



## Cargo cult science and the death of politics: A critical review of social and environmental accounting research<sup>☆</sup>

Crawford Spence<sup>a,\*</sup>, Javier Husillos<sup>b</sup>, Carmen Correa-Ruiz<sup>c</sup>

<sup>a</sup> John Molson School of Business, University of Concordia, Montréal, Québec, Canada H3G 1M8

<sup>b</sup> Departamento de Gestión de Empresas, Universidad Pública de Navarra, Pamplona, Spain

<sup>c</sup> Facultad de Ciencias Empresariales, Universidad Pablo de Sevilla, Sevilla, Spain

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### ABSTRACT

We present here an extensive literature review delineating the main theoretical parameters that have shaped the discursive field of Social Accounting/Social and Environmental Reporting (SER). In doing so, we reflect upon the way in which theory is used in SER focusing particularly on its political character. We show that SER theories have been developed in isolation from, and in contradistinction to, other organisational literatures and the social sciences more generally. This self-referentiality has precluded consideration of whether accountability is a realistic or desirable demand to make of corporations. In an age where political antagonism has been seriously eroded in the Western World, we argue that if SER is to avoid complicity in this, then SER research must break free from its self-imposed theoretical limitations and embrace a goal beyond accountability.

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### 1. Introduction

Parker (2005), echoing Mathews (1997), recognises that the SER literature is “voluminous, disparate, eclectic, and still without commonly agreed philosophies or standpoints. In our post-modern world [...] this may become a comfortable state in which we desist from seeking unitary positions and uniform assessments” (p. 844). As such, Parker (2005) argues for continued theoretical pluralism:

“pluralism in theoretical lenses and methodologies applied to common research problems can yield incremental and accumulating insights that are enriched by both commonality and difference. All are valuable. That holy grail, the all-encompassing unitary explanatory SER theory, is not only a mirage, but cannot deliver the richness of insights we need in this complex and changing field of research and action” (p. 849).

One of the great insights offered by post-modernism is the simplification that is enacted by any single discourse or theoretical position. From this it follows that no one theory can fully capture the complexity of social reality. However, at the same time certain theoretical positions, whilst always being subject to contestation, tend to dominate others in any

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\* Corresponding author. Tel.: +1 514 848 2424x7591.

E-mail address: [cspence@jmsb.concordia.ca](mailto:cspence@jmsb.concordia.ca) (C. Spence).

intellectual field. Indeed, the dominance of certain explanatory theories over others in the field of SER is quite evident. Whilst a unitary theory for SER has not emerged, one can discern from the SER literature certain theoretical parameters.

It is recognised that there has been a discursive ordering of the SER field primarily, although not exclusively, around the theoretical reference points of Stakeholder, Legitimacy and Marxist Political Economy Theories (Gray et al., 1995a, 1996; Deegan, 2002). The purpose of this paper is to analyse both the way in which these reference points have become relatively fixed in the SER field and, more specifically, to analyse how those reference points have been interpreted and utilised once they have been set down. It emerges from this analysis that the ways in which different theories are employed in the literature appear to follow their own laws of development relatively independently of how they first become entrenched, or how those theories are dealt with in other literatures. Indeed, we argue that the way in which Legitimacy, Stakeholder and Political Economy Theories are conceptualised in SER is reminiscent of the way in which South Sea Islanders interpreted the western manufactured goods that washed up on their shores during the Second World War: the origins and significance of those goods were considered from a perspective that took very little cognisance of outside knowledge. In a similar fashion, SER distances and cloisters itself from other organisational literatures and the social sciences generally. This has important implications for a field such as SER that is purportedly concerned with wider social change. More specifically, it is argued below that, although there is much in the way of contradiction and inconsistency as regards to the application of the dominant theoretical reference points, these differences come together in a higher unification that ignores wider structural constraints. This essentially limits understanding of the SER phenomenon and is contradictory even within the SER project's own terms of reference. That is, the theoretical frames employed within SER fail to justify the plausibility of the implicit normative positions on corporate responsibility and accountability to which many social accountants subscribe. The limited scope of the theories employed to explain how SER practice fails to discharge accountability simultaneously inhibit recognition of what the obstacles to accountability are. The corollary is to preclude discussion over whether or not accountability remains a realistic or desirable demand to make of corporations.

In some senses this is a historical paper, concerned with the theories that have served to establish the discursive field of SER. Although these theories are being supplanted by new 'alternative' theorisations, we argue that this recent work which attempts to move beyond Legitimacy, Stakeholder and Political Economy Theories, reproduces the same largely apolitical focus. Thus, by focusing on the theories which have successfully established the 'discipline' of SER, we can understand what the implicit political and intellectual parameters are to new theorisations in the field.

The paper proceeds as follows. The following section introduces the theoretical framework of discourse theory that is utilised throughout the paper. Using this lens the SER literature is presented as a field in which various antagonisms and affinities are structured around various points of reference that have achieved relative fixity. These reference points are Stakeholder, Legitimacy and Marxist Political Economy Theories and their dominance appears to have been largely, although not exclusively, a result of the merits that these theories have been accorded by authors such as Gray et al. (1995a, 1996), Guthrie and Parker (1989, 1990) and Deegan (2002). The subsequent three sections of the paper analyse each of these theoretical reference points individually. Firstly, Stakeholder Theory is treated as a reference point whose dominance appears to be largely ceremonial. Secondly, Legitimacy Theory has been employed extensively yet is relatively unaware of its origins within institutional theory and resource dependency theory. Marxist Political Economy Theory is then analysed. We argue that the particularity of Marxist Political Economy interpretations has been inconsistent and contradictory, implying that whilst it may be important for an intellectual field to have relatively fixed theoretical reference points, the actual way in which those reference points structure an intellectual field is highly contingent.

Following on from the analysis of these specific theoretical reference points, we draw a parallel between the use of theory in SER with the cargo cult phenomenon of the South Sea Islands. We then consider how the SER field has attempted to move beyond "cargo cult science" (Feynman, 1997), largely through qualitative fieldwork studies. The insights generated from fieldwork of recent years are presented and discussed. However, the fieldwork fails to move us substantively beyond previous work in the area because of the same issues that are left unaddressed, i.e. why do corporations behave in this way and could they really do otherwise? We then conclude the paper by offering some theoretical and practical suggestions as to where social accountants might start to find a more political basis for their work. More specifically, we suggest that the SER project might need to abandon accountability and embrace a more political demand which challenges not just the way in which corporations behave, but that is rooted in the concrete political struggles of groups other than corporate management.

## 2. Social accounting and the death of politics

We view SER here as a discursive field. That is, a field that views phenomena through a particular world-view and set of ideological parameters. Although the site of numerous differences, to be able to talk of a discursive field at all presupposes that those differences come together in a higher unification, through some sort of objectivity (Laclau, 2005). Given the voluminous literature on SER and the way in which that literature represents itself as SER, we can talk of SER as a discursive field. Moreover, inferences can be drawn regarding the nature of that field's theoretical parameters, which we would argue essentially reflect the political vacuum that is western liberal democracy. The death of politics in the western world has been well documented by democratic theorists (see, for example, Laclau, 1990, 1996, 2000, 2005; Mair, 2006; Mouffe, 1993). Liberal democracy reduces politics to a merely technical, administrative project. The last thirty years has witnessed the convergence of all major political parties around the same basic programme of increasing economic growth, achieved by passing more power to the market, coupled with steadily decreasing levels of political engagement from the *demos* (Mair,

2006)<sup>1</sup>. With the absence of any significant countervailing power to the careering juggernaut that is capital, valid political questions rarely consider what kind of economic system we will construct, but rather address what kind of capitalism we will live under the shadows of. Antagonistic politics have been absorbed into a system which effectively unifies opposites and makes progressive social change through current institutions appear all but impossible (Marcuse, 1964).

Increasingly, demands are made of the system but do not challenge the system *per se* (Laclau, 2005). The former, according to Laclau (2005), is best designated as *democratic* demands, the latter *popular*. *Popular* demands are essentially the crystallisation of a series of claims and come to represent a wider social movement, coming into direct confrontation with an established hegemonic formation. They represent a collective will whose satisfaction presupposes fundamental change to social and institutional structures. *Democratic* demands, in contrast, might be thought of as those which are made in isolation, they are neither linked to wider social struggles nor are they concerned with overall systemic transformation.

From the outset, it may appear that the distinction between 'democratic' and 'popular' demands mirrors the old debate between reform and revolution. To obtain a provisional understanding of Laclau's approach, this can be maintained as a heuristic, but ultimately his post-structuralism seeks to transcend such a stark dichotomy. According to Laclau (1990, 1996, 2000, 2005) and Laclau and Mouffe (1985) the basic precondition of political action is antagonism. That is, antagonism between social groups and between social groups and the existing hegemonic formation. For Laclau (see 2005, in particular) both reform and revolution leave us with societies where antagonism is essentially absent or managed out of the political sphere. With the reformism of liberal democracy, as argued above, politics is transmogrified into a professionalised sphere increasingly detached from the material demands of social groups. But for Laclau (2005), the notion of a Marxist revolution similarly leads to the construction of a society where antagonism is largely eradicated. With the emergence of a universal class, society becomes fully reconciled with itself. Both scenarios lead to the death of politics. In contrast, Laclau's project does not seek to eradicate antagonism but seeks to make antagonism omnipresent as the basic precondition of a radical democracy.

Such a project does not presuppose that democratic and popular demands be mutually exclusive, but requires that the former combine in order to construct the latter. Multiple democratic demands are necessary in order to express the divergent interests of the multiple social movements that exist within modern societies, i.e. environmentalists, gay rights activists, anti-racism campaigners, feminists, public housing activists, campaigners for a basic wage for all etc. These demands cannot be subsumed into one overarching category such as the working class or the proletariat (Cleaver, 1979; Hardt and Negri, 2005; Laclau *et seq*). However, if these demands do not find some way to combine into a common political project then they risk being sidelined and remaining perpetually unfulfilled. A democratic demand that is not united with other democratic demands is more amenable to absorption by an expansion of discourse of the existing hegemonic formation. As such, a *democratic* demand that is not unified with other *democratic* demands through the signifier of a *popular* demand will tend to reproduce the *status quo*. *Popular* demands, in contrast, necessarily re-invigorate antagonism by challenging the existing hegemonic formation.

SER can be seen as a *democratic* demand. The consistent delineation and development of a theory of accountability over the last twenty plus years has perhaps become *the* nodal point in the SER literature, articulated primarily through the work of Rob Gray (see, for example, Gray, 1992, 2002, 2005; Gray et al., 1987, 1996). This theory, implicitly or explicitly, runs through the vast majority of published research in SER. What accountability refers to is the demand that corporations become, if not responsible, at least transparent about their own irresponsibility. Thus, the SER project implicitly subscribes to some notion of Corporate Social Responsibility (CSR). Moreover, it projects this from a politically centrist position, problematically effacing wider power structures and failing to consider exactly how such processes of accountability might come about and what they might lead to (Tinker et al., 1991). Moreover, because accountability reifies existing institutional arrangements, it precludes the possibility of linking up with other *democratic* demands in order to form a *popular* demand that would challenge those very same arrangements. Lehman (1999, 2001) has already illuminated the problematic liberal theoretical underpinnings of the accountability demand of the SER project. What we are concerned with here is with the SER project's attempts at critique, at explaining SER as and when it fails to achieve accountability. These 'critical' theories – primarily Stakeholder, Legitimacy and Political Economy theories<sup>2</sup> – in conjunction with the normative theory of accountability, effectively act as nodal points that structure SER discourse as a whole. It is around these theories that the ideological parameters of the SER project take shape and it is by reference to them that SER researchers make sense of current SER practice.

Our concern here is the extent to which these theorisations are political or not. In other words, what types of demands do SER theorisations lead us to? If accountability is not achieved, then are we led to something else, something which might link up with other *democratic* demands and collectively start to take the form of a *popular* demand? Or are we led, recursively,

<sup>1</sup> For a very revealing fictional account of this hollowing of politics in the western world, see Jose Saramago's (2006) *Seeing*.

<sup>2</sup> Theories other than Stakeholder, Legitimacy and Marxist Political Economy have also been employed to explain SER. There have been, for example, cultural and institutional explanations (see Buhr and Freedman, 2001); Habermasian ideal speech ethics (see, for example, Puxty, 1986, 1991); Ecological Modernisation theory (Everett and Neu, 2000); Deep Ecology theory (Mauders and Burritt, 1991); Eco-Feminist theory (Cooper, 1992); Ecological Responsiveness Theory (Bansal and Roth, 2000); Theories of Hegemony (Spence, 2009); and various critiques of the organisational discourse of sustainability and responsibility (Milne et al., 2006; Spence, 2007; Tregidga and Milne, 2006). These theorisations have often come in the form of a critique of the SER project by those who would not go by the nomenclature of 'social accountant' and have thus remained somewhat peripheral to the discursive field.

back to the isolated *democratic* demand of accountability and, as an ineluctable consequence, a political vacuum? In order to explore the extent to which 'critical' SER theories are conducive towards the adoption of an antagonistic political position, we have analysed the way in which they have emerged within the SER literature and how they have subsequently been treated after their emergence. In other words, where have these theories come from? And, how have they been incorporated into SER discourse? Seeing as the SER project denotes an academic community (see Gray et al., 2009), we might draw a parallel between this community and communities of other types who similarly have produced relatively new nodal points that serve as sense making devices, around which rituals are performed. For example, the way in which indigenous communities in the South Sea Islands incorporated the symbolism of western manufactured goods into their own discourse during the Second World War offers us an example of the way in which nodal points which have an older heritage can be taken on and infused with new meanings (see Feynman, 1997; Smithsonian, 2006). This is known by anthropologists as the 'cargo cult' phenomenon. As anthropologist Kirk Huffman, who spent 17 years in Vanuatu, explains: "You get cargo cults when the outside world, with all its material wealth, suddenly descends on remote, indigenous tribes" (Smithsonian, 2006). The locals do not know where the foreigners' endless supplies come from and so suspect they were summoned by magic, sent from the spirit world. For example, the John Frumm cult in Vanuatu has taken John Frumm to be a God since his uniform washed up on the beach about 60 years ago. Other tribes get thrown into disarray when the cargo dries up and try to reconstruct the scenario. So there are numerous instances of tribes in the South Sea Islands building mock airstrips with wooden men, coconut radios and bamboo antennas in the hope that aeroplanes will land again with their precious cargo. The airstrip has all the outward appearance of an airstrip, just without its actual function. Richard Feynman (1997) uses this analogy when he refers to "cargo cult science", which has all the outward appearance of scientific research but is actually producing results that only a quack doctor or snake oil salesman would consider worthwhile.

Cargo cult science develops in exactly the same way as cargo cults do. By reconstructing nodal points in ignorance of where those nodal points come from and what they were initially intended for, the community tends to develop in relative isolation from the outside world. As such, that community becomes increasingly detached – ideologically and materially – from, not just the world of political demands, but the outside world *per se*. The relevance of cargo cults for this paper is that, as will be argued below, this is essentially what has happened with SER. The 'critical' theories that structure SER discourse have either emerged out of nowhere or have been interpreted so differently from how they were originally formulated that the SER community has become detached from the world of political demands. Although there are conceptual distinctions between these 'critical' theories, those distinctions are not at all clear; they may be in fact all be understood as slightly different variations of the same liberal disposition lying at the heart of the SER project. That is, the theoretical perspectives employed implicitly adopt a perspective that may be criticised for not dealing adequately with the fundamental conflicts that underlie advanced capitalism, such as those between capital and labour and capital and nature (see, for example, Puxy, 1991; Spence, 2009; Tinker et al., 1991). There is, for example, a curious silence within major works on the relationship between corporations and financial markets or corporations and the state (for example, Gray et al., 1995a, 1996; Owen et al., 2000; Deegan, 2002). Thus, in addition to the issue of *how* things are theorised, there is also the issue of *whether* they are theorised at all. In failing to conceptualise a context within which corporations operate, it becomes impossible to discuss whether accountability might be a realistic or desirable demand to make. Indeed, accountability is something that increasingly preoccupies the SER project whilst it remains of no real significance to social movements.

### 3. Stakeholder Theory: boil-in-the-bag rice

Stakeholder Theory has a long history, extending its roots (see Freeman, 1984) in a variety of different organisational literatures including Corporate Planning (Ansoff, 1965), CSR (Sethi, 1971; Votaw and Sethi, 1974), Organisational Systems (Ackoff, 1974) and Organisational Theory (Pfeffer and Salancik, 1978). However, a singular statement of Stakeholder Theory cannot be found in the literature (see the debate around the development of a "convergent Stakeholder Theory" among Jones and Wicks, 1999 and Treviño and Weaver, 1999). Rather, we can find several attempts to classify various stakeholder theorisations. The classification proposed by Donaldson and Preston (1995) has been one of the most followed. Donaldson and Preston (1995) divide the Stakeholder Theory literature into three broad categories: descriptive/empirical, instrumental and normative. A descriptive/empirical use of Stakeholder Theory has explained corporate characteristics and behaviour, e.g. the multifarious nature of the firm, or the way in which managers think about managing the interests of corporate constituencies (see Mitchell et al., 1997; Agle et al., 1999; Hillman and Keim, 2001). Concerning the instrumental approach Donaldson and Preston (1995) note that Stakeholder Theory has been used to identify the connections (or lack thereof) between stakeholder management and the achievement of traditional corporate objectives such as profitability, growth or reputation (see Berman et al., 1999 or Mahon and Wartick, 2003). Within the instrumental approach great emphasis is placed upon the processes of coordinating multiple stakeholder interests through two key forms: underlying the existence of separate implicit contracts between each stakeholder group and management (Hill and Jones, 1992); or casting the firm as a series of multilateral contracts among all stakeholders (Freeman and Evans, 1990). In the normative strand Stakeholder Theory generally is used in order to articulate responsibilities for the firm that extend beyond the maximisation of shareholder wealth vis-à-vis other stakeholder groups (see Argandoña, 1998 or Yuthas and Dillard, 1999).

Stakeholder Theory has also been adopted as a popular explanation of SER (Gray et al., 1996). In this sense, Stakeholder Theory is often described as one of the "main social reporting theories" (Adams, 2002, p. 224); one of the "most common theoretical perspectives being embraced in the social and environmental accounting and reporting literature" (Deegan and

Blomquist, 2006, p. 346); “frequently used within social and environmental accounting” (Deegan, 2007, p. 132); providing a “more comprehensive perspective” (Cormier et al., 2004, p. 7); which can “help in identifying what groups might be relevant to particular management decisions, and perhaps, which expectations the organization has to pay more attention to conforming with” (Deegan, 2002, p. 295).

Notwithstanding the above statements, a curious paradox can be found around this issue. Even though Stakeholder Theory is routinely described as a dominant and/or useful theory to explain SER practice in the opening literature review of articles (see also Gray et al., 1995; Neu et al., 1998; Deegan, 2002; Deegan et al., 2000; Adams, 2002; Cormier et al., 2005; Aerts et al., 2008; Deegan and Unerman, 2006), the works explicitly adopting Stakeholder Theory has been few (see primarily Ullmann, 1985; Roberts, 1992). Ullmann’s (1985) seminal work is inconclusive, and Roberts’s (1992) study considered only a narrow subset of organisational stakeholders. Notwithstanding the considerable merits of these works, the insights generated by them are, by virtue of their necessarily narrow scope, also limited.

There are, however, a number of works that, whilst not explicitly employing Stakeholder Theory, do discuss issues of relevance from a Stakeholder perspective. For example, the issue of which stakeholders engage with SER has been the subject of a number of studies. Deegan and Rankin (1997) found that environmental information in the Annual Report was material for shareholders, but not so relevant for analysts and stockbrokers (see also Dierkes and Antal, 1985; Mastrandonas and Strife, 1992). O’Dwyer et al. (2005) and Tilt (1994) have both shown how NGOs engage with SER, but perceive it to be low in credibility.

A recurring topic, in this case from the perspective of management rather than stakeholders, revolves around who are perceived as the most important stakeholders in terms of SER. Roberts (1992) tested Ullmann’s (1985) Stakeholder Theory model, relating disclosure to measures of stakeholder power, firm strategic posture and economic performance. Roberts’s (1992) results support Stakeholder Theory, indicating that SER may be particularly important for managing government and creditor stakeholders. Gray et al. (1995a) suggest that organisations will use emerging issues (such as the ‘environment’) in order to assess the power of stakeholders and prioritise their information needs accordingly. Neu et al. (1998), who use an impression management lens largely compatible with legitimacy theory, suggest that financial stakeholders are the most important to the organisation and that disclosures will be primarily tailored towards them. Cormier et al.’s (2004) survey of managerial perceptions also suggests that SER is driven primarily by the market. Going further, Owen et al. (2000, 2001) suggest that not only are the needs of the more powerful stakeholder met primarily, but also that other “secondary stakeholders” may need to be manipulated in order to more effectively meet those needs.

These SER studies all talk about stakeholders but only very few of them in the context of Stakeholder Theory or generally any explicit theory at all. The explanation for this lacuna in the SER literature might lie in the heterogeneous character of Stakeholder Theory literature. In any case, it is worth noting that there has been virtually no attempt to incorporate into SER the insights generated from Stakeholder Theory in other, related literatures. Doing so might have fruitfully lead to an increased understanding of SER vis-à-vis: the process of organizational wealth creation (Post et al., 2002); why firms pay attention to some social groups whilst systematically ignoring others (Mitchell et al., 1997); or, the synthesis of the stakeholder concept with economic theory, behaviour science and ethics (Jones, 1995). One example of the potential usefulness of importing Stakeholder Theory insights from other disciplines can be found in Smith et al. (2005). Smith et al. (2005) used “Stakeholder Theory as the theoretical filter to evaluate international variations in CSD [Corporate Social Disclosure]” (p. 125). In doing so they applied “a dynamic theory of stakeholder relations” (p. 127) developed by Mitchell et al. (1997) in order to explain the different social reporting behaviour of firms from Norway, Denmark and the US.

If Stakeholder Theory is to remain one of SER’s key theoretical guides (and we are not necessarily suggesting that it should) then a more robust and explicit theoretical analysis of the role that SER plays in managing firm-stakeholder relationships is called for. Otherwise it appears as though Stakeholder Theory is more important as a reference point that has not been filled with any particular content, implying that it is important to have frames of reference in the SER field but that the particularity of the nodal points that make up those frames are not important. If this is the case then the literature will remain disparate and only notionally guided by a theory that few have substantively engaged with.

#### 4. Legitimacy Theory: a coconut radio

Whereas Stakeholder Theory looks at relationships between firms and specific stakeholders, Legitimacy Theory has been said to focus on relationships between firms and society generally and, in doing so, purportedly permits a more explicit consideration of conflict and dissension than Stakeholder Theory (Gray et al., 1995a, p. 54 and see also Gray et al., 1996, p. 46). The basic premise of Legitimacy Theory is that threats to an organisation’s legitimacy exist when its value system is perceived as being incongruent with the value system of the larger social system of which it is part (Dowling and Pfeffer, 1975). “To the extent that corporate performance does not reflect the expectations of the relevant publics a legitimacy gap exists” (Lindblom, 1993, p. 3).<sup>3</sup> The existence of this legitimacy gap may have negative consequences for the firm in question such

<sup>3</sup> Lewis and Unerman (1999) suggest that different perceptions of what is ‘good’ and ‘bad’ in society may be an important cause of differences in SER practices. Given that legitimacy theory is based on perceptions of a wider societal value base, managers may have different perceptions as to what society (in particular the relevant publics), may consider to be ‘good’ and ‘bad’. If this is the case, then perceived legitimacy gaps will vary and, accordingly, so will disclosure strategies aimed at legitimisation.

as: “difficulty in attracting human and financial resources, difficulty in attracting purchasers for the corporation’s outputs, and legislative or regulatory action which the corporation may wish to avoid” (Lindblom, 1993, p. 4). It is therefore in the organisation’s interest to be seen as legitimate and to satisfy the basic “social contract” that exists between the firm and society (see Mathews, 1993 or Deegan, 2002)

Legitimacy Theory has been employed in the SER literature in order to describe SER as a strategic tool for closing legitimacy gaps. Gray et al. (1996), for example, suggest that many SER initiatives can be understood in terms of one of Lindblom’s (1993) legitimation strategies. Indeed, Legitimacy Theory appears to be the single most popular theoretical lens employed by studies seeking to explain corporate SER (see, for example, Brown and Deegan, 1998; Campbell et al., 2003; Deegan et al., 2000, 2002; Gray et al., 1995a; Luft Mobus, 2005; Milne and Patten, 2002; Moerman and Vand Ser Laan, 2005; O’Donovan, 1999, 2002; O’Dwyer, 2002; Patten, 1992, 1995, 2002; Tsang, 1998; Wilmhurst and Frost, 2000). An entire issue of *The Accounting, Auditing and Accountability Journal* was devoted to Legitimacy Theory in 2002.

Legitimacy Theory encourages a view of the organization as requiring legitimacy from its “relevant publics” in order to continue and the SER literature suggests that SER is tailored to meet this purpose. Unlike Stakeholder Theory, Legitimacy Theory studies have gone into more detail in describing *how* those disclosures will be tailored in response to certain legitimacy crises. For example, studies have shown how legitimacy gaps, depending on the particular legitimacy crisis that the organization is facing, can be closed by: *increases in environmental disclosures* (Patten, 1992; Campbell, 2003); *disclosures that present the organisation in a positive light* (Deegan and Rankin, 1996; Deegan et al., 2002); or *reductions in disclosure* (Patten, 1995; de Villiers and van Standen, 2006). Going into more detail on the contingent nature of disclosure strategies, O’Donovan (2002) suggests that managers will use different disclosure strategies for different situations depending on whether managers perceive the need to *repair, maintain or gain legitimacy*. O’Donovan (2002) implies that Legitimacy is a multi-pronged strategy and involves complex managerial decisions.

In unpicking some of the detail of *how* firms use disclosure to achieve legitimacy, Legitimacy Theory has provided generally more sophisticated explanations of SER than Stakeholder Theory. However, legitimacy explanations for SER have been found to be unsatisfactory in certain cases (see, for example, Guthrie and Parker, 1989; Adams et al., 1995; O’Dwyer, 2002). From this we might conclude that the broad explanations that Legitimacy Theory offers for SER practice are useful to analyze general trends in firm reporting behavior but perhaps insufficient to understand the internal management of this process (Adams, 2002). The internal forces, motivations and conflicts which drive the organizations from inside to implement legitimacy strategies using SER have not been studied in-depth (although see O’Donovan, 2002; O’Dwyer, 2002 and the fieldwork studies below).

On the other hand, the ‘society’ variable in Legitimacy Theory studies remains a rather clumsy theoretical construct. Lindblom (1993) asserts that society is not homogeneous, introducing the term “relevant public” to elucidate this. However, very few articles have “unpacked” the organizational legitimacy process through the study of the characteristics of those different relevant publics (although see Neu et al., 1998). The values, interests, power and perceptions of different stakeholders differ. This is something that Stakeholder Theory may embrace, yet it is curious as to why Legitimacy Theory has not. Should Lindblom (1993) have used the term “stakeholder” rather than “relevant public”, then these two theories might have been conflated and used successfully to guide the SER literature towards a more sophisticated understanding of firm-stakeholder relations than currently exists. The notion of the social contract implicit in Legitimacy Theory reflects the same conceptualization of the firm balancing stakeholder demands and interests that underpins Stakeholder Theory.

Indeed, it is of interest that whilst Stakeholder Theory has been widely applied and developed through various management literatures yet applied only superficially to SER. In contrast, Legitimacy Theory – the doyen of the SER literature – does not appear to have been applied in any literature other than SER (Adams and Larrinaga, 2007). Legitimacy is tackled in other organisational literatures, but generally through either resource dependency theory or institutional theory (Oliver, 1991; Pfeffer and Salancik, 1978; Scott, 1995; Suchman, 1995). Within the resource dependency camp, legitimacy is considered as an operational resource on which the organisation is dependent for survival (Dowling and Pfeffer, 1975; Pfeffer and Salancik, 1978). In contrast, within the institutional approach legitimacy is not considered as an operational resource but as a set of constitutive beliefs (Suchman, 1988) which are adapted to conform to external expectations about what is acceptable (DiMaggio and Powell, 1983). In both cases, these theories deal with how organizations obtain support from constituencies, much the same as Legitimacy Theory does in SER. Therefore one obvious question which arises is ‘what does Legitimacy theory explain that these more developed theories cannot?’ That is, what is Legitimacy Theory’s *raison d’être*?

Legitimacy Theory’s emergence is a curious event in SER folklore. It appeared in the form of a conference paper that itself has not been through the academic (sic) legitimation process of publication, and by a scholar who disappeared from SER just as soon as she appeared in New York in 1993 (Lindblom, 1993)<sup>4</sup>. Nevertheless, as a result of this *deus ex machina*, SER takes on a more confident stride, speaking a language of its own and distinguishing itself from other organisational literatures who have yet to discover the awesome explanatory power of Legitimacy Theory. Yet reference to these other literatures and the insights offered therein vis-à-vis institutional theory suggests that an organisation seeking legitimation for its activities

<sup>4</sup> Adams and Larrinaga (2007, p. 350) point out that “this reference has been consistently misquoted as “Lindblom (1993)”. They affirm that the work was presented at Critical Perspectives on Accounting Conference in New York in 1993. However in Guthrie and Parker (1989) can be found a working paper of Lindblom with almost the same title, used by these authors to support legitimacy theory arguments, but of 1983. One wonders who has actually read any of the versions of this paper though.

is something of an inevitability. Large corporations have attempted to justify their activities to a wider public generations before the idea of SER was ever conceived of (see Bendix, 1956; Nichols, 1969). That they should be doing so now through SER is hardly a surprise and begs wider questions about the politico-economic context within which companies develop their strategies of legitimation. On this subject Legitimacy Theory has nothing to offer (and perhaps institutional theory neither, see Dillard et al., 2004).

Legitimacy Theory's silence on the politico-economic context is evident from its relatively unspecified constructs of "society" and "relevant publics". Indeed, it has become clear recently that Legitimacy Theory derives from a premise that does not see much in the way of antagonism at all. For example, Deegan (2007, p. 132) concedes that "legitimacy theory derives from the bourgeois branch of political economy theory, and as a result assumes a pluralistic society". A society "where many classes of stakeholders have the power to influence various decisions by corporations, government and other entities" (Deegan and Unerman, 2006, p. 301). Some legitimacy theory studies show that managers use social and environmental information (in a systematic way) in order to manipulate stakeholder perceptions (see, for instance, Deegan et al., 2000 or Deegan and Rankin, 1996) and even do so in the presence of SER legislation (see Criado et al., 2008). Herein lies a paradox, as Legitimacy Theory maintains a problematic pluralist lens that, it would seem, actually precludes it from explicitly considering conflict and dissension (in contrast with the facile assertion of Gray et al. (1995a, 1996)).

### 5. Marxist Political Economy: a mock airstrip

Whereas Stakeholder Theory and Legitimacy Theory have been relatively vague reference points for structuring the SER field, Political Economy Theory has a more definable content. Gray et al. (1995a), helpfully in our opinion, describe both Stakeholder and Legitimacy Theories as concerned with legitimacy of firms whereas Marxist Political Economy is described as concerned with legitimacy of the system. Studies adopting the latter frame of reference generally characterise accounting as an ideological tool deployed to bolster the interests of capital (see, for example, Cooper and Sherer, 1984; Tinker et al., 1991; Tinker and Neimark, 1987; Lehman, 1999; Spence, forthcoming; Puxty, 1986, 1991). However, whereas the Marxist Political Economy interpretations of SER proffered by the critical accountants cited above maintain a fairly consistent line regarding the structural inequality of social relations, Marxist Political Economy as applied by SER theorists produces a relative cacophony of interpretations that prove to be quite difficult to follow.

For example, Woodward et al. (2001) suggest that Gray et al's (1995a) classification of political economy into Bourgeois and Marxist variants is a "novel dichotomy"<sup>5</sup>, and instead suggest that the main distinction between legitimacy, stakeholder and political economy theories derives from whether or not the firm in question adopts a proactive or reactive approach to disclosure. Maltby (2004), for example, describes (what she implies is Marxist) Political Economy in terms of a *pro-active* approach to CSR:

"companies use [SER] not merely to show their compliance with pre-existing norms, but to set out a particular array of values as significant, to make the case for those values and to demonstrate their adherence to them. . . companies take the initiative to *promote* their values to society rather than simply *respond* to social demands" (p. 418, *emphasis added*).

Maltby's (2004) concern is not with the level of resolution. Her concern is with a pro-active strategy. Woodward et al. (2001) also suggest, with no apparent consideration of wider structures of domination, that pro-active disclosures constitute a political economy approach. Buhr (1998) similarly makes a reactive/proactive distinction between legitimacy and political economy theories. She suggests that the applicability of whichever theory can be understood in terms of whether disclosure has been motivated by a *response* to social and economic events (Legitimacy) or by a desire to *promulgate* corporate ideology (Political Economy).<sup>6</sup>

These theorisations can be traced back to Guthrie and Parker's (1989, 1990) characterisations. Guthrie and Parker (1989) describe a Political Economy of accounting's view of SER:

"corporate disclosure is a *proactive* process of information provided from management's perspective, designed to set and shape the agenda of debate and to mediate, suppress, mystify and transform social conflict" (p. 351, *emphasis added*)

Earlier in their study, Guthrie and Parker (1989) define Legitimacy Theory as primarily *reactive* to social norms. Thus, the distinction, prevalent in many recent studies, between Legitimacy Theory and Marxist Political Economy Theory, was born. This constitutes something of an historical accident that can be identified as having shaped the SER literature in

<sup>5</sup> The distinction is evident in *Capital*, however, where political economists with a Bourgeois consciousness such as Adam Smith and Ricardo are contrasted those who more starkly emphasise the capitalist system such as William Petty (p. 486). However, Marx does tend to refer to those economists with a Bourgeois consciousness as "Classical" political economists. Thus, Gray et al's (1995) terminology may be confusing (and this is why we instead adopt 'Marxist Political Economy'), but Gray et al. (1995) analytical distinction between both types remains valid.

<sup>6</sup> Buhr (1998, p. 186) also seems to employ a dichotomy on the basis of level of resolution. She suggests that LT is concerned mostly with corporate-level activities and responses whereas political economy theory is concerned with the influence of social norms or the distribution of wealth and power. Thus, Buhr's (1998) conception is consistent with our own in this sense, but also simultaneously employs a reactive/proactive dichotomy, ultimately further confusing the issue.

particular directions. Guthrie and Parker (1989) may hardly be blamed for this (although see Arnold, 1990). Their discussion of Political Economy Theory amounts to just one paragraph, and is clearly open to interpretation. Moreover, it was written at a time when theorisation of SER was in its infancy. Guthrie and Parker (1989) also clearly reference the political economy theorisations of Tinker (1980), Tinker and Neimark (1987), Cooper (1980), and Cooper and Sherer (1984). Those Political Economy theorisations are obviously concerned with the *level* of analysis, *viz.* looking at accounting in its politico-economic context and with the effects of accounting on the distribution of income, wealth and power rather than whether disclosure responses are proactive or reactive. Indeed, whether Legitimacy Theory may be considered a theory of *reactions* is itself highly debatable. Lindblom's (1993) seminal work on Legitimacy Theory is explicit about legitimization incorporating both reactive and proactive strategies. Congruence between corporate and societal values can be achieved by organisations reacting to societal expectations or by proactively attempting to change societal norms. Similarly, Political Economy explanations have been used (albeit not by social accountants) to characterise disclosures as *responses* to particular crises of capitalism (see Tinker and Neimark, 1987), further casting aspersions on the implication that Political Economy is only to do with corporations adopting a pro-active attitude.

Notwithstanding, even where the distinction between reactive and proactive strategies has not been used, the level of resolution continues to be ignored. For example, drawing on Guthrie and Parker (1990), Kuasirkun and Sherer (2004) suggest that Political Economy Theory (rather than Legitimacy or Stakeholder Theory) constitutes responding to social pressures. This *may* well be true, but *only* if this is extended to recognise that responding to those social pressures is linked to the wider politico-economic system in some way. Such underspecification of theories leads to confusion in the literature. For example, Kuasirkun and Sherer (2004) do consider a wider political context for corporate activity, yet conclude that *non*-disclosure in the face of social pressures cannot be explained by Political Economy Theory. In their study, Thai companies failed to increase their SER in the late 1990s in spite of "the increasing pressures from social and environmental legislation, public scrutiny of corporate activities and deteriorating social and environmental conditions. Indeed, as conditions worsened, the number of companies disclosing their social and environmental information also decreased" (p. 650). This can be contrasted with Adams et al. (1995) who, again without any reference to systemic conditions, suggest simply that non-disclosure *does* indicate a Political Economy interpretation.

It has been suggested that "the whole problem of determining quite what a political economy of accounting *is* does warrant further study" (Woodward et al., 2001, p. 389, emphasis original). We seek to clarify this issue in the literature by suggesting that different theories be characterised according to their level of resolution (Gray et al., 1995a). Pro-active or reactive and disclosure or non-disclosure aside, the concern of Marxist Political Economy is with the system-level conflicts and mediations that inform Tinker (1984), Tinker and Neimark (1987), Spence (2009), Tinker et al. (1991), Lehman (1999, 2001), Cooper and Sherer (1984), and Puxty (1986, 1991) whereas Legitimacy and Stakeholder Theories look at the micro level of firm-stakeholder relations, effacing the wider political issues. However, this micro/macro distinction is one that many studies have not recognized, thus implying that whilst theoretical reference points may often emerge or be imposed, *how* those reference points shape the construction of knowledge in an intellectual field can follow its own laws of development. It is inevitable that different meanings will be read into different signs but those processes of theoretical development will benefit the SER field if they have an internal consistency and thoroughness that, in the case of Marxist Political Economy, is currently lacking due to the confusion over what it actually is (Adams et al., 1995; Buhr, 1998; Kuasirkun and Sherer, 2004; Guthrie and Parker, 1989, 1990; Maltby, 2004; Woodward et al., 2001).

## 6. Cargo cult science and attempts to move beyond it

There is a striking parallel between the cargo cult phenomenon and the SER islanders' worship of the various forms of political economy theory. For instance, Legitimacy Theory is flocked to in droves yet how it was manufactured and whether or not it was from the same production line as institutional theory is not knowledge that those in the archipelago have access to. Nor indeed is it a question that would even dawn upon them, theory never having really been part of their culture. Similarly, the use of (seemingly) Marxist political economy theory is reminiscent of the way in which some Melanesians converted to Christianity after the Second World War in the belief that learning the ways of the white man they could uncover the secrets of how to get more cargo. This led to an interesting confusion of the Christian message, with Adam and Eve as creations of the god Anus who blessed them with cargo of tinned meat, boil-in-the-bag rice, steel tools and matches. The distortion of the Marxist message by SER researchers described above, with all of its proactive and reactive contortions, might well be explained as an attempt to obtain cargo of a more symbolic type: namely, the impression that politics is part of the south CSEAR islands culture. However, by worshipping a set of nodal points that are quite distorted from how they are applied in other research fields, SER researchers have successfully produced a parlour game that is hermetically sealed from, not just other research fields, but from the world of political demands generally.

Although treated as distinct, Stakeholder, Legitimacy and Political Economy theories appear to be manifestations of the same micro perspective. Whilst pointing out that SER does not successfully discharge accountability, the *de facto* micro perspective adopted offers no real discussion as to how accountability could then be satisfied or indeed whether or not it remains a realistic political demand. As such, not only is SER politically weak. Too often it is politically neutral by virtue of the absence of any discussion of political demands. The major difference between the cargo cult phenomenon and SER is that whilst the former might be considered an interesting footnote in world history the latter might be less innocuous. It claims emancipatory potential in addressing the consequences of globalised capitalism whilst refusing to give us the analytical

and reflective tools for doing so. Whilst professing ideological openness and plurality and evincing this commitment by putatively drawing on radical theories (i.e. Marxist Political Economy—whatever that is!) SER nevertheless offers only the most domesticated and confused of interpretations—something that works implicitly to paint SER itself in a better light.<sup>7</sup>

Some of the limitations of the dominant theories have been recognized by researchers who have, as a consequence, argued that there is a need for more fieldwork in order to develop a richer understanding of the SER phenomenon (see, for example, Adams, 2002; Adams and Larrinaga, 2007; Larrinaga and Bebbington, 2001). However, the field work theorizations undertaken by social accountants, whilst edging beyond Stakeholder, Legitimacy or Marxist Political Economy frames in some way, still tend to reproduce a world without politics.

A number of studies have shown SER motivations to be complex and multifarious. Rather than being driven purely by legitimacy or stakeholder management concerns (at whichever level of analysis), firms appear to be reporting on socio-environmental issues for a variety of reasons and in ways that are not necessarily consistent across firms. For example, factors which have been shown to influence the SER process include: the departments involved and the timing of the process (Adams, 2002); the role of institutional investors (Buhr, 2002); and the role of individual champions (Gray et al., 1995b). Essentially, motivations to report, and the factors that influence the form that the report takes, are understood as being complex and variegated (see also Miles et al., 2002). There have also been a number of studies that point towards the existence of some sort of struggle for meaning over sustainability, CSR and SER. For example, Gray et al. (1995b) show that Environmental Reporting is employed largely as part of an attempt to change the environmental agenda in order to perpetuate the status quo. Similarly, Larrinaga and Bebbington (2001) show that even though the implementation of an environmental accounting system could improve firm environmental performance . . . *elements of appropriation are clearly evident, and indeed are the dominant motif to emerge from the case study*" (p. 284).

As far as SER is driven by the need to mediate conflicts with external groups, a number of qualitative explorations suggest that there is some sort of internal struggle prior to this. For example, O'Dwyer's (2005) case study elucidates how the numerous, conflicting motivations for SER in an Irish aid agency were eventually made to cohere in line with top management concerns. Bebbington and Thomson (1996) and Gray and Bebbington (2000) both found that business had yet to grapple with the more fundamental issues that Sustainable Development raises and that a 'business as usual' attitude persists. O'Dwyer (2003) found that there were conflicts between individual conceptions of managers vis-à-vis CSR and those demanded by the organisation. Resonant with Gray and Bebbington (2000), this is indicative of organisational members holding personal views that conflict with the 'corporate line'. In both cases the individuals felt powerless in doing anything but following that line. Norris and O'Dwyer (2004) go some way towards explaining how this alignment between personal and organisational values comes about within organisations, outlining the socialisation processes that overcome resistance to the corporate line.

There are thus many studies that have focused on the internal dynamics and generally try to conclude that SER is a complex phenomenon, worthy of in-depth analysis. Notwithstanding the merits of these studies, there is a danger here of losing the wood for the trees. Many questions are left unanswered, such as whether these internal dynamics can actually be harnessed in order to produce more emancipatory accounting. This question has been explored by Spence and Gray (2007) who report that, although organisations will initiate CSR activities and reporting for a number of reasons and that these reasons often do differ across firms, the particular configuration of motivations are all conducive to the construction of a "business case". Thus, there is an overall homogeneity to what drives SER and CSR in firms and it is all to do with corporate self-interest. So whilst there is complexity in the internal dynamics that bring about reporting, in the main SER serves few objectives beyond bolstering the corporation. Given these business case imperatives, Spence and Gray (2007) argue that organisations are actually incapable of even contemplating sustainability, never mind accounting for it.

Thus, although these fieldwork studies offer us useful stories of managerial capture, this is, by now, hardly surprising. Indeed, whether SER should really be viewed as any different from other forms of communication by companies or other ways of ideological control in society is a moot point. There is nothing in the SER literature that would surprise Herman and Chomsky or cause them to revise their propaganda model (1988). We are guilty of this as well, of further embedding what we talk into reality as an intellectual field. Even through critique of something we contribute to its reification. SER has carved out a space within the accounting community within which to discuss these issues, but it largely ignores, and is ignored by, other organisational literatures and the social sciences generally. Can we even call SER an intellectual discipline? If Management's pretensions to intellectual status are under question by virtue of a lack of clarity (Hoskin, 2007; Carter et al., 2008) then, on the evidence presented here regarding the fuzziness of its nodal points, surely so must be the much smaller and less theoretically equipped universe of SER. The question that we are trying to grapple with is what SER is trying to do and why? In other words, what are its politics? It seems to us, on the basis of the line of reasoning presented here, that SER has no politics as such.

## 7. 'What is to be done'?

In characterising the SER literature as a discursive field we have drawn attention to the key points of reference that have become relatively fixed and which, in turn, act as parameters for the field of discourse. In analysing how these points

<sup>7</sup> Thanks to Pala Molisa for clarification on these theoretical points as well as invaluable guidance on the Cargo Cult phenomenon.

of reference come to be fixed and, separately, how those points of reference are somewhat independently infused with meaning and used to shape empirical work, we have attempted to highlight the problematic nature of the dominant SER discourse. In particular, the explanations for SER when it is not accountability have proceeded from a relatively mild position of antagonism. Here a focus on language might illuminate the largely harmonious theorisations of the SER project. The adoption of the term 'social' itself is indicative of a retreat from anything overtly antagonistic. Although claiming the open status of an empty signifier (Gray et al., 2009) that prides itself on being the locus of academic community, 'social' accounting cannot claim to designate the universe of all possible accountings because it excludes the 'critical'. In a manner similar to how businessmen denigrate political activists or confrontational NGOs, 'critical' accounting is usually used as a label to denigrate the *others*, *them* over there, that hive of unrealistic radicals who are not living in the real world (see also Everett, 2007).

Terms such as legitimisation and stakeholder management understate the extent to which SER is caught up in a wider process of ideologising and consent construction, perhaps even casting business in the misleading role of supplicant (Collison, 2003). What may be of more interest is in exploring the institutional arrangements and structural factors that give rise to stakeholder management and legitimacy pressures. Gray (2002) calls for more meta-theorisation of accounting to allow for more sophisticated conversations within the SER community and to counter the implicit tendency towards managerialism that is inherent in un-theorised accounting. We suggest that partially and incoherently theorised accounting can lead to similar calumnies. As such, we see the dominance of the micro perspective in SER as problematic. For theories that purport to incorporate political dimensions – Stakeholder Theory and Legitimacy Theory – fall silent on the role of the state and the structural influence of large corporations. Any subsequent theorization is as impoverished as it is unconvincing. Curiously, Political Economy Theory as served up by SER researchers also fails to engage with macro issues of power.

This is not to suggest that SER need merely adopt a macro Political Economy position that dismisses all actions undertaken by corporations as strengthening capital's base. It is, of course, possible to look at the micro and macro levels simultaneously. One can also critique capitalist hegemony and recognise that there are windows of opportunity for subaltern groups. Managerialism and governance more broadly have each been described as chronically failing projects (see, Harney, 2005; Neu and Graham, 2006). As Laclau (2005) notes, no discourse can fully totalise the discursive space; moreover its existence is always dependent upon that which it seeks to eradicate. What needs to be explored are the ways in which attempts at ideological production are resisted and disrupted by NGOs, local communities, indigenous populations, and the workforce etc. The interests and actions of these groups have been largely ignored by the SER literature which has shown a preoccupation for looking at corporate *reporting* in isolation from corporate *practice*. Empirical (and largely quantitative) analyses of corporate reports has demonstrably permitted the rapid production of research but a focus on *reporting* alone effectively precludes a characterisation of SER as anything other than ideological production. Following Laclau (2005), we need to consider the material consequences of ideology and look at how SER is engaged with or not by subaltern groups in order to make changes to actual corporate social and environmental *practice*. Doing so would identify scope for agency in improving the lot of those affected by corporate activity.

This is not to suggest that SER limit itself to some strategy of reformism. Rather, it is important to recognise that influencing CSR strategies may be for many groups the only hope of improving their lives in the short term. Exploring the extent to which this is the case might offer a more pragmatic approach to understanding the role of accounting in bringing about social change than the self-referential – and perhaps self-serving – pragmatism characteristic of extant SER research. Working with those groups and identifying their material demands (e.g. more social housing; environmental clean-ups; no new motorway in our neighbourhood) is more important than presuming that those demands can be met through some sacrosanct (and seemingly implausible) exhortation for corporate accountability. If the former can be achieved through the latter, then fine, but if not then SER researchers will have to think about how the *democratic* demands that they identify can be linked up with other *democratic* demands that will produce a *popular* demand much more challenging than anything that can be delivered by CSR. Thus, by engaging at the level of the political demand the focus changes from what crumbs corporations throw from the table to what can be achieved by social struggle from below. That social struggle might at times ask for crumbs from the table, but it might also decide that it wants a new table. As it stands, there are precious few studies that have sought to ground accounting work within actual social struggles (although see Cooper, 2002; Cooper et al., 2005; Everett, 2004; Shenkin and Coulson, 2007). There should still be a role for showing the specifics of accountability failures but we would suggest that it is more important is to engage with the construction of the 'people' and challenge the logic of the system *per se*. Who we are 'against' exactly and what we are 'for' is something that gets articulated as the 'people' begins to emerge and does not remain stable. The *popular* demand might be directed against capital itself, it might be directed against its neoliberal variant as in Bolivia (Spence and Shenkin, 2008). What is needed is to show the political imagination to engage with actors other than simply other members of the SER cargo cult: the collective display of angst, defensiveness and self-congratulation that is the annual CSEAR congress will simply not do. Moreover, any attempts at engagement must go further than simply organisational management and connect with activists, social movements and other grass roots actors in their own realm. Then we might just be able to witness the death of the 'death of politics' and contribute in some small part to the birth of an age where everything becomes political.

For this, SER needs some new cargo. We have used the work of Laclau here in order to identify some practical and theoretical alternatives for the SER project. However, we are not suggesting that this is the only way forward. Indeed, there have been many criticisms of Laclau that need to be taken seriously. For example, his work has been accused of painting an overly simplistic, caricature of Marxism that serves conveniently to elevate the importance of his own arguments (see,

for example, Geras, 1987, 1988). Others criticise Laclau for his retreat from class and suggest that ultimately he advocates the abandonment of a global social transformation in favour of some politically vapid and theoretically dubious pluralism (Zizek, 2000). These criticisms concern Laclau's departure on a long theoretical journey has taken him far from the Marxist home he claims to represent. Laclau's self-avowed project is to pushing Marx in a new and fruitful direction. Conversely, Laclau has, however, been criticised for not putting enough distance between himself and that tradition. For example, Day (2004) argues that modern social movements refuse to be tied into the logic of equivalence that Laclau advocates and that, ultimately, the construction of a 'radical democracy' will only create new forms of oppression. These criticisms raise serious issues which our outside of the scope of this paper save to say that there is validity in each of them. This, of course, does not discount entirely the value of Laclau's ideas to understanding the role of accounting discourse within social change processes. It does, however, demand that his *oeuvre* is translated into accounting reflectively and critically, as should the insights of any other social theorist. Indeed, we would caution strongly against the one-eyed import of social theory that has bedevilled much of accounting and management studies. Social theory is not an off-the-shelf package that comes with cartoon assembly instructions. Sometimes it is not appropriate to include every piece in the assembly. Simultaneously it may be advisable to introduce some other pieces from elsewhere. These are decisions that have to be made in a reflexive fashion.

Thus, it is not only new cargo that is needed within SER but greater consideration of where that cargo comes from and to what uses it might be put. As it stands manufactured theories appear to have been washed up on the shores of the SER islands, treated as though they were divine spirits intended for the locals and subsequently worshipped as gods. The fact that these theories are treated radically differently outside of the SER archipelago is something that has never dawned on the inhabitants who continue to make mock airstrips and produce radios out of coconuts and straws. Cargo cult science (Feynman, 1997) might follow all the basic precepts of scientific study, but still there is something fundamental missing because the planes do not land and the coconuts do not play any songs.

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