Politicisation of the professions

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Abstract: Accounting can never be ‘neutral’ or ‘independent’ vis-à-vis its relationship to major social conflicts and controversies. This is a major implication of the case studies. ‘Neutrality’ or ‘independence’ has a fairly precise meaning in this context and is not based on rather vague notions ‘evenhandedness’, ‘refusing to take sides’ or a ‘policy of non-interference’. Policies of ‘inaction’, far from being ‘neutral’ or ‘independent’, are highly partisan if they involve ‘standing-by’ and allowing injustices to happen. Many policies of ‘non-interference’ are, in reality, conspiracies with the status-quo: rather than being neutral and independent, they represent neo-conservative political stances. Professional independence and neutrality is defined here in terms of the capacity to affect social outcomes (usually the distribution of income or wealth). Conceived in these terms, there are very few cases where accounting can be said to be ‘neutral’ or ‘independent’. ‘Inaction’ or ‘non-interference’ would not be apolitical or neutral according to this definition if, by refusing to influence a situation; one allows a particular social result to prevail over others.

Keywords: accounting profession; concepts of independence, neutrality; accounting theories; professions; policies.


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1 Introduction

Establishing that ‘neutrality’ and ‘independence; rarely exist in relation to professional activities takes us somewhat further than the rather trivial (and often begrudging) admission that ‘everything is subjective and a value judgement’. Inmitting that the notion neutrality is non-sensical, we open-up the agenda for a range of additional questions. If professional policies (including policies of inaction) benefit one constituency or another, how should we conceptualise the various social arena? What is the nature of their interests and their dependence? How should a social member, or a professional institution, decide which side to support? The expansion of the agenda to incorporate such questions follows directly from admitting that there can be no neutrality and independence regarding the part institutions play in everyday affairs.

We have already seen some dramatic examples of the conservatively partisan role played by accounting. Arrays of instances are given in the case studies where accounting practices affected the income or wealth distribution between various parties. Accounting conventions were employed in the price-setting processes used by utilities, thereby affecting the income relationships between customers, owners and (through the tax liability) other social constituencies; in national student marketing and in Slater-Walker, accounting practices were exploited to ‘redistribute’ income from one class of stockholders to another; in the Sierra Leone case, accounting measures of profit, expense income and capital helped to ‘marginalise’ the members of a poor African country in terms of their capacity to survive in the world economic order; in Love Canal the accountant’s custom of ignoring certain types of social costs (the costs of pollution and inflicting irretrievable damage on the environment) resulted in catastrophic ‘wealth transfers’ between local citizens and the benefactors of this chemical enterprise.

Formulating a radical political position for accounting requires that the subject be seen in an entirely new light; indeed, the task is asking to one of finding a new identity for the subject. For practitioners of introspection, the question: ‘who am I?’ if often closely followed by a further question: ‘where do I belong?’ The first question is concerned with personal identity, the second with social identity. Some would argue that the two questions are really the same.

‘Where do I belong?’ evokes numerous issues: who are my peers? Whose experiences will enhance my own? Whose norms and values are pertinent to my situation? Whose dreams and ideals would enrich my own being? Who should supply the reference points for my conduct? Whose standards should be used to adjudge my own behaviour? For an
individual, self-discovery involves a search for the many facets of one’s social experience: only by understanding our histories in our social world are we likely to understand ourselves. Professional institutions also face questions of identity, phases of self-analysis, introspection and self-doubt; they too have to know where they belong in order to avail themselves of those experiences and perspectives, held in common with others, that make sense of their history and help form policy for their future. In order to investigate such questions in relation to accounting, the educational and legal professions have been selected as the profession’s ‘peers’. A new literature has emerged in these two professions in recent years: writing that falls within the broad category of the ‘sociology of professions’ that takes a critical perspective as to the social and historical evolution of professional institutions. These historical reappraisals are not ends in themselves, but have been undertaken in order to provide a radical policy alternative to that which is currently espoused by the profession in question. The same aspirations hold for accounting in this study and the first step is to see what can be learned from the critical analyses of education and the law (Abbott, 1988; Aronowitz, 1978, 2003; Derrida, 1978; Dews, 1979).

2 The sociology of professions: structural

Before we consider developments in relation to education and the law, a little more must be said about ‘the sociology for recounting the histories of these two professions. The matter is not inconsequential because the sociology that is chosen will ultimately affect the professional policies that are preferred. The two ‘sociological perspectives’ are ‘discussed below: structural functionalism and critical social analysis. While the former is still probably the most popular mode of sociological analysis, we will see that it suffers from a number of severe limitations. Critical social theory (which is closely related to dialectical materialism) is the sociological method that is ultimately adopted in this study to review both the socio-history of accounting, as well as that of education and the law. It should be added that only the briefest account of these two sociological perspectives is offered in what follows, a more comprehensive discussion is given in Hoogvelt (1976).

Structural functionalism uses systems theory as its guiding intellectual rationale. In a systematic view, a social system consists of a number of parts that are interrelated in complex and subtle ways. These parts include religious, business, economic, social, professional, governmental and other institutions that, in combination, create and recreate social life. Structural functionalism contends that we will never comprehend the character of existing social institutions by viewing them in isolation: only by examining the society in question are we able to infer why particular institutions have evolved and why they take-on the forms that they do. The social system, as an entity, gives meaning to its institutional parts; it provides the functions, goals, and purposes that animate institutional operations. Analogies with watches, cloaks and automobiles are replete in structural functional writing. A wheel has no meaning or use on its own, it has significance only when considered as part of a functioning entity such as a motor car. Similarly, a watch spring’s character, meaning, purpose and performance is inextricably bound-up with the mechanism of which it is a part. In all structural functional analysis, meaning flows in one direction: the watch gives meaning to the spring; the automobile gives meaning to its mechanical parts, and society gives meaning to the existence of its own institutions. This logic supposedly abides by the tenets of systems theory in that it is the relations between
things (specifically, in our case, the relations of institutions and their social environment) that supplies the way of viewing, defining and imbuing an institution with meaning.

The evolution of social institutions may be expressed in systems theoretic terms. The legal system (for instance) is explained as a response to demands in the broader social system for processes that facilitated social order and economic exchange. Education and religion are also amenable to structural functional analysis in that their contemporary forms (structures) stems from the need (function) to socialise young persons (and increasingly, socialise older ones) with the beliefs, skills and talents that are required in order that the community may continue to reproduce itself. If we wrote sociology of accounting from a structural functional perspective, is likely to begin by noting that the functions performed by accounting derive from the broad goals of society itself. Under capitalism, these goals consist of enhancing the material well-being of social members by increasing economic productivity. Beginning then with an abstract, global goal for society itself, we can deduce the role that is to be played by accounting as an information service that increases material consumption by aiding the processes of investment decision making. If existing and potential investors are kept properly informed about the profitability of various enterprises, then it is argued) investor capital will be allocated among investment opportunities so that the productivity of the economy-at-large will increase. It is not a big step from the above to ‘rationalise’ the existence of the current institutional framework of accounting in structural functionalist terms: i.e.; as a body of customs, practices and structures that have evolved to meet society’s needs. This rationalisation could legitimise most aspects of the contemporary situation: a two-tier profession composed of the big eight and a host of much smaller firms; an educational structure with its heavy dose of ‘techniques’ and its virtual neglect of social analysis and criticism; the payment of auditors by those who are audited; a rule-making authority such as the financial accounting standards board, and many other aspects of the status-quo vis-à-vis professional accounting. The evolutionary overtones of this view of accounting leave a strong implication that the present system is a superior one because it has weathered the test of time and experience (Baxter, 1974, 1996; Brandon, 1967; Briloff, 1981; Dobb, 1963, 1970, 1973; Foster, 1987).

Structural functionalism is inadequate as a sociological perspective of professions because it confuses ‘what is’ with ‘what should be’. It is tautological to assume that all parts of a society exist to fulfil a social need and therefore, because a particular institution exists, that institution must be a social asset. This specious logic only points to a more serious shortcoming in structural functional analysis: that it fails to deal with social change. A briefest acquaintance with social history tells us that institutions are not fixed for eternity; but they grow, decline, thrive, progress, adapt, stagnate, ossify and degenerate. Can we account for such changes using a structural functionality perspective? It appears that we cannot because to explicate the transitions from one phase to the next: requires a process view of society: a cognition of forces that are evolving dynamically through time. Structural functionalism is not a dynamic methodology: portrays reality as a snapshot, not as a temporal continuity that embeds the snapshot in a past and a future. The failure to deal with social change arises from an implicit assumption that society is fixed, static and non-problematic. Different types of society do not exist in this theory; otherwise it might be possible to show why an institution thrives in one context and declines in the next. Rather, structural functionalism is an asocial theory in that it fails to articulate the forces underlying social change. The failure of structural functionalism to deal with social change is especially serious because of the complexities of the modern
environment of professions. The internationalisation of production and exchange in recent years has led to a greater level of economic and social interdependence. The growth of interdependence, most poignantly expressed in the expansion of multinationals, has been accompanied (but not matched-by) changes in the legal, political and institutional context in which multinationals operate. The professions (law, education, accounting, etc.) have played a central role in this social environmental transformation, underscoring, once again, the importance of employing a sociological perspective that illuminates the forces that transform society and enumerate the stages that society may progress through. Parsoniari structural functionalism fails to elucidate the contradictions that propel a social and economic order from one stage to the next. Indeed, the whole idea of social states or stages and transitions between stages is a complete anathema to the theoretical mission of structural functionalism. This static theory is content ‘freeze society and its institutions into the status-quo; thereby obviating the need for a radical critique of professions (Winkler, 1988; Yamey, 1949, 1964, 1975; Weetman, 2007; Tinker and Puxty, 1995; Tinker, 1999, 2000).

If accounting is to learn from the historical experiences of other professions, it must be deliberate in choosing the history that it listens to. As we have seen, structural functionalism supplies one explanation of a professions’ existence where it is shown to play a part in the wider scheme of things and that part consists, in large measure, of doing what was done previously. The ‘big picture’ is left well enough alone by this approach: it assumes the world is in equilibrium; the existing social order is the best possible one, and that all that is required is concentration on a little local fine tuning. This approach is hardly worthy of the term ‘history’ and falls a long-way short of a ‘sociology of the professions’ that is adequate for the purposes here.

A growing body of literature, found in several disciplines and professions, assumes direct responsibility for academic participation in social change, and openly challenges the desirability of maintaining the status quo. This literature is ‘politicised’ in the sense that it seeks to affect social policy; not by disseminating the ‘received knowledge’ from a prevailing social order, but by attempting to create improved social conditions through professional and academic activities. This literature also deals with dynamics in that it recognises that social systems evolve and that in order to understand professional history, this evolution must be detailed in a systematic mariner. Supporters of this kind of critical scholarship see themselves advancing the contribution of their professions in two ways: first, they seek to illuminate tendencies toward unwanted and often unconscious domination, repression and alienation within certain cultural, political and economic institutions. Second, they aim to promote an ‘emancipatory consciousness’ by exploring the negative effects of what goes on in these institutions. These aims will be explored in greater detail subsequently. The next two chapters detail two examples of the critical scholarship that has emerged in recent years: the first relates to the educational profession and the second concerns the legal profession. These professions share many of accounting’s technical and conventional preoccupations.

At the same time, the critical literature of education and the law can be used to exemplify how a profession’s history may be reconstructed in a socially critically manner; how insights into the present biases and allegiances of a profession may be gleaned from such a historiography, and how-policies leading to radical changes can be identified.
References


