

“Understanding Sustainability Economics: Towards Pluralism in Economics”

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Q.1 – What makes NCE attractive to mainstream accounting (academics & practitioners)?

- ▶ Helps provide mainstream accounting with an “aura of objectivity”. Influence of positivism is very strong here – mainstream accountants see themselves as neutral observers reporting in a value-free manner.
- ▶ Helps to rationalise mainstream accounting’s reductionism e.g. its focus on shareholder wealth maximization and capital markets.
 - Users are conceptualised as “rational economic men”, focus on monetary measures of performance, narrow notions of accountability/rationality, emphasis on market solutions.
 - Broader economic, social and environmental impacts are construed as externalities that lie “outside” accounting’s boundaries.
- ▶ “Physics envy” – positivist researchers view themselves as objective scientists. “Top” US journals only publish positivist research.

Q1 – cont...

- ▶ Accounting education. Students are taught that NCE and mainstream accounting are neutral and objective. A “banking” rather than “dialogic” approach to education dominates – students are rarely exposed to alternative perspectives (“soft and unscientific”).
- ▶ Mainstream accountants are very unreflective about the way business-oriented frames affect what they see and report and have difficulty dealing with viewpoints that contradict or go beyond NCE assumptions. Mainstream accounting has failed to invest in its own critique?
- ▶ Mainstream accountants locked into traditional perspectives – products of their own education – cannot see alternatives because rarely, if ever, exposed to them.

Q1 – cont...

- ▶ Very corrosive of democracy – contributing to a “TINA” technocratic mentality evident in much organisational and public policymaking.
- ▶ Mainstream accounting benefits dominant and powerful elites – legitimates institutions/perspectives of finance capital. “Cognitive injustice” – not just simple inertia. Neoliberals have been very successful in spreading their ideas e.g. through think tanks.
- ▶ Hard work involved in developing alternatives.
- ▶ Hope... interpretive/critical accounting approaches gaining ground in research and (to a lesser extent) education. Mainstream accounting not satisfactory to many civil society groups – looking for alternatives.

Q.2 Challenges, roles and limits of an accounting that wants to help realize sustainability

- ▶ Two-pronged approach required:
- ▶ (i) critique of mainstream accounting and its roots in NCE – monetary reductionism, privileging of finance capital etc.
 - Much of this work has already been done by critical accounting academics.
 - More could be done to critique through the lens of democracy – help take debates into the civil society realm.
 - Imperative to get this critique into classrooms – educating leaders/citizens of the future.

- ▶ (ii) much work to be done in (re)imagining accounting/accounting institutions
 - Like Peter Söderbaum, I strongly favour a pluralist approach to critique and reimagining accounting/accounting institutions – linked to conceptions of democracy. *Critical pluralism imperative* – to remain aware of power issues.
 - Much of my own research is based around the notion of trying to democratise accounting e.g. drawing on Peter's work on positional analysis. Brown (2009) outlines a conceptual framework for dialogic accounting that takes ideological conflicts seriously – questions *what* is accounted for in mainstream accounting, *how* it is accounted for and on *whose* terms. There are no neutral accountings – what is to be reported, to whom, from what perspective, how the results are presented are all highly value-laden.

- ▶ Aim to enable actors (political economic people) to account for things that mainstream accounting ignores and co-develop new monetary and non-monetary accountings/notions of accountability that accord with their own ideological orientations. EG fair trade investors might seek disclosures about labour conditions not demanded by traditional investors. This is a type of positional analysis.
- ▶ Such accounts could be used for decision-making and accountability purposes and to foster democratic debate.
- ▶ Accounting that can deal with plurality, ambiguity, uncertainty and the value-laden nature of knowledge. Allow more pluralistic analysis.
- ▶ Very much at variance with the singular model of “rational economic man” on which mainstream accounting is based.
- ▶ Seeking to encourage less reductionist forms of accounting expertise; assist decision-makers and citizens to engage in wide-ranging social and political debate about organisational and social matters.

- ▶ Peter's ideas have gone a long way in helping me imagine new accounting methods/processes/institutions for dealing openly with normative/highly political questions currently denied by mainstream accounting.
- ▶ Rather than *one* accounting – with a *single* idea of individuals/organisations/decision-making and one “optimal” solution – looking at accounting information as basis for democratic interaction among a variety of actors with different ideological orientations (e.g. business, academics, CSOs). Terms like “efficiency” understood in more multi-dimensional/ideologically open terms.
- ▶ By recognising inherently political/value-laden nature of accounting – make values and assumptions or “mental maps” at micro/macro levels – more visible. Possibilities for transformative dialogue/aspect change.

- ▶ Also trying to rethink accounting drawing on contemporary political theory – based on concepts of agonistic democracy.
- ▶ Theoretical base from which to develop new pluralistic understandings of counter-accountings and agonistic dialogue – openly recognizes different ideological orientations.
- ▶ Strongly believe the task of “reconstructing accounting” cannot be left to accountants alone. It is a multidisciplinary exercise – also needs to be linked to the potential beneficiaries of new approaches.
- ▶ Like Peter, I take a broad governance approach – institutional change is not just through government/accounting profession – there is a need to engage with CSOs.
- ▶ Currently exploring methods base on participatory action research/new ICTs.

Q.3 Possibilities, impediments and opportunities of pluralism

(i) Possibilities/opportunities

- ▶ Strongly favour a *critical* pluralist approach – present accounting (and economics) as a contested terrain – push back against the monologic nature of mainstream accounting and NCE.
- ▶ Rather than seek to transcend difference through universal norms (in the way many versions of deliberative democracy do), base my work on agonistic democracy. Seeks to actively encourage the development of democratic subjectivities/acts of political identification.
- ▶ Co-existence of opposing worldviews – paradigm co-existence rather than paradigm-shift. Acknowledge the diversity of ideological orientations in society.
- ▶ Not “anything goes”. Must make decisions/exercise judgment – may strongly advocate particulate alternative. But also respect meta-ideology of democracy.

(ii) Impediments

- ▶ SEA academics have hit significant obstacles when challenging mainstream accounting. Mainstream accountants view accounting as offering impartial and value-free techniques – find it difficult to imagine how accounting might operate differently. Number of efforts to work with business leaders and public policymakers have produced disappointing results.
- ▶ “Top-down” approaches vastly under-developed in ability to provide marginalised groups with accounting “voice”. When groups like employees/unions/new social movements seek new accountings, profession and corporations often engaged with them only superficially – diluted their concerns by translating them into traditional business language and criteria.
- ▶ Even when corporations/public sector organisations prepare SEA reports, do so using business frameworks. Decision models and information system record costs/benefits from managerial viewpoints.

(iii) Ways forward?

- ▶ New theorisations of the role of accountants, civil society engagement and information systems needed to help SEA academics and others challenge mainstream accounting and develop new *accountings*. Drawing on alternative economic thought crucial part of this.
- ▶ More initiatives like IJPEE.
- ▶ Education – provide students with alternatives.
- ▶ Much more cross-disciplinary work needed, together with development of civil society connections.
- ▶ Not easy – seems too complex to many.

Q.4 Conclusions for an alternative accounting

- ▶ There is already a lot happening. Many actors are looking for new thinking – but much “new” thinking still dominated by old thinking.
- ▶ “Capacity building” in pluralist thought/analysis.
- ▶ New terminology e.g. “capital” too connected with monetary approaches.
- ▶ New understandings of what it means to be an expert. *Democratic* rather than *technocratic* analysis.
- ▶ New institutional spaces.

- ▶ “Inside” and “outside” engagement. Important to work with business/policymakers – but also recognize problems of inertia/threats of change to power elites etc. Develop alternatives which help social movements articulate demands/alternatives, building pressure for change from below”.
- ▶ Collective action/developing alternatives important. Bring alternative perspectives into contact with each other e.g. in education – possibilities for transformative dialogue/“aspect change”.
- ▶ Foster multi-disciplinary links. Develop bridges between “critical” approaches in different disciplines – heterodox economics, critical accounting, critical management studies, critical legal studies, interpretivist/critical policy analysis.
- ▶ Broad alliances with CSOs – opportunities via participatory action research/new ICTs.

- ▶ Royal Society of New Zealand Marsden Research Project 2011–2013:
 - “Dialogic Accounting: the Challenge of Taking Multiple Perspectives Seriously”.