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INTRODUCTION

In the early 1990s, there emerged a growing view, popularized through the pages of important research journals such as *Accounting, Organizations and Society* and *Critical Perspectives on Accounting*, that traditional historical accounting research was in some senses inferior to the "new accounting history."[1] The term "new accounting history" encompassed a number of methodologies designed to produce what has become known as "critical accounting history." Among these methodologies, the work of Foucauldians, particularly that of Professors Hoskin and Macve, focuses on areas of particular interest to ourselves. We address their literature in some of our work[2] for the following interrelated reasons. First, we found it difficult to understand the precise direction of their arguments concerning the position of human accountability in the development of modern managerialism and the relationship between human accountability and modern management accounting. As Funnell [1996] argued, language can create barriers, and we, like others, found this a factor in our inability to interpret in a meaningful manner the messages that Hoskin and Macve wished to convey. Second, we were keen to encourage an interchange of ideas between historians of different persuasions.

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[1]This was the title of the introductory article [Miller et al., 1991] to a special issue of *Accounting, Organizations and Society*.

[2]Among our own publications, however, only Boyns and Edwards [1996] is specifically devoted to a consideration of the application to 19th century British business of Hoskin and Macve's broadly contemporary findings in the U.S. context.

Third, we perceived unwarranted criticisms from critical accounting historians of traditional accounting history.[3] Fourth, certain groups of earlier researchers were categorized, in an apparently derogatory fashion, through the use of labels such as "traditional," "economic determinist," and "economic rationalist."

BOYNS AND EDWARDS' RESEARCH

Our research has been predicated on the conviction that good management accounting history should be founded on archival evidence, widely defined. We have therefore concentrated our attention on knowing more about the use of accounting and accounting techniques in British business from the industrial revolution period, through the second half of the 19th century and into the 20th century, via archival-based research. If this should, at a later stage, make it possible either for ourselves or others to carry out grand theorizing, then this will reinforce our feeling that the research which we have undertaken has proved useful and contributed to "knowing more."

In particular, our work on 19th century British management accounting, through the analysis of archival records informed by our interpretation of contemporary texts and studies of accounting's past, has been directed at the following:

- to discover the accounting practices followed by business entities and to understand the context in which particular procedures were developed and others discarded;
- to demonstrate that there is a form of accounting outside "human accounting" that might make a serious claim to serve as an effective basis for managing a business enterprise;
- to test the impression conveyed, "perhaps unwittingly" [Boyns and Edwards, 1996, p. 40], that 19th century British developments in accounting were the same as in the U.S.;
- to press the point that accounting practices employed in Britain fit reasonably comfortably within a definition of manage-

[3]For example, see Miller and Napier's [1993, p. 631] accusation of "a priori limiting of the field of study to accounting as it currently exists, or to a particular accounting technique such as double-entry bookkeeping," and Hopper and Armstrong's [1991, p. 405] concern that "[t]raditional management accounting history has been fixated on a search for origins, on the questions of who did what first, and when."

ment accounting. Here, the concern was to counter the impression conveyed by earlier Foucauldian-based analyses that the failure of businessmen to embrace human accounting meant that they were not "doing" management accounting.

In pursuing this research agenda, we have not adopted a purely "economic rationalist" stance and have only devoted limited space to a direct consideration of the contribution of the Foucauldian school. As pointed out in Boyns et al. [1997], although we would locate ourselves within Loft's "neoclassical revisionist" school, we nevertheless accept that economic factors might not be the only ones influencing the adoption of particular practices or modes of accounting at specific points in time or space. We are aware of the fact that businessmen are not atomistic profit maximizers even if "control of costs became an essential fact of economic life for those businesses operating in a competitive environment" [Boyns and Edwards, 1995, p. 32]. Also, we have specifically acknowledged the fact that the socio-political and historical contexts of a period could significantly influence events and outcomes [Boyns et al., 1997, p. 5]. Hence, we consider it disingenuous for critical accounting historians to imply, as part of the legitimization of their own work, that traditional accounting historians have ignored non-economic contextual factors. We are equally puzzled by the idea, expressed in Hoskin and Macve's paper, that we have "attacked" their work. At most, we have argued, perhaps defensively, against the idea that management accounting amounts to nothing more than human accounting. But the allegation of a "summary dismissal of the 'Foucauldian' approach" supposedly contained in Boyns et al. [1997], incorrectly attributed to Bhimani [1998] who we feel was equally mistaken in his finding of a "terse critique levelled at mainly Foucauldian accounting historians" [Bhimani, 1998, p. 397], is at odds with the relevant content of that text [Boyns et al., 1997, pp. 5-6].

A notable feature of Hoskin and Macve's analysis of our own research findings to date is the demonstration of complementarity rather than conflict, most significantly that, in their view, our revelations concerning British company accounting practices in the 19th century support, chronologically, their now more clearly articulated overall thesis. We have no problem with this finding since, despite Hoskin and Macve's implication, the aim of this research was not to try to prove or disprove their thesis. As indicated above, however, our principal research aim was to discover what was going on in Britain within the limitations of our own research paradigm. Our findings of an absence of human accounting based on labor standards at Britain's largest industrial company, the Dowlais Iron Company, in the mid-19th century [Boyns and Edwards, 1996] led us to consider what other mechanisms were employed to manage a labor force that rose from 5,200 in the 1840s to 8,500 by 1866. We are more than happy if our main finding, that the management of labor in Britain at this time was carried out not through human accounting but through agents, subagents, contractors, piece rates, and the sliding scale, has helped to improve the stock of relevant case studies on which to base a theory of accounting development by accounting historians viewing the past through a different lens.

HOSKIN AND MACVE'S PRESENT POSITION

We do not wish here to challenge Hoskin and Macve point by point, an approach which might serve only to highlight differences not necessarily of any great significance. Rather, we consider *some* of the implications of their presently published position.

Hoskin and Macve's most recent paper is, in our view, a welcome clarification of their theory, formulated on the basis of a number of scholarly papers published over 15 years, of accounting's development from the beginning of the 19th century. For us, and many others, the precise direction of their arguments has not always been entirely clear. The current paper is therefore to be welcomed for attempting to set out the key stages in the development of "human accountability" in a more transparent manner, even though many of the links between the various stages still remain to be demonstrated.

The essence of Hoskin and Macve's research agenda, as now defined, stems from Miller's notion of "calculable selves in calculable spaces" [Miller, 1992]. To support their hypothesis, it will be necessary for them to prove the diffusion of human accountability from Springfield Armory, through the U.S. railroads, to Chandler's big business, and then to society as a whole. Whether or not these links can be established is a matter for future empirical research. We would see a particular problem to be whether the socio-economic context of believed recipient organizations was amenable to the adoption of accounting techniques developed within a single government military establishment. According to Hoskin and Macve, "Once forms of what we have called 'human accounting' began to become integral to the accounting field, accounting as knowledge discovered its modern status as a discipline in its own right" (p. 95). The implication here is that human accounting has become all-pervasive in business [cf. Drury et al., 1993] and, indeed, society in general. This hypothesis would seem to require evidence to show that human accounting was used extensively in the U.S. and, subsequently, through transmission to Britain.[4] Our present work on management accounting and decision making in Britain in the 20th century will, hopefully, disclose new knowledge that will help test aspects of their "historical theory."

In their paper, Hoskin and Macve suggest that the current plurality of approaches in accounting history implies that the subject has grown to maturity (p. 128) and stress that new accounting history, which has contributed to this plurality, has a "particular interest in theoretical interpretation" (p. 129). While we would not wish to disagree with the view that accounting history has come a long way during the last 15 to 20 years, and that the new accounting history has made an important contribution to this process, we would question whether the knowledge base is sufficiently robust to support broad theoretical constructions of the kind attempted by Hoskin and Macve. Indeed, the fact that Hoskin and Macve's future research agenda is to be mainly directed at filling important gaps in their newly articulated theory implies that, as yet, our knowledge of what actually happened is deficient. Indeed, the failure of the evidence to support any of the links of their developmental chain of human accountability, not merely whether they have got the Springfield Armory case right, would mean that their theory will collapse.

In our view, the preferable route towards theory construction starts with the collection of a range of relevant evidence, an approach which reflects our conviction that historical research method should be driven primarily, though of course not entirely, by an inductivist rather than deductivist approach. Despite our skepticism, we would not of course wish to deny any historian the right to develop a broad theory of accounting's development and then to establish a research agenda which helps them to prove its validity. We nevertheless feel that, given that the examination of British and U.S. business archives, let

[4]Even those who perceive accounting controls as rooted in struggles as firms attempted to control labor processes in various epochs of capitalist development believe that such arrangements are "increasingly being questioned" [Hopper and Armstrong, 1991, p. 434].

alone those in other countries, is still in its infancy, what looks like "grand theorising" may prove to be premature.

Hoskin and Macve indicate that there is an understandable concern among people who hold conventional views that reinterpretations of the evidence, in connection with the development of new ideas and theories, will inevitably appear to them as being a loss of "currently cherished knowledge" when, in fact, we will end up knowing more. We agree that the rewriting of history is an integral part of the historian's trade, and this has been a marked feature of our own work. For example, we have rewritten history when overturning views such as those of Pollard and Yamey regarding the effectiveness of accounting during the British Industrial Revolution (an outcome also effected by Fleischman and various collaborators, especially Fleischman and Parker, 1997), and the link between costing theory and practice in the late 19th century espoused by R.S. Edwards and Solomons. However, in the same way that we have rewritten the past, we expect future historians to rewrite it, adding to our work, possibly overturning our interpretations, and thereby generating more knowledge. The same, of course, can be expected of the work of other historians.

Finally, despite the impression conveyed early on in Hoskin and Macve's paper, and only partially rectified later, we do not accept all, or even many, aspects of Chandler's thesis of the development of big business globally [Chandler, 1990], and we hold parallel reservations relating to their Foucauldian-inspired analysis. While, in common with Hoskin and Macve, we find the Chandlerian framework a useful basis for locating and differentiating the nature of our own analysis, our single paper [Boyns and Edwards, 1997] directly dealing with his major works cast doubt on his espoused relationship between strategy and structure. We see Chandler's theory to be probably tenable, insofar as it applies to the U.S., but to break down when attempts are made to apply it more widely, whether to Britain, Europe, or the rest of the world. In other words, we see Chandler's M-form business as a particularly U.S. phenomenon during a specific historical period (say, c.1890s-c.1970s); that is, it was time and spatially specific, reflecting the prevailing economic, social, and historical contexts within which it flourished. Similarly with Hoskin and Macve's theory, tied as it is to Chandler's concept of the "visible hand," we remain to be convinced that it does not suffer from precisely the same criticisms that can and have been levelled at Chandler's theory [see, for example, Hannah, 1991; Supple, 1991].

CONCLUSION

Although pursuing a different research paradigm than that of Hoskin and Macve, there are possibly more areas of agreement between us than their paper might indicate. We agree with them that the basis of historical enquiry should be the examination and sifting of evidence contained in surviving accounting archives. Furthermore, and in contrast to the negativism of Miller and Napier [1993, p. 639], we would agree with Hoskin and Macve that there *is* validity in searching for origins. In our view, what is required is more archival-based research not less, as the need for Hoskin and Macve to fill in the gaps in their chain of development of human accountability shows. To date, in our view, there has been too little rather than too much archival-based research of accounting practice in business organizations in the 19th and 20th centuries (our area of interest) for *all* countries. We also concur with Hoskin and Macve's assertion that "economic rationalism [is] an insufficient explanation of accounting's role in the historical development of big business" (p. 101). Furthermore, contrary to any impression that may have been given, we favor a plurality of methodologies to enable the nature of business activity to be viewed through different lenses so as to produce complementary and competing interpretations of how and why things happen in a particular time and place. Reiterating our concluding comments in Boyns and Edwards [1996, p. 57]:

> One way forward, therefore, is not to attempt to replace the traditional historical approach by either Foucauldian, Marxist or any other approaches, but rather to find a balanced approach which allows all types of history to flourish and contribute to informed discussion between historians with differing viewpoints. For this to happen, in regard to the historical development of management accounting, we feel that a vitally necessary first step is for all those concerned to adopt a common and, we would argue, broad-based definition of the subject area.

It is only in this way that we will all know more.

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