example, discusses the development of Fraud Risk Management, which he considers “emblematic of an ongoing neoliberal project of individualization and responsibility” and *Johansen (2008) examines a “self-management” and “social accountability” program developed by a Danish Savings Bank. When neoliberalism is conceived as governmentality, the special link between this term and a specific set of public policies tends to slacken, because all the forms of conducting conducts, whatever their space of application, are transformed historically.

Connecting neoliberalism with the liberal art of governing also tends to result in less emphasis on the historical shift it represents, which also explains why although many accounting research articles have drawn inspiration from this framework, few of them are included in our corpus.15 The privatisation of expertise nonetheless seems to be identified as a specificity of recent times: “Reaganomics and neo-liberalism are, of course, marked by a profound suspicion of the capacity of governments to calculate and regulate in the national interest. But, at the same time, neoliberalism relies upon and seeks to utilize the calculative capacities of individuals and firms ( . . . ) The numerical saturation of public discourse in contemporary Britain and the U.S. reveals ( . . . ) the new importance that is accorded to all those private agencies and consultants who claim that they can transform market conditions into numbers and to make private calculation effective. Under neo-liberalism, a new ‘privatized’ relationship between numbers and politics is born.” (*Rose, 1991, p. 690). Numbers are still necessary, but they are produced differently.16 The globalization of auditing technologies and the spread of comprehensive audit practices are part of this new relationship with numbers (*Mennicken, 2010). The Foucauldian approach also stresses that neoliberalism is not organising a “State withdrawal” to the benefit of the private sector, but should instead be seen as a general rearrangement of forms of exercising government.17

Despite the potential fecundity of the Foucauldian approach, I am still struck by the small volume of research so far exploring the neoliberal forms of public-private reconfiguration, especially considering that Foucauldian analysis can also consider the always uncertain coupling between government rationalities and the apparatuses and practices of power.18: “The discrepancy between aspirations and outcomes reinforces the contrast between the eternal optimism of programmes of government and the perpetual struggling of practices of government. The ‘congenitally failing nature’ of such practices neither allows one to conclude that the neoliberal conception of the objects and objectives of government has floundered irrevocably nor that it can be sustained indefinitely” (*Humphrey, Miller, Scapens 1993, p. 14). This perspective could lead to a better understanding of neoliberalism’s resilience, which has been pointed up by the other approaches, thanks to consideration of the seductive appeal of this art of governing and the gap between the aims and practices of power. One of the issues identified is the possibility of thinking that certain apparatuses forged during the neoliberal wave can then be reinvested, “taken over” by reforming projects campaigning against the social and environmental consequences of the new capitalism.

We have seen that the objects of study are partly determined by the researcher’s chosen approach; the first approach, for example, has been used particularly to study privatisations, and the third for New Public Management. We now examine more precisely which aspects and dimensions of accounting and its actors are linked with neoliberalism and the nature of the relationships described.

3. Accounting and neoliberalism

The purpose of this second part is to understand how researchers referring to neoliberalism conceptualise the “accounting” object (Section 2.1), then which forms of contribution by accounting to the neoliberal phenomenon are identified in the literature (Section 2.2). While the first part focused on the question of neoliberalism, this part focuses on accounting and its actors and what accounting research, due to its specific objects, can contribute to the study of neoliberalism. This will require conceptualisation of the resources that enable accounting researchers to produce a discourse on a systemic or global phenomenon such as neoliberalism, based on accounting elements which by definition cannot explain the whole. More broadly, the case of neoliberalism gives me the opportunity in Section 2.2 to propose an analysis framework that can address global economic changes from a study of accounting.

15 The same could be said of Marxist writings, even though they make up the majority of the corpus. As seen earlier, the Marxist perspective essentially addresses the question of neoliberalism to analyse policies that have actively produced the new capitalism, but it has also produced other research not included in the corpus studied here.
16 This phenomenon has also been identified by the authors of the first approach, since Hanlon’s (1994) work on the commercialisation of accountancy. They argue that this commercialisation has enabled capital to make expertise its servant, and allowed the State to get round the opposition it might encounter if it relied on internal expertise (*Arnold, Cooper, 1993; *Sikka, 2015).
17 “ . . . neo-liberal discourse re-produced the traditional categories of the “public” and the “private” spheres that make up “society”, but expressed a shift in the location of that boundary and the relative value attributed to the public and the private sector in favour of the latter sector.” (*Edwards, Ezzamel, Robson, 1999, p. 476)
18 *Mennicken (2010) is the only really successful example of this type of research that makes reference to neoliberalism from the outset.
3.1. Accounting as tool, a project or an object?

The articles studied approach accounting from different angles. One of the singularities of critical approaches to accounting appears in the viewpoints adopted by the critical researchers, who did not renounce an instrumental use or a normative project for accounting. Three different epistemological relationships intersect in the articles studied.\(^{19}\)

3.1.1. Accounting as a tool of analysis

This is a specific feature of what I shall call positivist critical accounting research. Construction of any critical discourse requires the existence of a normative starting point, which here is a certain definition of what is true. Using a theory of the world considered better-adjusted to reality, for example Marx’s theory of labour value, the ultimate truth underlying the actors’ discourses and practices in the system studied\(^{10}\) can be revealed, for example exploitation for the benefit of capital. Accounting can then be referred to and reworked to show what was hidden. It is used as an instrument of evidence. Because the critical accounting researcher is unimpressed by numbers and the surrounding discourses, he can adjust the figures as long as he has access to the data, to show that some are growing richer to the detriment of others. In a previous study I tried to show that Marx himself had used his learned knowledge of capitalist accounting methods to forge his understanding of capitalism (Chiapello, 2007). Part of current research is in my view a descendant of this, even if it means the existing data (mainly produced by the dominant players) must be taken seriously (see for example *Jupe, Funnell (2015), *Uddin, Hopper (2003)). This critical practice is all the more essential because quantitative expression is the legitimate form of expression today, and it is important for the critics to have figures even though they do not control the calculation centres. Critical accountants have the expertise to construct counter-accounts. They may not be the only people developing a criticism of neoliberalism, but their contribution to the building of counter-expertise can be decisive. They understand better than other actors that accounting hides as much as it shows, and that making things visible also creates invisibility. And they can usefully support demands for accountability from stakeholders other than shareholders. “Creating visibilities and breaking silences are powerful legacies of critical accounting research and education” (*Lehman, 2012, 2013) which are still important to pursue. Looking down from the sky of theory, this form of analysis seems repetitive in intention, but each case, each economic sector, each legal context remains specific, and the question of the primary distribution of wealth\(^{21}\) arises differently, such that we have not yet finished documenting the many forms it takes in neoliberal capitalism.

3.1.2. Accounting as a project

Accounting can also be approached from a normative angle, which could be a marker for normative critical accounting research. The normative basis for criticism here is not the clear-sightedness provided by a certain science of social matters, but another state of the world that is considered better according to a set of ethical principles that are not always clarified. The researcher either stresses the existence of possible alternatives, which is particularly straightforward when those alternatives are in the past, or directly makes reform proposals. In my corpus, for instance, "Ravenscroft and Williams (2009) call for accounting to be reanchored in the “root metaphor of accountability and stewardship” to prevent the neoliberal drift that considers developments in accounting through the “root metaphor of information usefulness”. “Murphy, O’Connell, Ó hÓgartaigh (2013) reach the same conclusion, drawing on the concept of “living law” (from the work of the Austro-Hungarian legal scholar Eugen Ehrlich (1862–1922)).” Smyth (2012) proposes a re-examination of public accountability, which has often been used to justify neoliberal reforms, with “a re-theorisation of public accountability as a relationship where civil society seeks to control the state”. In this case the neoliberal discourse is taken at face value, but a more exacting definition of accountability is proposed: “In addition to the elements of transparency, answerability and report giving, the essential core of an accountability relationship is that unless there is a form of control based on ‘reward or sanction’ then the relationship is not one of accountability” ("Smyth, 2012, p. 231). I noted a relatively small number of these articles in the corpus. Critical research generally has trouble seeing accounting as a tool for emancipation, and it is rarely studied from the angle of what it can be used for.\(^{22}\) The irony in the managerial discourse that accompanies the promotion of accounting practices no doubt, acts as a disavowal, such that the criticism either prefers to reduce all management practices to domination, or focuses mainly on denouncement, in which case we should not be surprised that it is short on ideas for proposals. As Lacordaire observes (my own translation), “Between the strong and the weak, between the rich and the poor, between the master and the servant, it is freedom that

\(^{19}\) An ambivalent relationship with numbers appears to be a constant in accounting research, in all its streams (see for example Chiapello and Desrosières (2006) for Positive Accounting Theory, PAT). Researchers tend to move, in a single text, from a constructivist relationship with figures when they are perceived as historical and political constructs, to a positivist relationship when the researcher is using them to make demonstrations. This contradiction is generally resolved by the fact that “constructed figures” and “realistic figures” are not usually the same. For PAT researchers, stock market prices and econometric analyses tell the truth, but accounting figures are social and political constructs. For critical researchers, the flows of income received by the different stakeholders and the increasing inequalities of income and assets are real and can be described through accounting, but the financial valuations undertaken by capitalistic actors to arrange transactions are guided by their interests.

\(^{20}\) PAT authors do exactly the same, but their truth is different, being based on a different theory of value.

\(^{21}\) I make a distinction between research for which accountants are particularly valuable (looking inside the process of value production), and other research with a reforming aim that concentrates on redistribution via taxation or social transfers, leaving business dynamics unexplored.

\(^{22}\) For a notable exception, see Gallhofer and Haslam (2003).
oppresses and the law that sets free” and spinning out the analogy, since accounting is a cousin of law, what are the possible characteristics of an accounting that sets free?

*Cooper and Colson (2014) document the possibility of a more active role for accounting researchers, conceived on the basis of “Bourdieu’s more 'activist' work since 1995, which calls for academics to participate outside of the field of academia within progressive social movements” (p. 252). *Cooper, Danson, Whittam, Sheridan (2010) even assert that “Progressive academics have a role to play in this by developing empirical, public policy research which can be used by social groups who are fighting against poverty and inequality, and for a fairer society” (p. 209). In terms of research, this stance would need researchers to be more willing to work in cooperation with the concerns of certain social movements. Some of the research in management and accounting still carries a normative vocation,23 and it should be possible to find stronger support for the academic legitimacy of accounting research that is both critical and normative.

3.1.3. Accounting as an object of analysis

This is the generic position for all accounting research (critical or otherwise), whether it sticks strictly to analysis, or is associated with an instrumental use of accounting as an instrument of evidence or a normative project. Accounting research is legitimated as a subfield of research by the fact of being the specialist of one part of the social world, the world of accountants and their outputs, and it is judged primarily on its contribution to knowledge of these phenomena. In the corpus studied, the objects of study are accounting academics (eg. *Ravenscroft, Williams, 2009; *Chabrak, 2012; *Boyce, 2008), professional accountants and large audit firms (eg. *Arnold, Cooper, 1999; *Cooper, Puxty, Robson and Willmott, 1996; *Mennicken, 2010; *Windsor, Warming-Rasmussen, 2009; *Sikka, 2015), certain calculation methods and views of accounting (eg. *Ravenscroft, Williams, 2009; *Zhang, Andrew, *Rudkin, 2012; *Murphy, O’Connel, Ō hōgartaigh, 2013), certain management apparatuses (eg. *Edwards, Ezzamel, Robson, 1999; *Gill-McLure, Ironside, *Seifert, 2003; *Power, 2013), laws with an accounting dimension (eg. *Merino, Mayper, Tolleson, 2010; *Cooper, Puxty, Robson and Willmott, 1996), the use of certain financial products that affect balance sheets (eg. *Cooper, 2015; *Morales, Gendron, Guénin-Paracini, 2014), and more.

We now need to study how accounting research discussing neoliberalism approaches these different objects, in order to understand what it can contribute to knowledge.

3.2. How accounting participates in neoliberalism

In this Section 1 propose an analytical classification of the various ways accounting participates in the development of neoliberalism. This classification enables us to identify the kind of research objectives critical accounting researchers can target when they work on neoliberalism: as specialists in accountants and accounting techniques, one of their roles is to show that these accountants and accounting techniques actively contribute to the development of neoliberalism, how they have done so, to what extent, why, and more. This goes beyond a simple literature review, because the distinctions I propose are not really clear in most of the articles in the corpus. This modelling should also make it possible to initiate new research that can document accounting’s contribution to economic and social change, more broadly than the single issue of neoliberalism that is the main concern of this article.

I shall distinguish between the contribution of the actors of accounting (academics and practitioners) and the contribution of “accounting techniques”, a term I shall use very broadly to cover all socio-technical devices, management systems, and methods with an accounting dimension (eg. accounting standards, calculation and valuation methods, documents presenting tables and accounting analyses, budget and management-by-objective systems, sets of indicators, etc).

The contribution made by accounting techniques to neoliberalism can be studied from two angles. The first concerns the actual construction of techniques which are influenced by the neoliberal agenda. Neoliberalism as a discourse is what interests me here (remembering that this discourse can itself be read in several ways, with a Marxist as much as a Foucauldian approach). From this perspective, neoliberal ideas are embedded in the production of accounting tools and devices, in the form of “conventions” (Diaz-Bone & Salais, 2011, 2012). The analytical work thus consists of decoding the content of accounting techniques and relating them to the discourses surrounding their origins, revealing their neoliberal sources.

The second angle looks more at the effects of accounting techniques on the distribution of wealth and power. In this case neoliberalism is considered more as a phase of capitalism, and the effects are tangible. The analytical work consists of understanding how accounting equips the “tests”24 (Boltanski & Chiapello, 2005; Bourguignon & Chiapello, 2005; Latour, 1984, 1987) that govern the arrangement of economic flows and the distribution of roles and power.

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23 The economics-based research stream that examines questions such as the “value-relevance of accounting disclosure” is a good example of this stance, despite its positivist language, since it produces recommendations for change in accounting standardisation to improve the market-to-book ratio. Changes in public research funding practices are also tending to place greater emphasis on the social impact of research.

24 I use this word here to translate the French term “épreuve”, which was translated as “test” in Boltanski and Chiapello (2006) and Boltanski and Thevenot (2006) and as “trial” in Bourguignon and Chiapello (2005) and Latour (1984, 1987).
The three paths for studying the role of accounting in neoliberalism are discussed below in the order presented in Table 1. The aim is to identify the effects of accounting’s use of “conventions” derived from neoliberal doctrine, as well as the effects of implementation of new accounting-based “tests” for distribution and social selection in the neoliberal framework, and finally to see how actors of accounting contributed to the rise of neoliberalism. The proposed concepts of conventions and tests are also presented in more detail.

### 3.2.1. Studying neoliberal conventions and documenting their effects

The concept of convention attracts attention to the many choices made to produce an accounting technique. These choices consist of setting conventions: conventions for recognition, valuation, classification, and more . . . every single accounting operation is marked by the seal of some partly arbitrary choice between several possible options. In fact this is the feature that justifies the work of accounting standardisation, intended to limit the number of practices allowed. Standard-setters choose for the community the conventions that must be followed, but despite every effort of accounting theory to provide foundations, these choices remain political, and the accompanying explanations look like “excuses” (Watts & Zimmerman, 1979). Gradually, it fell to economic theories to justify and rationalise accounting choices, in a step beyond previous standardisation practices that sought to bring order inductively by identifying “generally accepted” practices. “Conceptual frameworks” were produced to organise coherence in the selected conventions, but this historical effort was unable to eliminate the convention-based nature of the choices applied. Other choices could have been made, other conventions selected. As conventions do not spring up out of nowhere, any analysis of accounting conventions must be related to the training, socialisation, reproduction and selection of members making up “epistemic communities” (Haas, 1992) and the professions that make use of accounting artefacts.

This work of constructing any accounting tool, of choosing between alternative options for coding and framing things or calculating figures, of drafting procedures to ensure quality in the data collected and processed . . . this “formatting work” can also be seen a sort of investment: an “investment in forms” (Thévenot, 1984). It should be considered as an “investment” in the same way as an investment in machines, as setting up a “form” is costly but brings about greater yields by saving time later (many options have already been chosen and are no longer questioned because they end up being black-boxed), and by facilitating fluidity and regularity in action.

The authors of the articles in the corpus undertake the dual task of identifying specific “forms” related to neoliberalism (the most common example being fair value accounting), and the communities that helped bring them into existence. Work on accounting standards is particularly suitable for this type of analysis (eg. “Ravenscroft, Williams, 2009; “Andrew, Cortese, 2013; “Zhang, Andrew, Rudkin, 2012; “Zhang, Andrew, 2014). Mention should also be made of research challenging the work of Positive Accounting Theory authors (eg. “Chabrak, 2012; “Cooper, 2015).

The choice of one system of conventions rather than another has specific effects that should be identified. The effects are epistemic (because accounting techniques are intended to produce knowledge), pragmatic (because accounting techniques are used to decide and act and thus contribute to the construction of the world and people) and political (because they take for granted a specific organisation of the word). I propose a list of these effects in Box 1.

“Sikka (2011), for example, underlines the epistemic effects of accounting, which has presented firms in a certain light that has conferred desirability on certain action, such as downsizing and closure in the case of UK coal mines, whereas “with alternative assumptions, it could have been shown that the mines designated for closure made a positive contribution and were not loss-making” (p. 9). He also questions textbooks and the countless publications by professional accounting bodies which drum out the message that the objective of every management decision is “to maximise the profit of the company as a whole”.

These different effects are fairly well defined, whether the situation concerns performativity (eg. Mackenzie, Muniesa, & Siu, 2008), subjectification (Foucault, 2001), reification (eg. Bourguignon, 2005), or framing effects (cf. Critical Discourse Analysis work), but they are usually studied separately. I propose to link them through the notion of the convention, as they can all be analysed as effects of the conventions embedded in socio-technical arrangements.

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25 Desrosières, whose work on quantification is part of this approach, contrasts the concept of “quantification” with the concept of “measurement”, which, “inspired by the traditional epistemology of the sciences of nature, implies that something exists in a form that is already measurable under a realistic metrology, like the height of the Eiffel tower”. But “immoderate use of the verb ‘to measure’ is misleading, leaving the conventions of quantification in the dark. The verb ‘to quantify’ in its active form (making numbers) requires elaboration and explanation of a series of conventions of pre-existing equivalences which involve comparisons, […] registrations, codified, replicable procedures, and calculations that can present things as numbers. Strictly speaking, measurement comes after that, as the regulated implementation of those conventions.” [Desrosières, 2008, p. 10–11, my own translations].
So far, the accounting research on neoliberalism has made few attempts to decode specific accounting techniques through a detailed exploration of the conventions on which they are based. The article by ‘Duval, Gendron, Roux-Dufort (2015), which provides a discursive analysis of a highly detailed Development Agency grant application form grant-seekers must complete is an all-too-rare example. Their “research sheds light on how the Agency, in the grant application form, frames NGOs as financially inclined performers, focused on the standardised delivery of services as driven by financial and results-based imperatives” (p. 49). There is also a need to extend such research on neoliberalism beyond highlighting a single effect (here, the framing effect and discursive construction by NGOs). Other studies could try to follow the implementation of specific techniques, in order to understand what difference they make to forms of perception and judgment in action, seeking to diversify the diagnosis depending on the possible types of effect and types of actor.

Accounting techniques are systems for production of knowledge constructing actors’ worldviews and informing their action, systems built on chosen conventions that are part of particular economic views and theories of the world and are subject to debate and change. Studying the conventions embedded in accounting systems can bring out the systems of thought on which they are based. In the specific case of neoliberalism, it is possible to seek to understand how neoliberal ideas and discourses were able to become embedded in accounting systems, and to identify how far the existence of those conventions produces the effects listed in Box 1.

We now discuss the decisive role of accounting systems in the distribution of resources. If neoliberalism is considered as a phase of capitalism, then it is important to understand the roles of accounting techniques in the new forms of economic distribution associated with this phase. The concept of the “test” makes this possible.

3.2.2. Studying neoliberal tests and documenting their effects

The way calculative practices may directly favour specific actors must be related to their function as a judgement system that can assign “worths” (Boltanski & Thévenot, 2006). The concept of the “test” refers to any judgment systems or social arrangements organizing any testing of any entity’s abilities (an entity can be a person, a firm, a product, etc), resulting in the ranking of tested entities by attributing “worths”. This attribution of worths can have important social consequences and impact the way society or firms work. Indeed it frequently comes with duties, rights and powers (Boltanski & Chiapello, 2005). For example, the profit calculated by accounting can be distributed to actors, who will use it. Through its quantification action, not only does accounting create social objects such as profit, capital, and assets which are then handled by a multitude of users, but the figures it provides work in the same way as the attribution of prizes. Judgement leads to a transfer of wealth (for instance when a sum of money is given with the prize), but it is also possible to use it to obtain other social goods (for instance, being awarded a prize can open new doors and provide new social connections). Tests lead to distributions of values and social goods (power, money, legitimacy, and more). And accounting is frequently used to parameter tests, and this setting of parameters is crucial for it determines the judgment criteria used to attribute worths and the fairness of the test (that is, how far it is possible to pass the test by circumventing the rules (Bourguignon & Chiapello, 2005). The role of accounting is decisive as it shapes the central tests of the capitalist world, the “share of the cake” that business firms’ stakeholders – whoever they are (shareholders, employees, lenders, states, . . .) – receive (dividends, pay, interests, taxes, . . .) being actually largely determined by accounting calculations.

Box 1. The effects of the conventions incorporated into accounting.

Due to the epistemic nature of accounting techniques, conventions produce effects of:

- **framing and education**: conventions describe the world from a specific standpoint and teach users to see the world from that perspective.
- **construction of the world**: they bring things into existence that would not exist without them
- **veridiction**: they produce specific knowledge determined by the analytical framework, and construct theories about the world.

Due to the use of accounting techniques by actors (pragmatic dimension), conventions have the effects of:

- **decisional** variance **reduction and normativity**: conventions incorporate premises concerning the criteria and modalities of decision-making and judgment; they teach actors how to calculate, judge and decide.
- **performativity**: because the actors’ action is informed by the analysis framework and models, the world increasingly comes to resemble the theory actors have of it, and predictions tend to come true.

On the political level, there is an effect of:

- **subjectification**: the subject is confronted with evaluations and representations of himself and finds himself shaped by this process, which makes him governable.
- **naturalisation/reification**: technical objectivity obscures the underlying conventions that are arbitrary, political and moral in nature.
In the corpus for this study, *Fourcade and Healy (2013)* provide an example of this way of looking at accounting techniques. They show how credit risk scores came to take on a much broader role than their initial remit of guiding decisions by credit institutions in the United States, such that it can be hypothesised that their effects reach well beyond the amplification and reproduction of social inequalities.

**Box 2** details the wealth and power distribution effects associated with the use of accounting techniques. The way accounting techniques actively produce a certain distribution of wealth and power may also be related to their threefold epistemic, pragmatic and political nature.

The creative accounting techniques used by the Greek state, as studied by *Morales, Gendron, and Guénin-Paracini (2015)* are one example of production of these effects. The Greek state’s fabrication of an enhanced accounting image (the valuation effect) gave it access to reduced interest rates for a while (the distribution effect). And until these tricks came to light, the Greek state’s legitimacy was supported by these manipulations – before it subsequently collapsed.

So far we have concentrated on the roles of accounting techniques as vectors of neoliberal schemas (neoliberal ideas being embedded in accounting tools through a special choice of conventions), or as contributors to the fabrication of new neoliberal tests of distribution (accounting equipping judgement systems that favour a neoliberal order). We now need to look at the actors of accounting, both practitioners and academics.

### 3.2.3. The participation of accounting actors in neoliberalism’s development

If we consider that the actors of accounting are present in situations because they are experts in accounting techniques (eg. in standardisation arenas) or because they are required to produce analyses founded on those techniques (eg. certifications or assessments), or to introduce new techniques (eg. new management systems in the public sector), their contribution to neoliberalism can be considered through the dynamics that govern the production of these standards, analyses, and tools. These dynamics of the production of accounting objects are epistemic and techno-scientific, but also political and material. Accounting researchers studying the participation of accounting actors in neoliberalism’s development may look at either of these dimensions of production dynamics in their work.

As far as the techno-scientific dimension is concerned, the production of accounting standards, analyses or systems is inextricably associated with the knowledge that forms the basis of the accounting exercise and the techniques used by practitioners. This knowledge partially obeys an autonomous logic of the activity in the sense that it has its own rules: the experts think in terms of good professional practices, scientific relevance, practical feasibility, and legal rules. The artefacts that are part of their traditional toolbox circulate and have their own influence in the debates. Finally, the conditions for the discourse and devices to be endorsed, adopted and put into action are constructed by the appropriate professional community. This perspective begs for an understanding of how neoliberal ideas have participated in production of the expertise of accounting practitioners, who are vectors and actors of neoliberalism. It raises questions about the training of accountants, but also the regulations governing them and what they must apply (accounting standards, for example) which also contribute to the production of their ethos and representations.

The political and material dynamics, meanwhile, indicate power struggles and divergent interests between the actors. Accountants are not only guided by the kind of professional knowledge they have developed: research may also seek to stress the efforts put into lobbying, payment rules and a range of material consequences that affect their choices. Accounting practitioners can also be seen as pursuing certain interests. These interests are not purely individual, but also result from the forms of their professional occupation. *Arnold and Cooper (1999)*, for example, remind us that the work of audit firms has been transformed, and that since the neoliberal turn a substantial share of their remuneration now comes from sales of

### Box 2. The effects of accounting tests on the distribution of wealth and power.

Accounting acts on an epistemic level, producing knowledge and setting out “truth”. But this also often consists of stating worth (wealth, or more broadly, value), and thereby establishing it.

- this is a **valuation effect**.

Accounting techniques are also used in different arrangements (eg. performance evaluation, incentive systems) and because of this pragmatic dimension, they have:

- **distribution effects**: these set the parameters of the tests that lead to monetary distributions (tax paid to the State, interest paid to lenders) and non-monetary distributions (status, reputation, etc).
- **incentive effects**: the actors react to the calculations in order to improve the distributions received.

Finally, on the political level, accounting techniques tend to produce:

- **legitimating effects**: because they are embedded in important tests, they legitimate social asymmetry and distributions. The legitimating effect also comes from “depoliticisation” of the questions produced, by technicising them.

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advice related to the privatisation operations undertaken in all countries, relegating their statutory audit work to marginal importance. This “commercialisation” of the profession has aligned their interests with the interests of the agents who pay them. There is thus nothing surprising in the fact that the metrics used to account for corporate data are financialised metrics (Chiapello, 2015) such as the Discounted Cash Flow, which emphasise the financial investor’s interest and play down the social dimension of operations. If auditors are being paid by the public authorities to implement a neoliberal project or to exert pressure that serves their clients’ interests, then they will be enthusiastic proponents of the neoliberal language, which they incorporate into their reports and whose premises guide the calculations performed. *Sikka (2011) suggests for example that as the business of tax avoidance is one of the most lucrative, it is in the interests of the Big Four accounting firms to peddle the continual diagnosis of excessive tax pressure on business, even though it is in fact constantly declining.

It is interesting to consider both these dynamics together, since they are sources of contradiction and can foster struggles inside the profession, or even in a single audit firm depending on the countries or specialist departments concerned, and lead to ambivalent output. Mennicken’s (2010) research into the history of construction of an audit profession in post-Soviet Russia, and the research by *Cooper, Puxty, Robson and Willmott (1993) on the processes through which the Eighth European Directive on the regulation of auditors has been implemented in the UK, for example, show these complex processes that cross professions.

4. Conclusion and perspectives

A number of avenues for research have been identified throughout this article. Three major areas can be highlighted. The first is that the seductive appeal of neoliberal apparatuses and some of the neoliberal discourse should be taken seriously, as they seem to be capable of enrolling actors who are opposed to the social and environmental consequences of the new capitalism. Some reform projects are currently being reformulated in the neoliberal Newspeak, and this phenomenon deserves exploration. We need to account for what is currently being invented as a form of resistance inside neoliberalism and is hidden from view by all-encompassing definitions that are too broad. The intuitions of the governmentalism-inspired literature should be pursued on this point. How far are liberal arts of governing serving objectives that are different from the objectives of a capitalist class whose power appears to have been restored? What contributions to criticism can be made by the identification of controversies and debates, and discursive plurality in neoliberalism? Finally, how can critical accounting research on neoliberalism benefit from the variable and often loose connections between the technologies of power, programmes of government and political rationalities?

The second avenue concerns extending the research using a critical accounting analysis approach. Researchers taking this approach use accounting as an instrument of evidence and a research tool to document social transformations, and particularly to lift the veil of discourses of justification and reveal the reality of material exchanges. The intelligibility that the study of accounting systems provides regarding the economic processes at work, especially at the level of organisations, is particularly necessary today to root a major narrative like the story of neoliberalism in practical economic life. This approach is also the most suitable for developing research related to the agendas of social movements, which are often seeking accounting and financial competences and whose actors may in exchange offer other angles for diagnosis of the same neoliberal phenomena. I am thinking particularly of environmental movements, which have trouble understanding micro-economic dynamics although they are able to denounce their effects on the environment. Such collaborations could also lead to normative conclusions while creating interesting spaces for progress on the first area of research presented above. Indeed, most actors campaigning for specific causes are in a situation of pragmatic experimentation and critical invention that cannot be subsumed into a simple stance on neoliberalism.

A third area for research would involve more detailed explorations of the varied, mixed achievements of neoliberalism, depending on policy type, location, actor configurations, levels of analysis (from the supranational to the local), etc. Once the existence of a global phenomenon is acknowledged, it is important to have a better understanding of how it spreads, meets with resistance, transforms and is reinvented. I did not find any truly comparative research in the corpus studied that could show, for example, how the same political intention expressed at supranational or national level percolates down into national and local contexts. This is typically the type of study that could loosen the neoliberal stranglehold, at least on the intellectual level. The fortress is kept upright by its buttresses, and the criticism of neoliberalism perpetuates neoliberalism by opposing it. A study of the resistances, flaws and uncertain achievements is another way to fight it, not to deny the general movement, but to show its limitations and combat fatalism.

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26 As seen in the first part, the term “neoliberalism” has gradually made it possible to aggregate a multitude of historical experiences and situations, such that it is possible to tell the story of the western world over the last 40 years as the story of the spread of neoliberalism. The story of financialisation is another epic narrative.
Appendix A. Corpus of the 51 academic AAAJ, AOS or CPA articles

using "neoliberal" or "neoliberalism" in key descriptive fields (title, abstract, key words) – search made on beginning of March 2015, sorted by date, including articles available online but not yet published. These references are quoted in this article preceded by a *, eg. *Rose (1991)

1991
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1993
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1996
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1999
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2003
Shahzad Uddin, Trevor Hopper
Accounting for Privatisation in Bangladesh: Testing World Bank Claims, Critical Perspectives on Accounting, Volume 14, Issue 7, October 2003, Pages 739–774

Whyeda Gill-McLure, Mike Ironside, Roger Seifert,

2005
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2006

2007

Jane Andrew, Prisons, the profit motive and other challenges to accountability, Critical Perspectives on Accounting, Volume 18, Issue 8, December 2007, Pages 877–904

2008
Bruce Cronin, Economic restructuring in New Zealand: A classical account, Critical Perspectives on Accounting, Volume 19, Issue 3, April 2008, Pages 340–382,


Gordon Boyce,
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2009
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Bill Lee, The individual learning account experiment in the UK: A conjunctural crisis? Critical Perspectives on Accounting, Volume 21, Issue 1, January 2010, Pages 18–30,

2011

Patty McNicholas, Carolyn Windsor, Can the financialised atmosphere be effectively regulated and accounted for? Accounting, Auditing & Accountability Journal, Volume 24, Issue 8, Pages 1071–1096

Lee Parker, University corporatisation: Driving redefinition, Critical Perspectives on Accounting, Volume 22, Issue 4, Pages 434–450,


Prem Sikka, Accounting for human rights: The challenge of globalization and foreign investment agreements, Critical Perspectives on Accounting, Volume 22, Issue 8, November 2011, Pages 811–827

2012


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2013

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