Control, Organization, and Accounting: A Genealogy of Modern Knowledge-Power

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Much social scientizing tends to be ahistorical, particularly with regard to its fundamental terms and constructs, which are implicitly defined atemporally as simply "being there," the givens of discourse. The history of two such terms, "control" and "organization," is investigated here. In an elaboration of Foucault's idea of power-knowledge relations, a two-stage history of the terms is set out linked to the historical emergence of accounting. In the first stage, the initial invention of the terms in the thirteenth century is aligned with the contemporaneous invention of the double-entry system, with all these innovations embodying a new power of writing. However the constructs only develop their modern significance as forms of knowledge-power at a much later stage, following the establishment of a "disciplinary" power-knowledge nexus post-1800. Under this interpretation, accounting, control, and organization, far from being ahistorical givens of discourse, are constructs which help establish the modern world of "disciplinary," that site where the power of expert knowledge must operate.

KEY WORDS: accounting; control; history; organization; power-knowledge.

1. INTRODUCTION

"Control" and "organization" are terms indispensable in the framing of any understanding of modern business: as such they are terms which almost go before comprehension, as the givens of discourse. At the same time, they represent critical forms of modern knowledge-power. First, they are central to the structuring and running of the modern world in general (and not just the economic world): but also, as is increasingly recognized, they are vehicles that predispose us to see the world as a site where the power of expert knowledge must operate, even as they remake the world into such a site.

Recently, these forms of knowledge-power have become increasingly open to question; yet even so, such questioning often leaves them historically—and therefore semantically—opaque. For under conventional approaches to their def-
inition, whether dictionary-inspired or operational, there is virtually no space for history to penetrate. Thus, "control" in the dictionaries is rendered as "the power to give orders or restrain something" (Oxford) or "authority to direct or regulate" (Websters); while in the same two sources, "to organize" is to "arrange systematically" or "provide with an organic structure, systematize." And in operational definitions, the terms tend to become a semantic mutual support society; so, for instance, control is defined as "the final stage of the management process . . . ensuring that appropriate actions are taken to implement overall organizational plans" (Emmanuel, Otley, and Merchant, 1990, pp. 109–110).

Such definitions, though they have a clear technical and operational usefulness, are implicitly atemporal: in them, the constructs of control and organization apparently have risen without trace. So even if today they are operationally connected, that in no sense implies that they might also be historically connected—or that this might be significant for understanding their current status or possible future development as forms of knowledge-power.

In what follows, this is precisely what I wish to suggest. In so doing, I shall be investigating these terms as a nexus of visible technologies (technologies of writing such as rules, reports, organization charts, evaluations, and plans) and the invisible (internalized norms, processes of learning, ways of reading the world and the self). At the same time, in looking historically, I shall argue that there are two key historical moments that should especially engage our attention: (1) the initial historical invention of the terms, datable to the early 13th century, and (2) the subsequent emergence in the early nineteenth century of recognizably modern forms of control and organization. I shall therefore propose that there are two differentiable stages in this history, each with its specific limitations traceable to the kind of visible and invisible technologies brought into play to constitute control and organization. Finally, I shall conclude by suggesting that a continued focus on the visible/invisible distinction traced may provide a useful perspective on the future trajectory of the control/organization nexus.

2. TOWARD A HISTORY OF KNOWLEDGE-POWER: THE GENESIS OF THE POWER OF ACCOUNTING

My approach here extends one I have been developing in joint work over recent years (e.g., Hoskin and Macve, 1986, 1988), most particularly in the attempt to understand the modern emergence of accounting. For here is a field which 150 years ago amounted to little more than menial bookkeeping: its highest form was double-entry accounts, undertaken mainly in private companies for purposes of stewardship, in particular to promote honesty, and profit-distribution; the use of accounting for cost control was both rare and undeveloped; and accountancy was certainly not a profession (bookkeepers and accounts clerks