The ‘performativity thesis’ and its critics: towards a political ontology of management accounting

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Abstract

This paper explores accounting’s mediating role in bringing theoretical statements from institutional economics into life. It addresses the so-called ‘performativity thesis’ that claims that economic theory does not just observe and explain a reality, but rather shapes, formats and performs reality. Accounting mediates in that process by creating cognitive boundaries that embed societal practices in economic theory. The performativity thesis is not without criticisms, however. Main criticisms concern a lack of proof of the thesis; an overestimation of the power of institutional economics to extend beyond the virtual; and a lack of a critical stance. In order to bring more nuance in the discussion on the performativity thesis the paper reflects on evidence from the field of accounting. The review of accounting studies reveals how accounting, to different degrees, is implicated in strategic and operational activities in markets and organizations and how it is supportive of the performativity of economics. Moreover, in order to accentuate the ‘good’ in society and to challenge the ‘bad’, the paper suggests a further development of (critical) management accounting research into the performativity of both economics and other social theories. By focusing on the politics of management accounting as they come through in concrete-contingent socio-material networks and as they are sensitive to ‘unlocalizable’ virtual powers of social-historical formations, a political ontology of management accounting may be developed.

Key words: calculative agencies, calculability, performativity, virtualism.

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Introduction

In a functionalist's view accounting is passive and has no intrinsic societal consequences. It is a device for decision making and control and as such it is in the hands of individuals, of human actors. The human decision maker is active and up-front; accounting is passive and comes in later as a neutral tool. This passive role of accounting is consistent with the dominant conceptual metaphor that describes the essence of accounting: accounting is an instrument (Amernic and Craig, 2009). In a passive mode accounting is a form of re-presentation. It turns absence into presence. It represents specific objects or flows as they are spacio-temporally situated in the real world. The act of re-presentation, however, is not without problems. Different objects and flows have different representational performances, and the techniques of re-presentation differ in their capacity to represent (Kalthoff, 2005). Although as a technology accounting came in as a 'visible sign system before writing' (Ezzamel and Hoskin (2002, p. 35) reaching back to ancient Egypt (Ezzamel, 2012), the act of accounting may be seen as a practice of economic writing (Krämer, 1996; Kalthoff, 2005). Economic writing has both a memory and a transformation function (Luhmann, 1998). From a functionalist's view, the accounting records that result from this practice reflect what is happening in the real world and serve as memory anchors. The objects and flows in the real world are considered to be independent of their re-presentation through the practice of writing (accounting). Thus, reality is external to and prior to its re-presentation by accounting. Once accounting has anchored the objects and flows, the numbers and figures can be traced back to the real situation without problems. The accounting records render the objects and flows visible; they reflect the 'truth'. By representing objects and flows the accounting records not only make it possible to forget, but also enable transportation. The records thus transcend local contexts. They enable a travel through time and space. Accounting thus mirrors, stores and transports.

The functionalists view of accounting and the centralization of the human actor is consistent with neo-classical institutional economic theory. Institutional economics puts human actors up front. For example, in principal agency theory (Ross, 1973; Stiglitz, 1974; Jensen and Meckling, 1976; Jensen, 1983) the principal and the agent are naturalized ontologies. Out of their self-interests agents intend to behave rationally and sometimes opportunistically. They transact in markets. Seen from a principal-agency theory perspective accounting is part of a solution to the agency problem as it is related to a divergence of interests between a principal and an agent; both the principal and the agent are prior to accounting. An institutional economics perspective thus conceptualizes accounting as 're-presentation of something' (Rheinberger, 1992, 1997) and 'representation for someone' (Rheinberger, 1992, 1997); accounting is considered to provide a reflection of reality 'out there' that is prior to accounting. Accounting is a monitoring device to the principal that mitigates information asymmetry. Within an economic perspective the dominant metaphor of accounting is indeed that of an instrument (Amernic and Craig, 2009).

The functionalists view of the practice of economic writing may be criticized because of its lack of attention for the possibilities of writing (and thus of accounting) to break through spacio-temporal limitations of objects and flows and to create. That is, accounting may not only reflect, store and transport, but may also perform. Accounting may be a practice of operative writing. In practices of operative writing (Kramer, 1996) accounting represents objects and flows, but at the same time permits operations with these objects and flows. Accounting tools, then, are symbolic machines and the objects and flows are indifferent towards the symbols used in these machines. Accounting
numbers do not simply re-present an object or a flow, but present an operation which is performed on them and of which the numbers are the result (see also Kalthoff, 2005, p. 83). That is, accounting is performative. Kalthoff (2005) demonstrates this performative function of accounting by exploring calculation in banking practices of risk management. The practices are embedded in calculation categories, algorithms, rules, procedures and formats. Accounting technologies re-present objects, but at the same time permit operations with these objects, thus transforming and modifying them, for instance into a profit and loss statement or, in case of the granting of loans to corporations, into a report on the basis of which a decision regarding the acceptance or rejection of a loan is taken (Kalthoff, 2005).

In a practice of operative writing the accounting ‘machine’ manufactures a re-presentation of spatio-temporal objects and flows. Reality, then, does not exist independently of the accounting practice. Rather, reality is internal to its re-presentation; it is shaped through the practice of its re-presentation. This practice is not just a “re-presentation of something” or a “representation for something”, but it is a “re-presentation as creation” (see Rheinberger, 1992, 1997, for an elaboration on this distinction). By manufacturing a re-presentation, accounting is performative. It does not serve to find a ‘truth’. Against this background it is in need of internal plausibility; the practice of accounting has to be ‘correct’. To that end, the rules of the game have to be respected and followed. From an actor-network theory (i.e. Latour, 1999, 2005; Law, 1999; Callon, 1986, 1999; Callon et al., 2011) perspective accounting is conceptualized as an actant. Not only does the performativity of accounting refer to its re-presentation-as-creation, it also entails a mediation between actors and actants in a network. In interaction with other actors it shapes who and what counts. As an actant the ‘presence’ manufactured by accounting is symmetrical to human actors; it has material agency. That is, accounting is active and has an impact in a collective of humans and other-than-humans. It is made to act by others in a relational network; that is, it performs. It helps changing the actions and actants in the network. In terms of Miller and O’Leary (2007) it is a ‘mediating instrument’. This actor-network theory perspective thus differs fundamentally from an institutional economics perspective. Rather than to centralize the human subject the main purpose of actor-network theory approaches is to decentralize it. The core of human agency is perceived as a technically framed and performed interaction (Latour, 1999).

Although in extant ‘alternative accounting research’ (Baxter and Chua, 2003) the Latourian version of actor network theory has been dominant (see Justesen and Mouritsen, 2011, for a recent review), a focus on the performative impact of accounting on society also calls for a more in depth investigation into ‘Callonistics’ (Fine, 2003). Essentially, ‘Callonistics’ refer to the so-called ‘performativity thesis’ (Santos and Rodrigues, 2009). The ‘performativity thesis’ states that rather than explaining and/or predicting a reality that is prior to and independent of economic theory, neo-classical institutional economics is succeeding in the materialization of its ideas and of the behavioral assumptions that are at the basis of the theory. Economics may produce Homo Economicus. Accounting is considered to be a mediator in the materialization of Homo Economicus and its interaction patterns in markets or in market-like spaces.

However, the performativity thesis is not without criticism. For instance, Santos and Rodrigues (2009) claim that there is no strong evidence that economics produce Homo Economicus. Fine (2003; 2005) criticizes the lack of an underlying theoretical framework that accounts for the mechanisms that are at play in constituting markets and Homo Economicus. Moreover, although agreeing with the idea that economics has a societal impact, Daniel Miller questions if the theoretical statements in institutional economics have the power to get materialized in the real world (Miller (2002; 2005).
Finally, be it from different angles, both Whittle and Spicer (2008) and Roberts (2012) challenge actor-network theory (and thus Callonistics) for its lack of critical commitment. This paper addresses the societal impact of accounting and accountability as these are related to the performativity thesis and related criticisms. In order to bring further clarity to the performativity thesis the paper examines evidence from the field of accounting. The main question is whether and how extant accounting research brings more nuances in the discussion on the performativity of economics. Moreover, in order to accentuate the ‘good’ in society and to challenge the ‘bad’, the paper suggests a further development of (critical) management accounting research into the performativity of economics by focusing on the politics of management accounting as they are implicated in concrete-contingent socio-material networks. The remainder of the paper is organized as follows. First, Callonistics are discussed in more detail, followed by a discussion of its main criticisms. The paper then reviews a number of micro-studies that address (explicitly or implicitly) the performativity of economics and accounting. The mini-review reveals how accounting indeed mediates in bringing notions of instrumental rationality and accountability as incorporated in institutional economics theory into life, both in (financial) markets and in organizations. The paper thus provides support for the performativity thesis and reveals some of the micro-mechanisms that are at play in performing economics. In order to further improve the societal contribution of management accounting research based on Callonistics and on actor-network theory in general, a development towards a political ontology of management accounting is then advocated. It is claimed that such an ambition has the potential to add a critical flavor to actor-network theory inspired management accounting research.

Callonistics

Socio-technical agencements

To Callon, economic practices are not treated as an ontologically independent sphere of the social world. There are reciprocal relationships between societal practices and economic theory. Economic theory both re-presents societal practices and intervenes in them. To a large extent, economic theory frames and formats societal practices. In line with this way of thinking, what is at stake with accounting is not a nexus between a reality-out-there and the image that shows through an accounting ‘mirror’, but a nexus between accounting and theoretical statements, particularly statements from neo-classical institutional economics. As a form, or as an other-than-human, an actant, accounting thus mediates in bringing economic theory into life (Callon, 1998). Representation and intervention are entangled, they cannot be separated; accounting represents and intervenes at the same time. In the strongest sense it helps to create and distribute Homo Economicus.

Rather than being a priori naturalized ontologies, economic agents result from the framing and distribution of calculative agencies. A calculative agency is ‘a self-interested agency obsessed by the calculation-optimization of his or her own interest’ (Callon, 2007, p. 346). Such a calculative agency is not simply a result of the diffusion of autonomous values, norms and conceptions of the world that serve as intermediaries through which abstract ideas or theories act upon economic agents. Rather, such an agency is the result of the diffusion of socio-technical institutions. Therefore, to account for the framing and distribution of calculative agencies it is necessary to substitute socio-technical institutions for individuals whose brains are embedded in values and norms guiding them.
The socio-technical institutions are called ‘agencements’ because there is an entanglement of human actors and materialities (Callon, 2005). An ‘agencement’ is an assemblage that puts Homo Economicus in the center. It is a hybrid collective that comprises humans as well as other-than-humans such as material and technical devices and texts, and that is distributed through a ‘performativity’ of economics, which is the impact of economics outside the theory itself (Callon, 1998a, p. 23). Such hybrid collectives provide actors with a capacity to act and to give meaning to actions.

Thus, the performativity of economics essentially is a political process through which ‘homo economicus’ is framed and equipped with “prostheses which help him in his calculations and which are, for the most part, produced by economics” (Callon, 1998a, p. 51). Homo Economicus is a calculative agency that can only perform under specific circumstances and that has to be equipped with certain material: paper, information technology, computers, calculation methods, statistical programs and more.

“The appearance and spread of this new species (i.e. homo economicus) can be understood only if we agree that agency, and especially what we call human agency, does not depend only on evolving and adaptive processes taking place gradually over long periods (as they are studied, for instance, by paleoanthropology). Human agency is a distributed agency that goes beyond the somatic resources of the individual; it is the variable outcome of a complex process of engineering. This agency can be described more precisely as a socio-technical agencement consisting of material elements, texts and discourses, competencies and embodied skills, routines and so on. Human STAs are variable, evolving and, above all, increasingly dependent on human activity itself” (Callon, 2007, p. 142).

Callon (2007b) identifies this assemblage, this artifact as Homo Economicus version 2.0. Similar to his predecessor, Homo Economicus version 1.0, version 2.0 is linked up with scientific management as developed by Frederick Winslaw Taylor. Having the identity of an agent Homo Economicus remains to be a ‘puppet on a string’. Yet, compared to his predecessor, as a consequence of available prostheses he has more strategic space available.

The ‘performativity thesis’ endorses an understanding of human action that is largely dependent upon the structural configurations of the socio-technical institutions and the networks in which human action takes place (Santos and Rodrigues, 2009). The implication of this is that individual action discloses the nature of socio-technical institutions or ‘agencements’ rather than robust and naturalized behavioural traits of human actors (Callon, 1998, 2005, 2007b). Accounting mediates in the creation and operation of such agencements, thus contributing to the performativity of institutional economics. It thus assists in successfully enacting the patterns of behaviour postulated by institutional economics. In other words, accounting helps to bridge the gulf between theoretical statements regarding behavioral patterns of individuals and real behaviour. It mediates in distributing calculative agencies rather than serving as a tool for a naturalized, rationally acting individual. Accounting mediates in shaping who and what counts. It is part of reality, part of the network. It is an actant rather than an instrument in the hands of human beings that possess ‘natural’ traits such as individual rationality and opportunism. Thus, rather than being solid characteristics of human beings, rationality and instrumentality are shaped by mediating sociomaterialities (Orlikowski, 2007). In mediating in the construction of agencies, of spaces in which they meet and of the boundaries between things and people, accounting is symmetrical to human actors. Rather than whether accounting reflects economic reality (a truth) or not, the question becomes whether accounting is able to perform and enact a reality corresponding to what it says.
As Callon (2005) states, the anthropology that characterizes any individual as an autonomous subject, capable of rational choices, and responsible for his or her behavior, is becoming pervasive. To a large extent it is through accounting that neo-classical institutional economics occupy a key position in giving actors a capacity to act.

The spaces between agencies

The calculative agencies are not completely isolated from each other. Economic theory also produces the spaces within which encounters between the agencies take place. These spaces may be markets (Callon, 1998) or organizations; in case of a ‘performance’ of principal-agency theory the latter will be a ‘nexus-of-contracts’- organization (Jensen and Meckling, 1976; Jensen, 1983) or a market-bureaucracy. Similar to a market, a nexus-of-contracts organization is a space for pursuing private interests. From organizational economics reasoning, under certain circumstances, compared to the space of the market the nexus-of-contracts organization may save transaction costs. As a consequence, individuals can reach their goals more efficiently. In order to reach such efficiency and to prevent opportunistic behavior from occurring at the level of the organization a regulatory institution is needed. The institution codifies a number of critical ‘rules of the game’ (Jensen, 1983, p. 326) by allocating decision rights and specifying performance evaluation- and reward systems. The main purpose of these institutions is to safeguard against potential opportunistic behavior. That is, the institutions facilitate cooperative interactions between organizational participants by preventing an opportunism-prone minority to pursue its self-interest ‘with guile’ at the expense of the collective (cf. Williamson, 1975; 1979).

In order to enable Homo Economicus to meet, boundaries between people and things have to be created. In order to enable circulation ‘goods’ have to be transformed into ‘things’ that go from hand to hand. Such circulation is both production and qualification. The circulation qualifies the goods so that they enter the world of the users. Callon calls this ‘singularization’ (Callon, 2005). However, market circulation or circulation in a market bureaucracy also implies that this attachment induces a transaction after which the agencies involved are quits (Callon, 2005). Transactions are necessarily reduced interactions. They are the result of framing activity that produces powerful mechanisms of exclusion. Many elements have to be excluded from the market or nexus-of-contracts (market bureaucracy) frame, at least for the moment of the transaction. The transaction is enabled through the (at least temporary) exclusion of other factors that cannot be included within that calculation. Calculation and the circulation of goods in markets and in market bureaucracy requires accounting tools and practices. Accounting tools and practices provide prostheses for human beings to become calculative.

Although the core of calculative behaviour thus seems to be the result of a process of disentanglement (see also Miller, 2002; 2005), Callon insists that the spaces in which agencies meet are characterized by both disentanglement and entanglement. As Callon states, the market produces “a stage on which the process of entanglement-disentanglement can be managed by the agents engaged in the transaction” (Callon, 2005, p.7). He exemplifies this as follows (Callon, 2005): if person A buys a car from person B they have to get rid of issues such as global warming, traffic congestion, problems of road safety (disentanglement). They then can focus on “the qualification of the car” that A is “(maybe) going to buy and on the process of that car’s particular attachment to the world of the buyer (entanglement)”(Callon, 2005, p. 7).
“Concrete markets have the singularity of teeming with multifarious actors and entities and at the same time of constantly being framed, shaped, rarefied in a sense, to organize market transactions and ensure their aggregation.” (Callon, 2005, p. 8).

Moreover, Callon notes that success is bound to be a temporary achievement. Therefore, the agencies and their behavioral patterns eventually have to cope with overflows, i.e. reactive responses to reality as it is the result of ‘performation’ of economic theory. Future research not only has to account for the mechanisms through which calculative agencies, the spaces in which they operate and the boundaries between things and people are framed, but it will also have to account for the way overflows are coped with. Rather than viewing overflows as “accidental” as economists do, Callon defines an overflow as a phenomenon that is not unexpected but rather a norm and unavoidable (see also Christensen and Skærøe, 2007, p. 106). While framing produces order, overflow produces disorder and threatens the framing attempts. Framing triggers matters of concern that may evolve into political issues. The answers to these issues may in turn have an impact on the organization of economic activity (Callon, 2007b, p. 139).

The performativity thesis and its critics

Callonistics have met criticisms. Major criticisms come from different angles. They particularly concern a lack of proof of the performativity thesis; an overestimation of the power of neo-classical institutional economics to extend beyond the virtual and to materialize; and a lack of a critical stance. This section deals with these criticisms in more detail.

A lack of proof

First, a lack of proof of the performativity thesis. Santos and Rodrigues (2009) claim that there is no strong evidence that economics produce Homo Economicus. “In particular, and this is the strongest sense in which economics can be said to be performative, economists can produce, through their engineering efforts, the ‘calculative agencies’ postulated by neoclassical economic theory, that is, homo economicus” (Santos and Rodrigues, 2009, p. 990). However, Santos and Rodrigues mistakenly substitute economists for economics. Callon does not claim that economists are performative, but economics. In other words, the performativity thesis is not on deliberate actions of ‘centralised’ economists that aim to shape society. Rather, it is about theoretical statements being actants that are made to act by many other actors and actants (amongst them accounting) in concrete socio-material networks. The performativity of economics is a network effect, not the result of deliberate actions of human beings (i.e. economists) that are outside the network. Santos and Rodrigues continue to state that they can support the weaker claim that economics, rather than being performative in the shaping of calculative agencies, is performative in market building, thereby contributing to the commodification of social life. In their view, the emergence of calculative agencies might be simply the result of this commodification of social life, associated with the processes of market expansion. “In this more lenient notion, economics is performative whenever it is used in market building” (Santos and Rodrigues, 2009, p. 990). Again, this points to a misconception. In Callonistics, the main point is not ‘economic engineering’ or ‘social engineering’ (Santos and Rodrigues, 2009; it is ‘heterogeneous engineering’. Economics is not used by others to help building markets, is not an instrument, but is an actant in socio-material networks, involved in the shaping of markets and its inhabitants.
Similarly, Fine (2003, 2005) points to a lack of proof. Fine claims that the performativity thesis lacks a theoretical framework that discerns the mechanisms at play, both at the micro level of individuals’ behavior and at the macro level of the logic of the market economy and its main institutions (Fine, 2003, 2005). Without such a framework, Fine argues, “the idea that economists constitute markets is simply a tautology or an assertion of causation without supporting argument” (Fine, 2003, p. 480). But again, it is not the economists’ intentional activity to constitute markets that is at the heart of the performativity thesis, but the capacity of theoretical statements situated in concrete-contingent socio-material networks to perform markets. Such power can be explained by researchers who enact such networks, as will be demonstrated in the review section.

**Virtualism**

Second, it is claimed that markets are not materialized on the basis of theoretical statements, but that markets only exist in a virtual world (Miller, 2002, 2005), that, at a macro level, contradicts with a real world. Thus, the performativity thesis gives to many credentials to institutional economics. To Miller, institutional economic theory does not succeed in influencing the phenomena in reality. Institutional theory is not part of a network but is separate from it. Miller separates re-presentation from real practicing, from intervention. He sees a macro-contradiction between a real world and a virtual world. To him, rather than a network effect, the performativity of institutional economic theory is directly related to the power of its discourse:

“......that we live in a period of history where we can see the increasing ability of certain powerful discourses, including that of economists, to realize themselves as models in the world through their increasing control over that world. That is their increasing ability to be performative” (Miller, 2005, p. 4).

Miller compares economists with priests. He observes for instance that both theorists and practitioners such as management consultants and accountants have spread the gospel of shareholder value as a next phase of successful business.

“And behind the management consultants lay the stern priesthood of the IMF laying out the terms of pure capitalism to which the country must conform or be punished for its heresy (Miller, 2005, p. 4)“.

To Miller, the performativity of economics lies in its success to virtually control the world and not in its ability to realise the model of the market. The market remains to be an ideological model and does not become an empirical phenomenon, a real object. Rather than a description of practice the market is a moral and ideological system whose intention is to create the normative conditions for exchange. Miller claims that Callon is making the same mistake as economists do: taking a representation of economic life for its practice. To Miller, science has to account for the extraordinary power of this act of re-presentation to reconstitute the world (macro) in its image. It has to account for virtualism. It has to position the virtual world against the real world in which transactions always take place in a particular moral framework. In the real world, everyone wishes to feel that their economic transactions are also expressions of their larger sense of ‘being’. To this end, transactions are ritualized as formal exchanges that draw attention to this ideal congruence of being and practice. Where Callon thinks that the performativity of economics is reflected in the construction of real agencies, of spaces in which these agencies meet and of the boundaries between things and people, Miller claims that the ability of performative action to realise the model of the market is still comparatively rare. He states that Callon’s emphasis on calculation and disentanglement results in
an attempt to rescue the conventional notions of the market, but for no particularly good reason. Miller’s anthropological argument is that the market is an ideological model rather than an empirical phenomenon. He moreover criticizes the notion of ‘calculativeness’ as it is incorporated in the socio-technical agencements. He claims that in reality decision making is not (and cannot be) what new institutional economics state. In reality, decision making is not a matter of disentanglement, but is a totalizing affair. In Miller’s view the way to ‘profitability’ is not through disentanglement, but through further entanglement. The better an organization acknowledges the rich mixture of factors that account for profitability (in whatever sense) the more it is likely to be successful. The question then becomes whether the organization business could ever be entangled enough to reflect the totalizing acts of the stakeholders. The power of economists and accountants to create a virtual world then becomes problematic. It might create distortions; the simplifications of the disentanglements that are expected of market transactions might decrease efficiency. Profitability and success is more than specified performance and contra-performance. An effective assessment of value is the true basis for ‘profitability’, for success of the organization. Exchange is always embedded in values. This does not make the exchange less calculative, but it does imply that the calculations become more and more complex. Creating a market is pretending that calculation is relatively simple; the calculation of value is reduced to a quantitative instrument. But is this simplification of calculation real practice? By giving a positive answer to this question, in the eyes of Miller Callon becomes a quintessential economist who attempts “to reduce value to price by seeing value as that which overflows the frame, instead of seeing it as that which constitutes ordinary transactions”.

A possible analogy is to think of Callon as presenting to us the bare bones of transactions. He hacks off the flesh to show the relative solidity of the market principles inside. But skeletons are not agents, they are the dead, remnants left when that which gives agency is stripped away. We can theorize such bare bones academically but that is not how economies or economic agents operate. As actors they are always burdened by flesh and life and relationships. Instead, as argued in Virtualism, we can find in practice an increasing tendency for market ideology to gain the power to remove all other externalities as distortions. This is an actual and growing phenomenon in the world that we really ought to be paying attention to instead of false grails of inherent market logics (Miller, 2002, p. 232).

To Miller it is the difference between true and false conceptions of reality and human nature, the difference between reality and its re-presentation that needs studying.

Miller’s virtualism considerably differs from Callon’s views. Callon claims that “the capitalist form of the economy assumes an organization of markets in which there are both calculative agencies (equipped and formatted to calculate profits, maximize shareholder value, reduce production or distribution costs) and the controlled rarefaction of relations and encounters between agencies, obtained primarily by singularizing goods and setting up systems of circulation of agencies and goods” (Callon, 2005, p. 15). There is no contradiction between worldviews and values of economists on the one hand and reality on the other hand, there is just a multiplication of differences, gaps, displacements and translations. In other words, there are asymmetries and relations of domination that they sustain. These relations are produced by socio-technical institutions (agencements) that produce “as many attachments as detachments, as many entanglements as disentanglements” (Callon, 2005, p. 16).

To Callon, there is no real truth up front which can then be put against the ‘virtual world’ of institutional economics. Economics and accounting both are engaged in the dynamics of power struggles. Science (economics and other (social) sciences) are not outside reality, but are part of it.
They are all in the network. The ultimate aim of the social sciences is to engage in “different anthropological projects struggling to impose their conceptions and the implementation thereof” (Callon, 2005, p. 11). Callon agrees with Miller that the social sciences can help to transform the world. But he disagrees about the strategy with which to achieve that. He does not want to search for the truth while at the same time combatting the illusions that mask the strength of the powerful, but aims to participate, along with certain actors who are in a position to produce small differences. He aims to show that humans act in multiple and uncertain forms (Callon et. al, 2011) and that other ‘worlds’ are possible.

The main differences between virtualism and ‘Callonistics’ are summarized in table 1.

<table>
<thead>
<tr>
<th>Virtualism</th>
<th>Callonistics</th>
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<tbody>
<tr>
<td>There is ‘ex ante’ reality ‘out there’ (a reality prior to theory)</td>
<td>Economic theory performs reality</td>
</tr>
<tr>
<td>Scientific activity aims at representing the ‘truth’ and at combatting illusions (for instance those created by economics)</td>
<td>Scientific activity mediates in transforming the world</td>
</tr>
<tr>
<td>Theory is outside reality</td>
<td>Theory is inside networks, it participates</td>
</tr>
<tr>
<td>Economic theory creates a virtual world that is linked to reality through beliefs, values and norms</td>
<td>Economic theory is brought into life through performative practices</td>
</tr>
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Table 1: Virtualism against Callonistics

A lack of a critical stance

Third, Callonistics is criticized for its lack of a critical stance. Drawing on Fournier and Grey (2000) as a sensitizing framework, Whittle and Spicer claim that actor-network theory has a commitment to realism (it “relies on the assumption that social life can be observed objectively by scientists using esoteric concepts” (p. 9)), positivism (social life “is understood through a process of scientific verification” (p. 9)) and conservatism (the knowledge “is explained without a reflexive examination of the philosophical and political assumptions that accompany the researcher” (p. 9)) (Whittle and Spicer, 2008) Although this makes actor-network theory valuable for making detailed descriptions of accounting and organizing, according to Whittle and Spicer (2008) it is poorly equipped to address the issues that make up critical studies in accounting and management, particularly the issues of instrumental reasoning and asymmetrical relations of power, reinforced by the appearance of ‘neutral’ research (see Alvesson and Willmott, 1992, 1996; Adler, 2002). Callonistics might be accused of just describing how accounting is engaged in situational power struggles, how it mediates between institutional economic theory and practice without aiming to judge whether this is good or bad, or true or false. It accepts the economic man and does not a priori reject this creature. To some, Callonistics is therefore a poor resource to draw upon for ‘ANT has tended to walk and talk more and more like the stick figure homo economicus from neoclassical economics for some time now’ (Mirowski and Nik-Khah, 2007, p. 190). However, I agree with Roberts and Wilson (2012) that in the notion of the ‘performativity’ of economics there is perhaps an attempt visible to remedy the paranoia of the ego as it is incorporated in the construct of Homo Economicus. Moreover, Whittle and Spicer’s modernists mode of critique may be questioned in a more fundamental way (see also Alcadipani and Hassard, 2010). In recent Callonistics (and in actor-
network theory approaches in general) reality is internal to the process of knowing or internal to its re-presentation; it is re-presentation as creation. This makes the knowledge production a political process. To Latour (2005), political relevance is related to the grasping of complexities and multiplicities by registering as many associations as possible in order to find possibilities to change a state of affair. There is always a concern for the possibility that things could be ‘otherwise’ and that reality is not a ‘destiny’ (Law, 2007). Moreover, in the research practice the researcher does not describe but enacts; he or she re-presents as creation. Not only does this challenge the positivistic character of Callonistics, but in the notion of ‘enactment’ it is also expressed that the narratives are ‘versions of the better and the worse, the right and the wrong, the appealing and the unappealing’ (Law, 2007, p. 15). Accounts are produced through politics; “the good is being done as well as the epistemological and the ontological” (Law, 2007, p. 15). In other words, accounts are not just political, but ontologically political (Law, 2004; Law and Urry, 2004; Mol, 1999, 2002). The real is implicated in the political and vice versa. Things might always be otherwise (Law, 2008). One result of thinking in ontologically political terms is that ‘every time we make reality claims in science we are helping to make some social reality more or less real’ (Law and Urry, 2004, p. 396; see also Alcadipani and Hassard, 2010).

The notion of ontological politics challenges both a ‘naturalization’ of objects and the way politics is usually understood. Rather than ‘naturalizations’ both the researcher himself and his enactments are consequences of research practices. As for politics, this is traditionally understood as something that gives voice by and in itself (Latour 2007). However, rather than being a specific domain of life or an essence itself, politics turns around the re-presentation of the assembling of multiple realities within many different practices and arenas. Every account is a political account, and all kinds of ‘others’ are allowed to object to the accounts (Latour, 2005). Rather than focusing on the stabilization of relations actor-network theory approaches thus focus on controversies surrounding things that are in the making.

Whereas Whittle and Spicer (2008) questionably claim that actor-network theory -approaches suffer from realism, positivism and conservatism, Roberts (2012) claims that Callonistics pay no attention to underlying virtual powers of the socio-historical formation of capitalism and related neoliberalism (Roberts, 2012). In his critique Roberts (2012) claims that actor-network theory tends to over-identify with how concrete-contingent actor-networks are enrolled at the expense of analyzing how such networks are also internally mediated through underlying or virtual historically emerging and developing capacities, potentials and powers, particularly that of capitalism. A critique of Callonistics therefore is that it explores the translations of actor-networks in time-spaces, without relating them to different ‘planes of immanence’ (Deleuze and Guattari, 1994), that is to “those underlying potentials, powers and capacities of a historical system that fold over and refract into one another in a rich ontological ‘absolute horizon’ (Roberts, 2012, p. 38). To a large extent these systems cannot be localized, they are ‘unlocalizable’ (Roberts, 2012, p. 37). For example, socio-technical arrangements or agencements may be seen as immanent moments in the drive to enhance the productivity and efficiency of the workforce that is immanent moments of capitalism. However, actor-network theory -based approaches reject immanence and tend to focus on ‘planes of organization’ (Deleuze and Guattari, 1994); they enact a specific reality and describe what (non-visible) principles organize it. As a consequence, the claims made by Callonistics may be restricted to thick descriptions of hitherto hidden principles of concrete-contingent relations, to narratives and to stories. Moreover, by
rejecting the notion that concrete-contingent networks are *in immanence* the research lacks a basis to make critical evaluations. Although Roberts (2012) indeed may be pointing to a flaw in actor-network theory based research, it is also true that a number of researchers that are inspired by Callonistics or actor-network theory in a broad sense stress the importance of socio-historical formations as for instance neoliberalism (for instance Friedman, 2010; Miller, 2008).

**Evidence from the field of accounting**

Extant accounting research offers anecdotal evidence for the performativity of institutional economics. Without referring to actor-network theory nor to Callonistics, Peter Miller’s study into the mechanisms through which DCF techniques were promoted in the UK in the 1960s offers an early example of accounting’s mediating power in bringing neo-classical behavioural assumptions into life (Miller, 1991). Some recent studies that address the issue are more directly related to Callonistics or actor-network theory. In the next section a mini review of relevant accounting studies is provided. The studies convincingly demonstrate how accounting is a performative mediator between economics and real life practices. Accounting proves to be more than just a representational practice that creates a (distortive) virtual reality. Rather, the ontologically political accounts reveal how economic statements and accounting may go beyond the virtual, thereby challenging Daniel Millers ‘virtualism’. Representation and intervention prove to be entangled. Be it to different degrees, in collective practices the performativity of economics is recognizable.

**Accounting as a mediator in markets**

Vollmer *et. al* (2009) reflect on the significance of Callon’s concept of performativity in the Social Studies of Finance. It was brought there by Callon (1998a), and subsequently specified by MacKenzie (2006), MacKenzie and Millo (2003) and Didier (2007), addressing “the blurred distinction between re-presentation and interventionist uses of economic models by financial practitioners” (Vollmer *et. al*, 2009, p. 622). Financial markets are seen as socio-technical agencements. Calculability and value assignment are intrinsic to the working of such markets. Numbers are assigned to entities (be they financial securities or consumable goods), which endows these entities with relative stability and enables their circulation throughout society.

Against the background of the financial crisis, Roberts and Jones (2009) explore how self-interested behaviour and, thus, the cognitive construct of Homo Economicus is constructed through calculation in financial markets. In particular they explore the mediating role of accounting in creating and sustaining market relationships, both feeding the illusion of rational individual behaviour and the fear and panic as the market fell. They observe that the work of framing/disentanglement was massive. They conclude that “accounting in its capacity to recognise or disentangle profits within a stream of transactions has provided the motive, means and realized gains (and now losses) for all concerned” (Roberts and Jones, 2009, p 865). However, it proved that interests and risks were inadequately assigned to entities; interests lie between rather than within individuals or institutions. In Callon’s language they conclude that “accounting is key in reproducing a sense of self as ‘isolated – too isolated – and autonomous – too autonomous’, such that it is largely blind and/or
indifferent to the unintended ‘side effects’ of the calculated” (Roberts and Jones, 2009, p. 865). Interests in the sense of a complex web of inter-institutional networks and relationships (‘inter-ests’) were rendered largely invisible by accounting. Here, rather than turning absence into presence accounting turned presence into absence; it obscured all kinds of moral hazard in the network of relationships.

“So the tension that becomes visible here is between inter-dependencies (inter-ests) that were systemic and the calculations of individual and institutional ‘self’ interest that were seemingly indifferent to these. The real hazard, however, was not just the lack of care exercised in the borrowing, lending, tranching, rating, leveraging, insuring and buying of these ‘pass through’ products. It was also that, in reality, they turned out to be anything but ‘pass through’ since the unanticipated consequences of this carelessness then revisited agents at every point in the networks. The error of ‘self’ interest lies in the way in which it imagines the self as separate and separable from others. Its calculation conceives of others only in instrumental terms, and so it remains blind or simply indifferent to the consequences of its conduct for others” (Roberts and Jones, 2009, p. 866).

Accounting as a mediator in organizations

Calculation is a cognitive operation that requires commodification and standardization. As calculability is increasingly visible in modern (public) organizations that develop into the direction of market bureaucracies (e.g. in health care, universities, housing corporations), questions about the performativity and economics are perpetuated. Apart from attention to the performativity of accounting in markets, this calls for attention in the scientific accounting discipline for framing and overflowing in organizations.

An illustration that accounting may go beyond the construction of a virtual organization and may transform day-to-day organizational practices (and, thus, may be in and not outside reality) is provided by Keevers et. al (2012). They provide an account of how so-called Results-Based Accountability (RBA), as a mandated exogenous change imposed by funding agencies, became implicated in transforming the everyday social justice practices in locally-based community organizations. Related to dominant managerial discourses (fuelled by institutional economics) in the public sector RBA is an instrument to govern and manage service provision across the purchaser-provider divide. RBA is an ‘intentional structure’ (Ahrens and Chapman, 2007) that seeks to ensure effective and efficient government spending and to strengthen transparency and accountability in the public sector. As such it is closely related to theoretical statements from economics. Keevers et. al (2012) show how the discursive-material practice of RBA interferes with the situated local community practices. Although the advocates (consultants) of RBA (i.e. Friedman, 2005) take a representaionalist’s position by naturalizing RBA as a mirror and by stressing that accountability and performance measurement methods should not interfere with the service (thus revealing the perspective that RBA is outside the network, that reality is prior to its representation), Keevers et. al (2012) convincingly show that RBA is not an instrument in the hands of a center that measures and acts from a distance without interfering in the day-to-day practices. Rather, it intra-acts with and shapes the phenomena that become (Barad, 2007) in the local communities. That is, RBA is performative. It iteratively reconfigures that which is included and excluded from mattering in day-to-day local practice. Incorporated in computerized case management RBA becomes an actor; in the day-to-day practices the relationship between the professionals and the ‘young people’ (the target group of the local communities) changed in a relationship between the professional, the ‘young person’ and the computer as an actant.
“Thus meaning, matter and power relations are produced and constrained through the iterative intra-actions of the government department, its bureaucrats, the young person, their youth workers, managers, the outcomes-based accountability reporting database on the machine and the administrative system of Southern Youth. These structural relations of power are materialized, contested and (re)produced through a range of local practices including the numbers and notes recorded in the computer” (Keevers et al., 2012, p. 114)

In this case the RBA system is far from a system that creates a virtual world by just mapping reality. Rather, it imposes another form of organizing. It re-shapes locally-based community organizations in the image of the funding agency. At the local, RBA practices establish a shift in focus from situationally embedded practices of knowing and doing to practices in which a correspondence between desired results (‘reality’) at the one hand and its measurement and graphing at the other hand is reached. Thus, the analysis demonstrates that the introduction of RBA, “anchored in a computerized case-management monitoring technology and entangled with funding tied to individualized outcome targets, is unravelling some of the daily organizing practices of social justice that create a sense of belonging, assist young people to have a sense of control over their lives and build hope for their futures” (Keevers et al, p. 116).

Keevers et al (2012) implicitly illustrate the disentanglement of humans and things and the framing of rarified interaction. They highlight the invisibility of relational aspects of practice. By introducing RBA the focus is shifted from interaction to transaction; the delivery of services is placed at the foreground, while reciprocity and a sense of belonging are backgrounded. The professional practices change from a totalizing affair in which entanglement is the norm to a disembedded and disembodied affair that is controlled from a distance. By introducing RBA a form of instrumental rationality is introduced that changes real professional practices. Thus, RBA does not simply create a virtual world. It does not only provide an incomplete and distortive re-presentation of the practices, but at the same time it interferes with the practices. RBA is performative in the sense that it brings a re-presentationalist’ mode of accounting and accountability into life, thus obscuring the status of RBA “as itself a form of culturally and historically situated activity, manifested in specific practices and associated artefacts” (Suchman 2007, p. 187; Keevers et al., 2012).

While Keevers et al (2012) illustrate how forms of instrumental accountability frame day-to-day practices within a specific organization, Christensen and Skærbæk’s (2007) contribution is to demonstrate that the Callon-lens is apposite in order to better understand widely experienced trends in public sector change. They draw on the notions of framing and overflow to show why public sector accountability innovations are likely to produce an unexpected outcome. More specifically, they show how two changes in accountability techniques in separate jurisdictions (Denmark and New South Wales) were distracted in their implementation. The innovations (or reforms) were meant to provide information to the general public and were promoted by a central agency that explains and directs the implementation. However, the innovations were fragile accomplishments that produced a variety of outcomes that were not compatible with the original aim. It is found that the actor networks of the accountability innovations developed in such a way that the central agencies became the primary audiences, thus resulting in

“inordinate attention to issues about resource usage rather than issues of performance. That is, the spending agencies (who were also the accountability reporters) anticipated the needs of the public spending guardians (Wildavsky, 1974) and the resultant accountability innovation was diverted from its publicly argued purpose.” (Christensen and Skærbæk (2007), p. 104).
This research thus shows why public sector innovations may produce unexpected results. It is shown how in both jurisdictions the ‘accountability frame’ is constituted by a range of objects and materialities such as White Papers, Statutes, guidances, and the accountability reports themselves. These materialisations produce cognitive boundaries “within which interactions – the significance and content of which are self-evident to the protagonists – take place more or less independently of their surrounding context (Callon, 1998, p. 249)”. The accountability frames thus produce the actions and the entities. The paper also shows how the framed interactions produce a number of overflows and how, as a consequence, the accountability frame is transformed in a resource frame as it was also present in the budgeting process. The research supports the argument that framing is a fragile and imperfect effect by pointing to a number of overflows of the innovative accountability frame. One important overflow is that the audience to which the accountability innovation is aimed is not the audience to which the reporting agency performs. A second important overflow is that the reporting agency does not correctly understand and accept the frame of the audience of the accountability reform. Third, reporting agencies produce broad rhetoric promising multitudinous effects to convince various decision makers; and, fourth, the reporting agencies publish a variety of “inside secrets” to gain trustworthiness for the report.

Apparently, as the reporting practices continue the overflows do not result in re-framing. This may be due to the fact that the overflows do not produce heated situations; the political debate therefore remains unresolved and the accountability innovations became part of resource allocation politics in which the more powerful institutions influencing decisions about budgets became the primary audience rather than the citizens or other stakeholders. The active network actors effectively manage the overflows and therefore the reporting process remains stable. Although “the emergence of the accountability innovation can be seen as a means of stabilizing democracy”, “the operation of the reform provides a sense of reinforced managerial control” (Christensen and Skærbæk, 2007, p. 126). As a consequence of the framing activity the central agencies became more indispensable. The accountability innovations are illustrations of an advancement of New Public Management (Hood, 1995), a movement that advanced the ideas of institutional economics through investments in accounting and performance management. As the study shows how institutions influencing economic decision making manage to stay in control, keeping the frames of existing calculative agencies and their interaction patterns stable and preventing them from the inclusion of overflows resulting from democratic powers, the study may be seen as supportive of the performativity thesis. It shows how the interaction for the main part excludes ‘citizenny’. It is an illustration of the performativity of New Public Management, a managerial discourse which is related to neo-institutional economics thinking. The accountability innovations prove to advance the neo-classical anthropology. Whether the innovations will be persistent across time and whether the framing effects are first an endeavor and later an achievement (as Callon claims) remains an open question. As long as the overflows remain ‘cold’ and do not provoke concerned groups to resist against the innovation practices the situation will not change. Although, as Christensen and Skærbæk (2007) do, the success of the framing may be seen as a necessary investment to confirm our beliefs in parliamentarism and thus in democracy (and thus exceeds the character of ceremonies), it is also an account of the performativity, of the success of the ideology of NPM.

While Christensen and Skærbæk (2007) address a situation in which the overflows hardly produce matters of concern with other stakeholders and thus do not significantly result in reframing, Skærbæk and Tryggestad (2010) investigate a situation in which overflows do produce such matters
of concern. They address framing and overflow within a company that faced major changes in its environment and market: the Ferry Division (since 1995 known as Scandlines) of the Danish government-owned railway company DSB. Their work provides answers to questions regarding active roles of accounting in formulating an adaptive strategy. It is illustrated how accounting is not an instrument in the hands of humans to improve an efficient implementation of strategy, but is an actant that creates strategy and strategic actors. Skærbæk and Tryggestad (2010) show how a strategy not to liquidate the Ferry Division but to further develop it is mutually constituted by accounting devices. Strategy and strategic actors are constituted in a double movement of framing and overflow. On the one hand, the accounting devices in the form of budgets and balance sheets create frames: taken for granted boundaries within which actors interact. They are thus formative in (re)creating strategy and strategic actors. On the other hand, as it is impossible for the accounting frames to internalize every interest in the strategic decision making process, the accounting frames create overflows. For example, the responsibility accounting system created overflows because the interests of the captains of the ships were improperly included. The captains did not accept the responsibility that was inscribed in the responsibility accounting system because “the role of captain called for the professional skills in commanding and navigating ships and the captains defined their role in those terms” (Skærbæk and Tryggestad, 2010, p. 116) in stead of in terms of an economic agent. Their (professional) interests and views were thus excluded from the responsibility accounting frame. This produced overflows in terms of emerging concerns and resistance. The captains were an ‘emerging concerned group’ (Callon, 2007b) that mobilized maritime law to defend its professional position. Unexpectedly, the captains emerged as strategic actors that were outside the original strategic center. The overflows that they produced were ‘hot’ and the accounting experts had to deal with them, and had to reframe the accounting devices (the responsibility accounting system). In doing so, the accounting devices did not stay faithful to the CEO but also shaped identities of other strategic actors (i.e captains).

Skærbæk and Tryggestad’s study analyses the framing, overflow and reframing of strategizing within a public organization. It illustrates how the framing through accounting devices triggers matters of concern. Through framing, overflowing and reframing accounting is performative in creating calculability and in bringing behavioural assumptions from economic theory into life. The paper convincingly shows how strategizing is characterized by both disentanglement (through framing) and entanglement (through overflow), by both detachment and attachment. In doing so it is supportive of Callon’s argument that disentanglement and entanglement have to be taken together. However, the paper also illustrates a failure of shaping the captains into purely economic men; they effectively resisted to become responsible ‘agents’ in the sense of institutional economics theory.

When addressing the question why some ideas turn into “strategies” when others do not, Whittle and Mueller (2010) show how management accounting systems act as an “obligatory point of passage” (Callon, 1986). Their findings show how management accounting systems are implicated in the construction of “added value” and how this affects the construction of “strategic” ideas. They argue that accounting numbers have power because they are presented as if the numbers are “independent of the interests of those who produce and use it” (Roberts, 1991, p. 359). The numbers are presented as if they are the result of a neutral application of tools and technologies that connects them to a ‘reality out there’. They are the allies of top managers that implicitly act as spokesmen of neo-classical economics; accounting numbers thus have power because of a successful ‘performance’ of economics. Top management considered MAS to be a “neutral arbiter of
organizational truth” (Roberts, 1991, p. 355); to top management MAS provided a faithful representation of value-adding activity. Top management thought of the management accounting system as a “faithful ally” in the process of strategy formulation. At the same time, the consultants were combatting the system. The numbers were not on their side and constructed their identities and significance as marginal. The management accounting system treated the group of consultants as a “cost covering unit” while the consultants were convinced that they generated profit for the firm in the long run, something that was not visible in the management accounting system. Their economic consequences to the firm were placed in a category “consulting-income-from-fees”. The participating consultants thus viewed the management accounting system as unfaithful and unfair in measuring the contribution made by their units. Apparently, in terms of Callon the interests and views of the consultants were examples of overflows. The consultants felt dissatisfied and took up efforts to change the existing accounting regime. Whittle and Mueller (2010) show the politically-laden battles in the process of generating the “right numbers”, numbers that “speak the ‘truth’ about the value of various corporate activities” (p. 641). They show how the political tactics of an entrepreneurial group of consultants came to challenge normally invisible MAS to become visible and open to question, at least temporarily. However, the consultants did not win the battle. The consultants (or ‘strategists in the wild”) failed to pass through the “obligatory passage point” (Callon, 1986) of the accounting regime; the numbers proved to be more powerful than the consultants’ narratives in defining the strategic agenda of the firm. In other words, the politically-laden battles did not lead to a re-framing of the management accounting system; the tactics employed by those on the periphery were not strong enough to establish their own obligatory passage point. Apparently, the cognitive boundaries the management accounting system produced were not re-drawn. The power struggles did not result in an inclusion of long-term interests as they were expressed by the group of consultants. The management accounting system continues to ‘perform’ economics in the sense that it continues to encourage decisions and actions that are profitable in the short term. The power struggles did not lead to a proliferation of the social, nor did they result in an inclusion in the management accounting system of potential (uncertain) long-term benefits for the firm. Instrumental rationality as it supported top management’s position was not successfully contested. The management accounting system remained to be successful in performing economics. The study demonstrates how instrumental rationality and calculability as it is essential in neo-classical economics survives power struggles, and continues to be present in the firm through the cognitive boundaries that management accounting systems produce.

Conclusions and discussion

The reviewed studies in accounting and accountability reveal that accounting not simply represents (for) something, is not simply a mirror, but is created as a re-presentation. Moreover, it re-presents and intervenes at the same time; representation and intervention are entangled. Accounting proves to be performative. All reviewed studies support this claim. The studies reveal how accounting creates calculability in strategic and operational practices in markets and organizations and how it may change who and what counts. How accounting creates and sustains market relationships and feeds the illusion of rational individual behaviour (Roberts and Jones, 2009); how the creation (or framing) of performance indicators and measures may change professional practices through materializations in the form of inscriptions and computers in the name of efficiency and
accountability (Keevers et al, 2012); how the framing of accountability practices meant for a broader audience may make the present network actors, the funders, more indispensible (Christensen and Skærbæk, 2007); how accounting produces calculability frames that shape strategies and that trigger matters of concern, thus giving shape to new strategic actors (Skærbæk and Tryggestad, 2010); how management accounting systems are implicated in the construction of “added value” and how this affects the construction of “strategic” ideas (Whittle and Mueller, 2010). In all cases, accounting is performative, not only in the sense that it creates re-presentations, but also in the sense that it mediates between actors and actants. It is not just performative in the sense that it is in the hands of ‘priests’ that, through discursive strategies, try to convince others that the accounting-representations reflect a (desired) reality, but through discursive-material practices and materializations it intervenes in the construction of actions and actors. As such, the reviewed studies are supportive of Callon’s claim that the performativity of economics is not the simple result of discourses that reflect certain ideologies, values and beliefs, but of power struggles in concrete-contingent networks in which economics and accounting are engaged. Such struggles may indeed lead to a multiplication of translations. Insofar as ideologies, values and beliefs mattered it was through materializations in the form of texts and inscriptions rather than to ‘priesthood’.

As an actor in the network, accounting not only turns absence into presence, helps turning theoretical statements into existence, but is also engaged in the transformation of already existing ‘presence’, as is shown by the studies of Keevers et al, (2012) and Skærbæk and Tryggestad (2010). Moreover, as shown by Roberts and Jones (2009) it may be active in turning presence into absence. Through a strong emphasis on reproducing a sense of Self that resembles Homo Economicus inter-institutional networks and relationships (‘inter-ests’) were rendered largely invisible by accounting. Moreover, forms of moral hazard were obscured. Here, accounting seems to produce exclusion rather than inclusion; rarified interaction rather than a proliferation of the social. Therefore, Roberts and Jones (2009) offer a very strong demonstration of the claims in the performativity thesis. Accounting’s mediating role is related to the intensity with which overflows entail a re-framing activity. Depending on whether there are ‘strategists in the wild’ (Callon, 1998) accounting may enhance (Roberts and Jones, 2009; Keevers et al, 2012) or hinder (Skærbæk and Tryggestad, 2010) instrumental rationality and rarefaction of interaction patterns. In the case of the Ferry-division decision making on strategy takes the direction of a ‘totalizing affair’ as described by Miller (2002), yet such ‘totalizing’ occurs through dialectic processes of disentanglement and entanglement. Here, the issues at stake are ‘hot’ and induce political reactions to the accounting frames by different actors. This implies a proliferation of the social, and an inclusion of interests of others. However, this does not only lead to an increase of calculative agencies within the organization. As exemplified by the captains defending their professional status the behavioral assumptions of institutional economics are not always brought into life; the captains refuse to take the shape of Homo Economicus. On the other hand, in the case of the financial markets (Roberts and Jones, 2009) calculative agencies are distributed, and rarified transactions are framed inter alia on the basis of statements from finance theory. Overflows are obscured; this is portrayed as one of the reasons for the ultimate emergence of the financial crisis.

Towards a political ontology of management accounting

In Callon’s performativity thesis the focus is on the ‘performation’ of (institutional) economics. Miller and Power further analyze the relationship between organizing, accounting and economics (Miller and Power, 2013). From their views Callonistics would point to a particular way through which
accounting, organizing and economizing could be claimed to be mutually constitutive. They extend the notion of ‘mediation’ by identifying four roles of accounting: territorializing, mediating, adjudicating and subjectivizing. Accounting helps ‘territorializing’ in the sense that it recursively produces the calculative spaces in which there is rarified interaction between calculative agencies; accounting mediates between economics and goal directed efficient behaviour by calculative agents. It links up different actors and spaces with statements from economic theory. Accounting adjudicates by evaluating, rewarding and punishing calculative agencies, and by determining failings and failures. In its strongest sense, accounting subjectivizes in the sense that it helps producing Homo Economicus version 2.0.

However, in specific networks accounting may also be performative (that is, it may also territorialize, mediate, adjudicate and subjectivize) in many different ways. As there is a multiplicity of practices there may be concrete-contingent networks where institutional economics is less performative while competing theories are more performative. For example, there may be societal practices that do not construct an ‘agent’ as it is represented in institutional economics (in Callon’s terms Homo Economicus version 2.0), but a ‘steward’ (Davis et al., 1997). To actor-network theory researchers it might be a challenge to enact such practices and networks, and thus, to help accentuating and developing socio-technical arrangements of stewardship rather than calculative agencies. Similar to ‘agents’, stewards take shape as a consequence of their relations with others, both humans and other-than-humans, and it might be a challenge to accounting academics to enact the actor-network of a steward, and, thus, to narrate (Czarniawska, 2009) stewardship. For instance, Segal and Lehrer (2012), through a case study of the Edmonton Public Schools, explore the extent to which stewardship can be institutionalized. It would be interesting to explore the performativity of stewardship theory in the shaping of stewards and their interaction patterns.

The choice for such a research project would be a political one. Politics then, is connected to the topic and is not an essence in itself. It is in the knowledge process. It is connected to choices of and in the enactment of concrete multiple contingent networks through which for instance education (and related issues of accounting and accountability) is practiced. Accounts based on Callonistics are ontologically political; the real is implicated in the political and vice versa. Things might always be otherwise (Law, 2008). In actor-network theory there is a ‘burning desire to have new entities detected, welcomed and given a shelter’ (Latour, 2005, p. 224).

My claim would be that actor-network theory (and, thus Callonistics) may become critically engaged with accounting and management by enacting multiple practices and by defending that some practices are more favourable than others. This has already been done outside the field of accounting, for instance in studies of health care (Mol, 2008) and animal feeding (Law and Mol, 2008). Although not explicitly taking an actor-network theory approach, in the accounting field Vaivio has demonstrated how systematic performance management (the ‘quantified customer’) became performative in a non-instrumental way by revealing the importance of tacit knowledge of sales people (Vaivio, 1999). More studies might be conducted that enact both instrumental accountability (or accountability as transparency; Roberts (2009)), thereby demonstrating the performativity of institutional economics, and more intelligent (Roberts, 2009) and relational accountability, thereby demonstrating the performativity of other theories. Next, a comparison between these studies could then particularly focus on the different ways through which accounting territorializes, mediates, adjudicates and subjectivizes (Miller and Power, 2013) in these different settings. Moreover, by particularly helping to enact intelligent and relational practices of accountability, research might serve to redress an all to extreme performativity of institutional
economics that results in a self-fulfilling prophecy of opportunistic behaviour (Ghoshal and Moran, 1996; Ferreira et al., 2005) and other pernicious societal consequences (Chua, 2011). In doing so, accounting researchers help to make some reality (i.e. a reality of relational accountability and stewardship) more real, while simultaneously making the reality of instrumental accountability and calculative agencies less real. This would even go beyond a call by Quattrone that

“especially in these historic moments - when the failure of ideas of transparency, representation and stability of the nature of organizations, economics and society is so clear and there is thus a need for a continuous questioning of the assumptions that generate theories in accounting, finance and economics - academics may have the important role and difficult task of showing what seems normal in a different light” (Quattrone, 2009, p. 628).

A critical engagement with management accounting issues from an actor-network theory perspective not only shows presence in different lights, but also re-presents different realities as creations.

In short, future research might underscore the politics in management accounting. Such politics are not located in a separate sphere and are not prior to practices, but come through in concrete practices in dispersed social-material networks. Rather than being transcendent ‘explanantia’ for management accounting the politics have to be explained, they are the ‘explananda’. Research into the politics of management accounting underscores how the (calculative) agencies or ‘agencements’ are not ‘natural’ or ‘destiny’, but how they become assembled in complex practices in which humans and other-than-humans are entangled. The research represents how accounting as it is entangled with other actors territorializes, mediates, adjudicates and subjectivises (Miller and Power, 2013) in concrete-contingent networks. Such networks contain elements that may reside both inside or outside a focal organization or an organizational relationship; they cross boundaries. The research accounts for the performativity of institutional economics as well as for the performativity of other theories. It highlights that both the ‘good’ and the ‘bad’ are made up in multiple practices and it can serve to undermine the ‘bad’ and to underscore the ‘good’ by enacting and comparing specific local practices, thus helping to change states of affaires. In doing so, a ‘political ontology of management accounting’ would be developed that acknowledges that accounting is not an essence in itself, but can only exist in processes of knowing in networks and is in politics. This political ontology should also be sensitive for the notion that concrete-contingent networks are ‘in immanence’, thus also illuminating that virtual and ‘unlocalizable’ historically developing systems of ideology and power are underlying the working of networks. This political ontology of management accounting might help in changing states of affairs in society.
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1 Scholars differ as to how they theorize the status of nonhuman agency relative to human agency. For instance Callon (1986) and Latour (2005) posit these agencies to be symmetrical; both humans and other-than-humans are symmetrical in the sense that they are both made to act by many others. The other-than-humans are not simply in the hands of humans. Others see humans and other-than-humans as interwined (Pickering 1995) or entangled (Suchman, 2007). The basic point is that other-than-humans (for instance accounting) have an impact in concrete socio-material networks.

2 Callon borrows the term from Deleuze and Guattari (1998).

3 This is consistent with a suggestion by Callon (2007) to include the issue of how “the anthropology of economics is constantly confronted with other, equally performative, anthropological programs” (2007, p. 347) in the research agenda.