Of oracles and beliefs: accounting as a mythological construction of and for social order. An ethnography of a New South Wales primary school

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Of Oracles and Beliefs: Accounting as a Mythological Construction of and for Social Order.
An Ethnography of a New South Wales Primary School.

A Thesis submitted in fulfilment of the requirements for the award of the degree

DOCTOR OF PHILOSOPHY

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For Terry
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Abstract

As beings of a sophisticated age residing in complex commercial and public sector environments, we may be too "civilized" to admit a belief in, and reliance upon myth; but mythical notions and concepts do make sense of our daily lives and can be shown to control our behaviour. A mythical view of life has been necessary for all beings in history, and we are no different. The young especially see little need to distinguish between myth and reality. In this thesis attributes of ideological myth theory are used to cogitate the mythological constructions of and by accounting.

This thesis is a reflexive ethnography, in which the accounting practices and funding issues of a New South Wales public primary school were observed over a four-year period. Data was gathered using primary sources of observation, interviews, correspondence, financial records, meetings' minutes and photography. Secondary sources were also used to derive an historical understanding of the research site. Ideological myth theory was then applied to these fruitful observations, yielding insights into social and behavioural attributes of accounting in action in an organisation.

Accounting is observed as a myth making construction, whereby it is empowered by the conviction and utter belief given to it. The traditional view of accounting is that rather than an embellishment of society, accounting is believed to capture and impart real commercial knowledge. However, contrary to this popular belief, this thesis proposes accounting to be a cultural embellishment, socially constructed and socially constructing, and constituted of multiple narratives in a given context. Accounting is shown to be more than a neutral technology. It is revealed as sustaining pluralistic
partialities, simultaneous subjectivities and as being meaning-bound and meaning giving. Accounting is demonstrated to depend upon a tolerance for multiple and ambiguous knowledges. Accounting in practice, like all myths, is never set in the present tense. It records what went before to justify the past, and guides future decision-making. The symbols and tenets of accounting are observed not to be concrete and holding subliminally commercial truth, but to be protean and pluralistic.

This thesis contributes to an understanding of accounting practice by showing through ethnographic methodology how the accounting profession has inculcated mythical stories and beliefs to wider society, and that these mythical stories and beliefs are used by individuals innately to construe their world picture. The conclusion of this thesis is that accounting exudes a moral imperative that uniquely fabricates the culture in which it is practiced.
Acknowledgements

I acknowledge with immense gratitude my supervisor, Professor Michael Gaffikin. This research was only possible because of his encouragement, patience and academic support.

I wish to thank Terry for enduring with untiring tolerance and support my efforts in completing this thesis. I would also like to thank Hayley, Stephanie and Dominic who inspire and challenge me to think of the world in a different way.

I also wish to thank two people who have given me unrelenting encouragement, Dr Robert Williams and Dr Mary Kaidonis. Their gift to me was their example and their belief that I could complete this project.

Gratitude and thanks is also extended to the community of the school in which the fieldwork for this study was done. They not only showed me the impact of my craft in a new light, but also allowed and welcomed me into their lives to undertake this research.
1.1 Introduction

As beings of a sophisticated age residing concurrently in complex commercial and public sector settings we may be too 'civilized' to admit a belief in, and reliance upon myth; but mythical notions and concepts do make sense of our daily lives and can be shown to control our behaviour. A mythical view of life has been necessary for all beings in history, and we are no different. The young especially see little need to distinguish between myth and reality. In this thesis attributes of ideological myth theory are used to cogitate the mythological constructions of and by accounting.

This thesis is written in frustration with a lived situation where the actual doing of accounting is remote from what is said and written about the doing of accounting. It attempts to explain the difference between the prescribed and the practical application of accounting. It explores the doing of accounting and the notions of accountability in the context of a New South Wales Primary School. The paper is concerned with asking the extent to which the practice of accounting modifies and is modified by organizational culture. It also examines whether there are underlying belief systems in operation in the practice of accounting in a cultural context. This thesis finds that such belief systems exist and further proposes that these belief systems have a micro level cultural specificity. It is demonstrated that accounting is not a neutral technology and can be used by the powerful to stifle local culture and silence the “other”. It is the hope of the
author that accounting can become sensitive to the textures of local cultures and clusters of the "other".

This thesis is a reflexive ethnography in which the accounting practices and funding issues of a New South Wales public primary school were observed over a four-year period.

1.1.1. Overview

This chapter gives an overview of the thesis. It discusses the relevance of this study to the discipline of accounting. It describes the background of the study including where it fits into the accounting literature and its motivations. Ethnography will be introduced as the methodology of the thesis, and its methods of investigation will be described. The scope, assumptions and limitations of the thesis will be given. Discerned contributions to the knowledge of the accounting discipline will be argued. The plan of the study, being the process undergone in the writing of the thesis, will be described. In addition, a plan of the thesis will be given, specifying the content of each chapter and materials covered in each appendix.

1.2. Relevance and Contribution of the Study to Accounting Knowledge

This thesis is relevant to the discipline of accounting because it uniquely demonstrates a new paradigm for understanding accounting. It demonstrates accounting to be a myth-like oracle to society. This is important because it further questions and obfuscates positive accounting discourses challenging their underlying economic rationalist assumptions and rhetoric that focus on technological and functional approaches to the
understanding of accounting. This thesis constructs a new representation of accounting. In doing this it gives emphasis to the socially constructing and socially constructed nature of accounting.

This study is also relevant to the accounting discipline because it is a contribution to organizational studies at the micro level. While the criticism may be raised that such a narrow focus has little to offer, this idea is rejected. Different forms of accountability are discerned with great visibility in this very specific and readily seen context. While specific details are unique to the situation of the study, it is believed that these details form narratives that have themes relevant beyond this context because meanings are derived in part from prevailing institutional structures and also from socially accepted meanings.

The study of this thesis is a unique contribution to Australian public sector accounting, because it is a micro level study in the public sector. It examines the implementation of changing government policy regarding accounting and accountability at the coalface of a section of the public sector. In this regard it is also a unique contribution to the education literature in Australia.

This study is not intended as a study conclusive in itself, but is valuable as contributing to the building of knowledge of accounting in its social and organizational context.
1.3 Background of the Study

Hopwood (1985, pp. 361-363) and Tinker et al. (1982, pp. 169-171) suggest that traditional forms of accounting reflect Western capitalism, and as such traditional accounting statements are representations of value judgments of western capitalism. Hopwood suggests that accounting in organizations, while masquerading as objective and neutral, is both a product of and party to the forces of the social and political. Hopwood argues that accounting, to meet the needs of those outside the western capitalistic framework (in this study of this thesis a not-for-profit organization being a school), needs to develop mechanisms other than those of traditional financial reporting which are underpinned by one dominant political and social bias, to highlight a broader understanding of accounting in its context. This thesis supports this view and is a contribution towards this end.

The research described in this paper is also in response to calls for action based and context situated research (Burchell et al. 1980, p. 5; Laughlin 1987, p. 479; 1995, p. 63; Hopwood 1985, p. 370, 1987, pp.106-107). This paper is a contribution to illustrating that accounting is constitutive to reality, and is not merely a description of it, following the example of Hines (1989).

The paper also responds to Oakes and Hammond’s (1995, p. 63) call for accounting researchers to pay attention to patriarchal structures which separate accounting researchers from responsibility of their work, and, secondly, to advance accounting research into an area that has traditionally been of interest only to women. Along this theme the paper also answers Hines’ (1992) urging of the use of alternative accounting
theories to give visibility to Yin in the form of the “other”, or “negative space” in accounting studies.

1.4 Methodology

The methodology of this thesis is a reflexive ethnography. It is a descriptive account of what is understood of an accounting and accountability culture in an organization. The methodology is qualitative, and seeks meaning, definition, analogy or metaphor to characterize the observations of the study. Data is context specific and as such cannot be replicated nor generalized. Reflexive ethnography as a methodology offers a means of exposing and investigating belief systems and social structures associated with accounting practice.

Data was gathered using primary sources of observation, interviews, correspondence, financial records, meetings’ minutes and photography. Secondary sources were also used to derive an historical understanding of the research site.

1.5 Scope and Limitations

This reflexive ethnography is a field research that is a cultural description that has emerged from a long and intimate relationship with the site. The research is informed by the secondary sources describing the historical development of educational funding in New South Wales. Access to the site was granted on 29 August 1995, and field research commenced in September 1995. However, the chronology of involvement in the research site spans a period from July 1995 until December 1999.
A key limitation of this research is to do with access to the research site. Specifically there were four specific restrictions attached to access to the site of this thesis study (appendix preface). First, the name of the school has to remain anonymous, secondly there is to be no reference to names of individuals. Thirdly, all approaches for analysis of documentation and interviews with personnel had to go through the principal. Finally, a copy of the research is to be made available to the school in due course.

Keeping the name of the school and the names of individuals anonymous, and the requirement to give the school a copy of the research was not especially constraining on the research process and outcomes. However, the third requirement of approval for use of documentation and interviews by the principal proved to be more problematic. Necessarily this was a form of censorship. While access to the site and level of cooperation with the research shown was excellent, there was some prioritizing and “guidance” in what source documents and access was made available. This in itself is informing of the research. Requests for interviews caused the greatest problem. While individuals were known well and were happy to speak of their experiences, access was not always granted to these individuals. In addition, approval was denied to tape the interviews, so transcripts are derived from copious note taking during the interview. In this way the research is limited by the number of interviews being approved, the access to those interviewed, and by the limitations of note taking in the process of the interview.
1.6 Contribution to Knowledge

This thesis contributes to an understanding of accounting practice by showing through ethnographic methodology how the accounting profession has inculcated mythical stories and beliefs to wider society, and how such mythical stories and beliefs are used by individuals innately to construe their world picture.

1.7 Plan of the Study

This thesis is an interpretive ethnography of a New South Wales Department of School Education primary school. The school has classes from kindergarten to year six, and was established in 1927. It is located near the central business district of a large city. During the period of the research the school had a population averaging two hundred students.

Approval was received granting access to the research site on 29 August 1995 from the principal on behalf of the New South Wales Department of School Education. The plan of the research was a longitudinal ethnographic study over the period September 1995 until December 1999.

1.8 Plan of the Thesis

1.8.1. Chapter One

Chapter one gives an overview of the thesis “Of Oracles and Beliefs: Accounting as a Mythological Construction of and for Social Order. An Ethnography of a New South Wales Primary School”. It describes the relevance and contribution of the study to accounting, and gives a background to provide a context for the study. The
methodology employed is described, as are the scope and limitations of the work of the thesis. The perceived contribution to knowledge is also introduced. The plan of the study and the plan of the thesis is also given.

1.8.2. Chapter Two

Chapter two is titled “Of Oracles and Beliefs and Knowledge: Theory of Myth and its Accounting Allegiances”. This chapter examines current theoretical frameworks explaining myth, and argues these are a meaningful new paradigm from which to view accounting. It is argued that myth theory is an especially valuable lens through which can be made an interpretation of findings of an ethnographical study in accounting.

In the introductory section of this chapter it is proposed that accounting-in-action as a social and cultural practice should be recognized as a complex form of myth-making, and that accounting is a necessary mythical device for society. This introduction gives an overview of the nature and the historical development of myth theory as well as discussing the relevance of this approach. Definitions of myth are considered, as are the distinctions between myth knowledge and scientific knowledge emerging out of the enlightenment. This is linked to how accounting is researched.

The second section of the chapter describes four classifications of myth types, namely archaic myth, intermediate myth, derivative myth and ideological myth. Each myth type represents a different stage of development, moving from the most primitive to the most complex.
Attributes of myth manifest themselves throughout these four myth types. In section three of chapter two, nine attributes are identified. These are the protean nature of myth; myth's ability to assign meaning, order and stability; the necessity that myth is widely believed with profound intensity; that myth scientifically cannot be proven; that myth is accorded sacred status; that myth's form is the narrative; that myth has its own treatment of chronology in which time and space are suspended; that myth is laden with symbolism, and that myth proffers valuable knowledge and guidance to those who participate in the myth.

The fourth section of chapter two discusses the purposes of myth in society, suggesting that accounting too has allegiances with these purposes identified. These include psychological, functional, sociological and structural functions of myth.

Section five of chapter two identifies common themes emerging from myths, namely etiological themes, soteriological themes, prophetic themes and eschatological themes. It is argued that shadows of these myth themes can be traced in the artifacts of accounting practice.

Section six examines the ontological, epistemological, and methodological assumptions of myth theory. How human nature engages with myth is examined, as well as how myth impacts upon the various forces in society.

Section seven is the last section of chapter two, and concludes the chapter by discussing the contribution that myth theory can make to the understanding of accounting in action.
1.8.3. Chapter Three

Chapter three is entitled “Exposing Accountabilities Using Ethnographic Methodology and Method in Accounting Research”. This chapter compares and contrasts different ways in which researchers discover, understand, interpret and communicate knowledge about accounting and its practice and processes. It proposes ethnographic methodology as compatible and supporting of investigating the presence and use of myths by accounting in an organization.

There are four sections in this chapter. Section 3.1 gives an introduction to the nature and use of ethnographic methodology. Section 3.2 critiques the assumptions and limitations of ethnographic methodology. Section 3.3 describes the strengths this form of research has to offer the study of accounting, as a relatively new research paradigm to the discipline. Section four describes the methods employed in ethnographic research.

Section 3.1 defines ethnography, and discusses its nature, identifying two schools of ethnographic methodology, the realist and the interpretive approaches. This thesis identifies itself with the interpretive approach to ethnography that has been little explored in accounting research to date, despite many calls for reflexive methodologies in accounting studies.

Four limitations of ethnographic methodology are identified and answers to these limitations offered in section two of chapter three. The first limitation discussed is that language behaves as a boundary in both the concepts embedded in any language, and in the rhetorical nature of language. The second limitation of ethnographic methodology identified is that as the study is necessarily temporal, the context in which any study
Chapter 1 Overview of the Thesis

takes place is constantly morphing. This makes any one moment or absolute representation impossible. The third limitation of ethnographic methodology identified is that the researcher is not superhuman, and the process of doing the research is a human task and has intrinsic to it human imperfections. The fourth limitation of ethnographic research identified is that notions of verification of data are problematic. This section also identifies ethical concerns with the collection of ethnographic data.

Section three of chapter three discusses the advantages of applying ethnographic methodology in investigations of the use of myth in accounting processes. Advantages explored are that the researcher is able to gain great specificity in data collection because they are situated in the context of the site, giving them a receptor for cultural aspects of the site. Secondly, the visibility given to issues of gender and marginalizing of groups by the use of this methodology is argued as an advantage. Thirdly, ethnographic methodology is proposed as allowing sensitivity to ideological structures and value systems.

Section four of chapter three examines ethnographic methods specifically. It is argued methods of data collection employed in the field should expose partial, pluralistic and context sensitive data. Two methods are identified as doing this, reflexivity and collections using competing codes and representations of source materials. Both of these methods are explored.

1.8.4. Chapter Four

Chapter four is titled “An Ethnography of a New South Wales Primary School: A Description of the Study of this Thesis and Ethnographic Methods Used”. This chapter
describes the selection of and involvement in the site. The first three sections give an overview of the research site. Section 4.1 introduces the field study, claiming it as a cultural description that has emerged from a long and intimate relationship. Section two of chapter four introduces the reflexive voice, and in so doing claims ownership of the site. Section three of chapter four describes fully the physical characteristics of the site, giving an overview of the history, topography and demography associated with the site of the study.

Section four describes site-specific documents accessed and the chronology of involvement at the research site. The discovery of the research site, and the task of gaining approval to research at the site are described. Specific details regarding involvement in the field over a period between September 1995 and December 1999 are given.

The fifth section of the chapter details methods of data collection used in the study. Methods of collecting data that are discussed in this section are personal notes and recordings, listening to field narratives including stories, music, formal texts, photographs, interviews, and paintings, as well as secondary sources. Written narratives and texts used in the research for this thesis take the form of including strategic planning documents, documentation on budget preparation and reporting, external reporting documents, documents internal to the organization, correspondence from third parties, as well as correspondence and financial records of related organizations and programs. The specific nature of these documents is listed in detail in tables at the end of this chapter. Selected documents themselves are provided in the second volume of appendicies accompanying this thesis.
Chapter 1 Overview of the Thesis

The problematic nature of the data collected is explored in section 4.7 of the chapter, reflecting upon the difficulties encountered in gathering the data used in this thesis. Specifically addressed is the censorship that comes with gaining approval for the research and strategies used to overcome this, a reflection on the purchase price of access in terms of reciprocation of accounting skills and advice, and the ethical nature of questions of ownership and use of the data collected.

1.8.5. Chapter Five

Chapter five is entitled “Historical Narratives of Governance and Funding in New South Wales Public Education”. This chapter takes the form of a meta-narrative and provides an overview of the historical, political and cultural contexts informing present day governance and funding of the state’s public education system.

Section one of chapter five examines the earliest developments and cultural foundations that inform the institutional structures in which the current system of public schooling operates. Specifically the history of church based schooling is compared and contrasted with that of public funded state based schooling. This is done from the time of first settlement in New South Wales of 1788 to the present day demonstrating that there are many echoes of the past in the current day institutional structures.

The second section of chapter five considers the role of the Commonwealth of Australia in the State Education system, given that the Australian constitution reserves education as a responsibility of the states. This section examines the political interference and
justifications for the mix of commonwealth and state funding endured by the public school system today.

Section three of chapter five informs the previous section by looking at current state directions in public school funding. From 1988 until the present new changes are setting in train significant challenges and changes to the funding of the public education system.

Section 5.4 focuses on the public sector reforms and ideology of managerialism that has been introduced into the New South Wales department of school education. Such reforms include the introduction of devolution of budgets into the school system, and the introduction of school councils, considering the impact of this on the social capital of the school environment.

Chapter five is a meta-narrative intended to inform the institutional context in which the micro-level narratives of chapter six are situated.

1.8.6. Chapter Six

Chapter six is a micro level description and analysis of accounting and accountability processes in various guises throughout the primary school, the site for this ethnography. The chapter is intended to be a description of "becoming realism" (Chia 1996, p46), giving priority to process, where reality is continually being re-understood and reinterpreted, elucidating the emergence and reproduction of aspects of culture over time as it pertains to accounting in the organization. The chapter is structured in a series of
vignettes that are narrations by different voices in the field, and their involvement with the accounting process.

Vignette 6.1 is titled "The Tale of Accounting in Action in the School Canteen". It briefly describes the story of the school canteen and its relevance to school funding and the school community. A reflexive narration of the individual experience of the author is given. From this text observations concerning accountability and the canteen community are drawn, identifying themes that the canteen fundraising is a form of cultural discrimination, and volunteerism within the canteen community is becoming increasingly anachronistic and is not visible in the application of accounting systems of the school. In the last section of vignette 6.1 an interpretation is provided using the application of myth theory that challenges the ideas that accounting is an objective and neutral practice, and that good accounting practice is synonymous with good accountability.

Vignette 6.2 is titled "Voices of the Past: Accounting for the School Pool and Intergenerational Accountability". This is a narrative about the school pool that gives a description of the pool, and a reflexive account with the researcher’s acquaintance with both the asset and the processes of accounting for it. From this reflexive text are discerned observations about, first, the relationship between funding and behaviour by participants in the site, and, secondly, at the micro level, the blurring of distinctions between public and private sector activities. The last section of vignette 6.2 examines mythical constructions of and for accounting with respect to the accounting processes of the school pool. Traces of soteriological myth are identified that invoke rituals and ceremonies invoking ancestors, and supporting a quest of derivative myth. Attributes of
myth identified are a lack of scientific verification, and the distortion of chronological time in accountability processes of the pool.

Vignette 6.3 is titled “Implementation of Schools Renewal at the Coal Face: Devolution or Revolution?” It describes the implementation of schools’ renewal policies in the ethnographic site. It does this by examining how the schools’ renewal policy affected the processes of the school council, the consequential budgeting requirements and processes of the school, strategic planning within the school using the example of the Korean Language Program, and through the instigation of corporate style annual reports of the school. These narratives are then overlaid with myth theory to identify allegiances between the two.

There is no attempt in this chapter to present different stories as a jigsaw that brings together one coherent and recognizable picture. Rather it is a description of voices, times, and reinventions of meanings. Any attempt at a monophonic conclusion would be contrary to the methodology espoused in this thesis.

1.8.7. Chapter Seven

Chapter seven is entitled “Mythological Themes of Accounting in a New South Wales Primary School” and links the attributes of myth theory to the vignettes described in chapter six. The chapter attempts to explore in more general terms common myth themes and attributes emerging from field narratives specific to this site. Section 7.1 gives an introduction, section 7.2 discusses the relevance of the approach, section 7.3 reviews myth theory, section 7.4 links this to the vignettes of Chapter 6, and section 7 gives a conclusion.
1.9 Appendicies

Volume two of this thesis contains appendicies of source documents to support and illustrate the research of this thesis. As much of this is confidential due to terms of access to the site, the volume has an embargo and is only available to the supervisor and examiners of this thesis. The appendicies are prefaced by the letter of approval for access to the site.

There are ten appendicies, being subject areas of strategic planning, budgeting, external reporting, internal reporting, the swimming pool, social capital, the canteen, the school council, and transcripts and records of interviews with participants at the site.

1.9.1. Appendix One

Appendix one is concerned with strategic planning. Documents from the site included are the Strategic Plan 1992 –1994 and 1995-1999 (appendicies 1.1 and 1.4), as well as the draft strategic plan for 1995-1999 (appendix 1.6), the Management Plan 1994 and 1995 (appendicies 1.2 and 1.3) and the Action Plan for 1994 (appendix 1.5).

1.9.2. Appendix Two

Appendix two presents source materials relating to budget construction and evaluation in the site. Documents that are included are a Schools Renewal Task Force Bulletin Number 5 (Appendix 2.1), the Anticipated Budget 1993 (appendix 2.2), the Stocktake Worksheet 27 October 1993 (appendix 2.3), the Enrolment and Entitlement Report 1 September 1993 (appendix 2.4), the Working Budget Papers 1994 (appendix 2.5), the Budget 1994 (appendix 2.6), the 1994 Monthly Income Performance Report (appendix
2.7), the 1994 Budget Monthly Income Performance Report Worksheet (appendix 2.8), the OASIS Budget Income Performance Report of 8 September 1995 (appendix 2.9), the Budget 1995 (appendix 2.10) and the OASIS Dissection Balance Report 1 December 1994-24 November 1995 (appendix 2.11).

1.9.3. Appendix Three

Appendix three contains source example documents relating to external financial reporting and external accountability reporting by the primary school. Sample annual reports are included in appendicies 3.1 to 3.3. The Quality Assurance Report is shown in appendix 3.4 and the school promotional pamphlet in appendix 3.5. Documents associated with accountability to parents in the school are included in appendicies 3.6 to 3.14. These are examples of letters and notices given to parents covering aspects of student performance, strikes, fundraising and school programs.

1.9.4. Appendix Four

Appendix four relates to source materials associated with aspects of internal financial reporting and accountability with the school. This includes documents from the New South Wales Department of School Education to the school about testing results and their associated funding, office management structure, and an annual entitlement report (appendicies 4.1 to 4.4). Appendicies 4.5 to 4.9 contain examples of prescribed accounting formats for the school canteen including pro forma statements for Profit and Loss Accounts and Balance Sheets.
1.9.5. Appendix Five

Appendix five contains source documentation associated with the school pool. Appendix 5.1 is of the Swimming Pool Management Plan 1994, while correspondence about the pool to the school community is contained in appendix 5.5.

1.9.6. Appendix Six

Appendix six comprises source documents associated with social capital and related issues of accountability. Appendix 6.1 gives an example of the Safer Routes to School Program, appendix 6.2 gives financial details associated with the Iranian School, appendix 6.3 considers the joint venture with the local council children’s services, appendix 6.4 examines the school’s involvement in the local music festival, while appendix 6.5 gives details of the resource commitments under the satellite integration program of children with special needs.

1.9.7. Appendix Seven

The focus of appendix seven is the school canteen. Appendices 7.1 to 7.3 look at policy and staffing of the school canteen, while appendices 7.4 to 7.6 are concerned with the financial records of the school canteen including the cashbook, trading statement, and stock-take process markup procedures.

1.9.8. Appendix Eight

Appendix eight addresses social accountability and outcomes of the Korean language program at the school, containing examples of output associated with the program.
1.9.9. Appendix Nine

Appendix nine contains material associated with the schools renewal program and the establishment and operation of the school council. The School Council Seminar Summary 30 August 1994 is shown in appendix 9.1, while the results of the information survey are included in appendix 9.2. Appendix 9.3 includes copies of letters of invitation to join the school council. Appendicies 9.4 to 9.8 include documents of school council guidelines, and minutes of council meetings.

1.9.10. Appendix Ten

Appendix ten concerns itself with transcripts and recordings of interviews with participants in the site. Records of interview are given with the principal (appendix 10.1), the Korean Language Program Coordinator (appendix 10.2), the Parents and Citizens Association secretary (appendix 10.3), a senior teacher (appendix 10.4), and three groups of parents (appendicies 10.5 to 10.7).
“History is Myth: Venice Reconstituted” by Philip Rubin, used with permission.
Chapter 2

Of Oracles and Beliefs and Knowledge:
Theory of Myth and its Accounting Allegiances.

"Myths get thought in man unbeknownst to him"
Levi-Strauss (1978, p3)

Chapter Overview

Chapter two introduces myth as a theoretical framework to investigate accounting in action. It proposes myth is intrinsic to society and as such touches social and cultural practices, accounting included. It is proposed that accounting is a myth-like oracle used by society.

Section 2.1 gives an overview of the nature and historical development of myth theory. It examines the relevance of this approach and attributes of myth. Section 2.2 describes the different classifications of myth types. The nine attributes of myth are explained in section 2.3. Section 2.4 discusses the purposes of myth while section 2.5 examines the various common themes of myth present in societies. Section 2.6 seeks to give these observations meaning by examining the theoretical stances of myth, while the last section of the chapter comments on the contribution that myth theory can make to the understanding of accounting in action.
2.1 Introduction

It is proposed that accounting-in-action as a social and cultural practice should be recognized as a complex form of myth-making, and that accounting is a necessary mythical device for maintaining and developing many present day societies. Myth is demonstrated to be intrinsic to past and present cultures and societies. It is argued that accounting is more dynamic and complex than merely being a technology and a commercial device, and fulfils a myth role in today’s society. Many of the attributes of myth are shown to be present in the technology and in the practice of accounting.

The understanding of accounting as a social and cultural practice is not a new idea (Burchell et al. 1980, Tinker et al. 1982, Chua 1986(a), Chua 1986(b), Laughlin 1987, Lehman et al. 1987, Gaffikin 1988, Hines 1988, Morgan 1998, Francis 1990, Dillard 1991, Arrington et al. 1993, Napier 1998). It is also realized that economic accounts are given in diverse cultural, social, political and economic settings (Arrington et al. 1993, p107). It is also curious that given the diverse use of economic accounts, that this accounting information is not widely used or understood in various organizations (Dew et. al. 1975, Berry et. al. 1985, Preston 1986, and Cooper et. al. 1987). Gambling (1985, p1) argues that accounting is begrudgingly tolerated, endured and perpetuated, even though sometimes this is to the detriment of those who have no interest or expertise in it. This perpetuating presence of accounting cannot be isolated from broader social practices, and is shaped by and helps sustain wider social, economic, and political developments (Lovell 1995, p60).

Accepting that accounting-in-action is ideologically laden and representational of power relationships and interests, and is practised though not always understood or universally
beneficial, the question emerges what social mechanism legitimates and explains this partial and socially defining application of accounting? Why does accounting emerge and why, in its imperfect state, is it accepted and encouraged across many diverse societies? This thesis seeks an explanation of the mechanism by which accounting is tolerated as a cultural, social and political practice. It identifies myth theory as a possible explanation of the mechanism by which accounting is allowed to fulfil its social, cultural and political roles.

It is the intention of this chapter to show allegiances between the application of theoretical attributes and assumptions of myth, and accounting practice. This will demonstrate how theories of myth can be used to gain a deeper and more pluralistic and culturally sensitive cognisance of accounting-in-action. Such an approach is offered in response to calls for alternative accounting research (Hopwood 1978, Burchell et al. 1980, Tinker et al. 1982, Cooper and Hopper 1987). The allegiances demonstrated are not intended as a complete nor comprehensive list, but rather are used as accounting examples of accounting’s mythical attributes and their theoretical assumptions.

2.1.1 Relevance of Approach Taken

It is not the object of this thesis to record a history of myth. Nor is it the intention to critique various theories of myth, though they are reviewed. Rather, it is the intention to identify and explore key attributes and philosophical assumptions of myth, and identify parallels of these myth-like qualities in the practice of accounting in order to offer a new paradigm for understanding accounting. It is proposed that accounting offers a myth-like oracle to present society. This is important because it further challenges and obfuscates current uni-dimensional scientific, technological and functional approaches
embedded in positive accounting discourses based on economic and behavioural science
theory (Watts 1995, pp297-298). It offers a richer, more context bound and textural
approach to understanding accounting in action.

An approach that uses mythical constructs to expose accounting allegiances has the
strength of exploring accounting as an artefact of societies, cultures and histories, from
multiple perspectives of identifying group affiliations (Agger 1991, pp112-116). The
application of theoretical understandings of myth allow understandings of accounting to
go beyond “grand narratives” as explanations for the social, cultural and historical
understandings of accounting, rejecting a positivist “grand narrative” in favour of the
privileging of small and heterogeneous narratives of individuals and groups in specific
social contexts, as proposed by Lyotard (1984). This escapes applying a theory derived
from the tradition of the global perspective view of the Enlightenment, a period where
myth knowledge dramatically departed from scientific positivistic knowledge. Agger
(1991, p121) states "Postmodernism makes it possible to read universal reason as secret
partisanship just as it suggests ways of detotalizing the voices of science more
accurately to reflect the variety of so-called subject positions from which ordinary
people can speak knowledgeably about the world". Specifically, relationships are
drawn between the functions and purposes of myth in society, and the functions and
purposes of accounting in society.

2.1.2. What is myth?

There is no direct and unanimous definition of myth. The following descriptions
illustrate this point. A layperson’s understanding of myth is that it is something untrue.
A myth represents a lie, an exaggeration, or a fiction (Dowden 1992, p3). The Australian Oxford Dictionary (1989) defines myth as "an idea that forms part of the beliefs of a group or class but is not founded on fact". Frye states "There are and remain two aspects of myth: one is its story-structure, which attaches it to literature, the other is its social function as concerned knowledge, what it is important for a society to know" (1982, p47). Barthes (1957) takes a more linguistic approach and regards myth as a type of speech with historical origins.

Rather than attempting to define myth, other approaches to understanding myth have been documented. Kolakowski writes:

I attempt to employ the generalized concept of myth as a net to catch a permanently constitutive element of culture, and thus to create a somewhat different principle of classifying phenomena than is most often accepted in the philosophy of culture. I am convinced that the crucial boundary between the mythological layer of culture and its technological and scientific layer runs differently from what might be judged on the basis of most generally known functional interpretations of man’s mythological creativity...I am, therefore, attempting to trace the presence of myth in non-mythical areas of experience and thought.

(Kolakowski 1972, ppx-xi)

This approach is also adopted by Doninger who writes:

It is customary in scholarly approaches to myth to begin with a definition. I have always resisted this, for I am less interested in dictating what myth is (more precisely, what it is not, for definitions are usually exclusivist) than in exploring what myth does (and in trying to demonstrate as inclusive a range of functions as possible).

(Doniger 1988, p1)

As a contribution to this literature, such an approach is taken in this thesis. The presence of myth will be traced in a traditionally non-mythical area of experience and thought –
accounting. This thesis will examine a link between myth and accounting in three ways. First in this chapter the development of myth is considered. From myth development attributes of myth are discerned, and their ontological, epistemological and methodological (in chapter three) assumptions are explored. Parallels of these myth attributes are then identified in accounting practice, considering theorized purposes of myth and their relationship to purposes of accounting.

In later chapters a reflexive ethnographic study will then further be used to explore specific contextual links between myth and accounting at the micro level. The ethnographic study explores the nature, function, and practice of accounting in a specific organization – a small primary school, to identify its mythical qualities and demonstrate accounting’s role as a myth-making device for an entity.

2.1.3. Historical Overview of the Divergence Between Myth Knowledge and Scientific Knowledge

Myth comes from the Greek word _mythos_, and it’s meaning has changed through time. Myth did not always have its current meaning. _Mythos_ in its early form was expressed in verse, exemplified in Homer’s _Iliad_, and representative of an oral culture. In these ancient times the Homeric hero was associated with two attributes regarding war and society, “to kill efficiently and to persuade through impressive _mythoi_” (Dowden 1992, p4). Dowden suggests that in the time of early Greek literature such as Homer (c. 725BC) _mythos_ was not necessarily false.

However, the meaning of _mythos_ changed with the advent of recorded history. This is evident in the time of Thucydides (C460-400BC), where the idea of _logos_ developed
which embraced prose as a form. Historians such as Thucydides in his *History of the Peloponnesion War*, and Herodotos in his *The History of Herodotus* were logographoi, who strived to write what they regarded as rational accounts and discourses, though taking different approaches.

Herodotus was ridiculed by Thucydides for being a liar, because he narrated in his histories stories from remote times and places, such as stories from the bazaars of the Arabian Nights, and stories of the Pharaohs and of gold-getting at the end of the earth by Arimiaspians. This was done without offering any evidence of the stories’ authenticity or truth. However, we now appreciate knowledge of these historic stories as cultural heritage, and their value is not diminished by them not being thought of as an absolute truth (Burn 1970, p29).

In contrast however, Thucydides took pains to only tell what he regarded as the absolute truth. Thucydides was one of the first to explain myth as something uniquely different to history. This is evident in the following extract from Thucydides who keenly distinguished his work as an historian from the story-tellers of the time.

However, I do not think that one will be far wrong in accepting the conclusions I have reached from the evidence which I have put forward. It is better evidence than that of the poets, who exaggerate the importance of their themes, or of the prose chroniclers, who are less interested in telling the truth than in catching the attention of their public, whose authorities cannot be checked, and whose subject-matter, owing to the passage of time, is mostly lost in the unreliable streams of mythology......Not that even so the truth was easy to discover: different eye-witnesses give different accounts of the same events, speaking out of partiality for one side or the other or else
from imperfect memories. And it may well be that my history will seem less easy to read because of the absence in it of a romantic element.

(Thucydides 1976, pp47-48).

Such a development changed the subtle meaning of *mythos*. Dowden (1992, p5) suggests that *mythos* had now become a story or tale or narrative with its appeal in its entertainment value, and not as a representation of truth. This is opposed to Thucydides' idea of history, which tells what is true, one truth. The implication of this is that myth must not be entirely true, or in some way false, or else it would be history (Dowden 1992, p5). However, it is important to myth that it has an historical dimension, as myth relies upon history for terminology and tradition and context.

The void between mythic knowledge and historical knowledge became more entrenched as various labels and terminologies emerged through western development to encompass myth styles. Sagas are myths that have a basis in history, such as the story of the Trojan horse. Legends originally came from stories about saints (The Latin *legenda*), and are believed to have some truth to them. Folktales emerged in the nineteenth century, where traditional stories were used for moralising as well as entertainment, with recurring motifs. Dowden (1992, pp6-7) suggests they have their origins in the German *Marchen*. Fairy stories are a more derogatory form of folk tale because there is an underlying tone of disbelief.

Since the seventeenth century, which marked the advent of the scientific age, mythology in all its forms has been further discredited as superstitious and primitive (Levi-Strauss 1978, pV).

...the real separation between science and what we might as well call mythical thought... occurred in the
seventeenth and the eighteenth century. At that time, with Bacon, Descartes, Newton, and the others, it was necessary for science to build itself up against the old generations of mythical and mystical thought, as it was thought that science could only exist by turning its back upon the world of the senses, the world we see, smell, taste, and perceive; the sensory was a delusive world, whereas the real world was a world of mathematical properties which could only be grasped by the intellect and which was entirely at odds with the false testimony of the senses”

(Levi-Strauss 1978, p6)

The publication of Fra Luca Pacioli’s *Summa de Arithmetica, Geometria, Proportioni et Proportionalita* in 1494 hallmarked the development of present day double entry accounting, and was a technology associated with the emergence of the Enlightenment Period. Emerging from the Renaissance and the Reformation, was a basic tenet that society can only be improved through the gaining of knowledge from science and reason. Science and reason came to be regarded as a form of salvation, and traditional stories and knowledge that were not supported by science and reason were deemed superstitious and ignorant and harmful to society (Gaffikin 2000, p3). This concept of scientific reasoned knowledge flows through to the present day, with the importance of that knowledge being magnified by and privileged to emergent professions.

Most cultures articulate their world picture through mythology or religion, but since the seventeenth century the Western world picture has been articulated through science.....In traditional societies children learn their world picture as they grow up hearing mythological and religious stories that are part of the core knowledge of their people. Yet modern science has always been the domain of specialists and most of us receive little introduction to its ‘stories’ either as children or adults. While it is true that other cultures also have their specialists and elite spheres of knowledge, in the ‘age of science’ this trend has been elevated to unprecedented heights.

(Wertheim 1997, pxi)
Despite this discrediting of myth in the Enlightenment Period and the consequential historical rift between the credibility and explanations and descriptions of an historical and scientific nature, as opposed to a mythical nature, we still find myth existing simultaneously with rational and reasoned thought in present times and in diverse civilizations. Myth knowledge is melded as cultures collide, and survives as a sub-text in post-modern times, suggesting that it has an important role to play in functioning societies.

Numerous traces of myth in current societies can be offered. A flippant but well known example is evident in western cultures in the present day archetype character James Bond 007, who has survived, without aging, forty years of writing and on screen mythical escapades, transforming traits to accommodate different levels of technology and views of the status of women in western society. Santa Claus, Father Christmas and St. Nicholas are also dominant in many cultures as a mythical benevolent archetype. While these characters are not believed as real (except by the very young), they are believed as having some worth and representing wider societal values and ideals that are real. These may be considered colourful and commercially marketed examples, but other more complex and culturally significant myths are evident, such as the New Zealand rugby players who perform the Haka of Ka Mate, a dance of an historic Maori Chief Te Rauparaha whose dance represents his hiding from the enemies Hgati Tuwharetoa (Waite 2000). As ancient Oceania cultures collided with western ones, peoples of Oceania learned to transform their myths into a western written form to preserve their valuable knowledge. The aboriginal peoples of Australia tell of legendary characters that roamed creating animals and humans and landscape features and customs. The Polynesian peoples have a culture rich in cosmological myths, such as strangers who
come from the sea in conquest, alluding to their migratory invasions (Forty 1999, pp464-476). This thesis asks the question are such or similar myth-like elements present and necessary in the accounting realm, and do they permeate beyond the profession into wider society, given accounting is intrinsic to the culture and functioning of many societies?

2.1.4. Relevance of Myth Theory to Accounting

The development of the practice and profession of accounting as part of the scientific Enlightenment movement is well documented (Kedslie 1990, pp1-19; Mathews et al. 1996, pp8-77; Gaffikin 1988, pp24-32; Gaffikin 2000, p3). Consequently the accounting profession has emerged as a technology embracing a dominating positivistic approach. While texts of critical accounting challenge this positivistic understanding of accounting, (Tinker et. al 1982, Chua 1986(a), Chua 1986(b), Francis 1990, Dillard 1991), few have considered the mythical role that accounting may play in society (Pondy 1983, Gambling 1985). This thesis explores how the emergent accounting profession has also inculcated mythical stories and beliefs to the wider society, which individuals use innately to construe their world picture.

The following section will briefly describe various stages of development and characteristics of myth, extracting common attributes emergent from these stages of development. These are further explored by way of example, applying the attributes to present accounting practice. The ontological and epistemological assumptions underlying these myth attributes are then discussed. The extent to which accounting participates as a mythological construction of and for social order is examined. This is developed later in its application to a reflexive ethnographic study of a primary school,
as an illustrative example of how myth theory can be used to elucidate sub-texts in the practice of accounting, and inform a wider societal world-view.

### 2.1.5. Myth Theory Development and Attributes of Myth

Myths may dwell in cultures in varying degrees from very simple forms to very complex forms. Day (1984, p3) identifies four major stages of myth development that arise in a culture. They exist along a continuum, and elements of a more elementary stage may be present at any one time with elements of a more sophisticated stage. These stages of myth development are termed archaic myth, intermediate myth, derivative myth and ideological myth. Each of these stages of myth development will briefly be described, extracting generic attributes of myth. In later chapters of this thesis, a specific organisational context – a primary school, will be studied to examine the presence of myth attributes in the practice of accounting at the micro level.

### 2.2 Classification of Myth Types

There are four classifications of myth types, progressing from the most simplistic to the most complex. These are archaic myth, intermediate myth, derivative myth and ideological myth. Each of these myth types will now be discussed in turn.

#### 2.2.1. Archaic Myth

Archaic myth is the earliest form of myth type, and arises from a non-literate society. It is usually crude and naïve, and believed to be genuine truth. It is communicated in story form (Day 1984, pp3-4). Levi-Strauss has done much work in this area. Examples of archaic myth are the *Mahabharata* from India (attributed to Vyasa, is the largest known
epic consisting of about 100,000 verses. It originates from India and is one of the two historical accounts that describe events that took place during the Kurua and Paandu dynasties, circa 5000BC), and *The Epic of Gilgamesh* from Mesopotamia (this contains stories from Sumerian sources about a king in the city of Uruk, located on the Euphrates River). Day (1984, pp3-4) suggests that there are three strains of archic myth, the myth of the observant layperson, myth from the religious specialist, and “aition” or a lesson or message in story form.

2.2.2. Intermediate Myth

Archaic myth then evolves into what Day (1984, pp4-7) describes as Intermediate Myth. Intermediate myth belongs to a literate era, and commands a strong and sometimes sacred belief. It still is communicated in story form, but tries to be artistic and aesthetic in the telling of the story. Myth is considered to be a vehicle to convey profound abstractions, and in a sense is a form of propaganda to legitimate a powerful elite.

2.2.3. Derivative Myth

The next stage on the evolutionary path of myth is described by Day (1984, pp7-8) as Derivative Myth. Derivative myth differs from Intermediate Myth in that it looses its sacred aspect, and is very much secular and aesthetic and in no way religious. Derivative myth comes from the Renaissance, and retells myths outside the Judeo-Christian tradition (Day 1984, pp7-8). It can use narrative fiction in a contemporary or futuristic setting, but relies on patterns of myth or folklore such as superheroes and heroic quests.
2.2.4. Ideological Myth

The final stage of myth evolution as identified by Day (1984, pp9-16) is Ideological Myth. Ideological Myth can take many forms, Day describing it as "protean". The function of this level of myth is to give meaning, order, and stability to a society. It is effective in this way because it is widely believed to be valid. Although of a scientific era, scientifically it cannot be proven. Ideological myths are laden with symbolism, and have sacred qualities, though not religious. They have narrative forms, and their setting is frequently timeless. They invoke highly respected supernatural powers as participants, and are believed to hold valuable knowledge and guidance. Also, they are believed with profound intensity. It is with this last and most complex stage of ideological myth that accounting has its allegiance.

2.3 Attributes of Myth

It is not the intention of this thesis to parallel the development of myth with the historical development of accounting, although this is identified as an area for future research. Rather, attributes present in the final stage of myth evolution, the ideological myth stage, are explored. Day (1984) identifies nine attributes of ideological myth: myth is protean; myth gives meaning, order and stability; myth is widely believed with profound intensity; scientifically myth cannot be proven; myth is held to be sacred but not necessarily religious; myth takes a narrative form; myth settings are outside chronological time; myth contains symbolism; and myth is held to provide valuable knowledge and guidance. Each of these key attributes identified will now be further discussed. Following each discussion, these attributes will then linked by example to key accounting concepts and practices.
2.3.1. Attribute One: Myth is Protean

Levi-Strauss (1978, p19) notes that cultures have not systematically or methodically differentiated themselves from each other. One way in which cultures are differentiated is in the form of their myths. While myths are evident in many cultures, the myths themselves are capable of taking many forms. Even in any one culture, Rester argues that myth can simultaneously contain multiple layers of meaning. “The ability of a myth to remain relevant within the culture that claims it lies in the narrative’s ability to operate on multiple levels, in order that it may be adapted to a rapidly changing social and historical context. This ability results not from some inherent quality of the myth itself, but from the imaginations of those who seek to employ the narrative for different ends” (Rester 1999, pp3-4). A myth is not a static thing, but changes with the life of a culture, is pluralistic within that culture, and lives through a culture’s participants. As myth lives in the participants of a culture, myth exists in the realm of the values of those participants, and the two cannot be individually visible (Kolakowski 1972, p19). Rester also suggests that myths are plastic, in that their narratives have the ability to be reshaped according to the conscious and unconscious motives and desires of the teller and the audience.

The protean nature of myth is that it remains relevant to cultures that claim it, though it adapts to changing social and historical contexts. It is not the myths themselves that do this, but those who use the myths for their ends. In this way myths are not static, but living in a culture (Rester 1999, pp3-4). Such characteristics can be demonstrated to be present in the practice of accounting through time.
Accounting, like myth, appears in many diverse societies across time. The technology of accounting has been used and adapted by key actors to suit and serve their ends. Gambling (1985) argues that the physical attributes of business are not static and develop and change over time. Indeed, even in any one society the application of accounting is pluralistic and manifests itself in many forms, from small businesses to large firms, and across many activities from service to manufacturing to e-commerce. Accounting can be shown to display protean attributes with respect to its adaptations to changing social and historical contexts, its ability to embrace the values of those who practice accounting, and its ability to take many forms and multiple layers of meaning. This can be demonstrated through an historical perspective.

The historical development of accounting is testimony to its protean nature. Rather than a static technological tool, we understand the practice of accounting today as a social construction emerging from the historical needs of society. Accounting is more than measuring and recording. It supports, in an integral way, the development of society. For example, Mesopotamian civilization 4500-500BC focused largely on property, and used a record keeping system to account for property ownership and transactions on clay tablets using cuneiform script (Schmandt-Besserat 1981, pp321-340). This can be contrasted with another focus in the use of accounting demonstrated in the Zenon Papyri, that describe a meticulous system to assist detecting fraud, and the Athenian Empire used this as an extensive system of estate record keeping for city-states. This is recognised as one of the earliest forms of stewardship. To support the Roman Empire’s thirst for records and need for sound administration, the adversaria or memorandum book or journal was developed along with the codex tabulae, a form of general ledger. Again the focus was on asset protection. An alternative focus of similar accounting
technology is found in the example of China. In response to the extensive government structures of the Chou dynasty 1122-1256BC, the accounting system to emerge at this time was one that supported a feudalist and expansionist government. It had to cope with large physical distances and a hierarchy of officials and had a focus on the collection of taxes to support such a government system, and facilitate the redistribution or surpluses to the government. Hence emphasis was placed upon audit functions (Matthews and Perera 1996, p9).

The popular view is that double entry accounting emerged in the Italian City States. The oldest extant written description of it is accredited to Pacioli in Venice. Littleton (1966, pp13-21) argues that double entry accounting emerged because of the convergence in time and location of private property, capital, commerce, credit, writing, money and arithmetic knowledge. At the start of the Industrial Revolution in 1750 there were changes to simple charge and discharge systems, and the establishment of equity measurement to cope with large capital investments by multiple contributors. Similarly theories of depreciation were devised to cope with technological change (Matthews and Perera 1996, pp11-12).

If we leap to present day Australia, rich examples are evident of the protean nature of accounting. The existence of the standard setting bodies Urgent Issues Group is an example of this, with current consideration of diverse issues such as Abstract 31 Accounting for the Goods and Services Tax, and Abstract 32 Designation as Hedges - Rollover Strategies current examples of the protean nature of accounting adapting to embrace newer values and practices of society. Other current challenges for accounting include foreign currency and superannuation (Gaffikin 2000, p2).
These historical examples demonstrate that one protean attribute common to both myth and accounting is that they are plastic. While all accounting presently embraces the fundamental double entry calculus of assets equal liabilities plus equity, the manifestation of this in various contexts, organizations and applications is vastly different. Accounting practice is constantly changing with changing cultures, economic environments, political structures, legislation, and technology. Current multiple sets of accounting standards and the difficulties faced with attempted harmonisation and the development of international accounting standards are evidence of this protean, context dependent nature of accounting development.

2.3.2. Attribute Two: Myth gives Meaning, Order and Stability

The idea that myth gives meaning, order and stability to a society is sympathetic with functionalist approaches to myth. Myth helps individuals to make sense of the universe (Parkin 1998, p10). Myth is functionalist and gives meaning, order and stability in four ways: political, social, moral, and psychological.

First, the ability of myth to promote meaning, order and stability allows it to be politically functionalistic. Day (1984, pp249-250) argues “myth is created and perpetuated primarily because it actually works in social stability and integration of a group”. Day argues this idea was put forward by Emile Durkheim in 1912 and “myth basically fulfils the function of establishing, maintaining and expressing social solidarity – it embraces cherished values” (Day 1984, pp249-250). It is argued that myth is a device that helps to maintain the political status quo for the salvation of society and to ensure an effective social system (Day 1984, pp249-250). Similarly, Eliade (1963, p19)
suggests myth provides an origin of things and, therefore, allows control and manipulation of things and events. Echoing this, Kolakowski (1972, p5) argues myth allows a belief in a purposeful order. It allows a belief that there is something significant and permanent above the impermanence of events.

Secondly, myth is socially functionalistic because it ensures socially acceptable conduct of members of the society (Day 1984, p250). Dowden (1992, p74) suggests that myth identifies people and gives them a conceptual place. Myths give life to a more abstract entity. Every myth is located in a particular place, and has a sense of centre and a sense of distance and a sense of beyond (Dowden 1992, p121). Myths identify a social place.

In that social place, Parkin (1998, p21) argues that myths help us make sense of our world and define the identity and values of an organization, and shape its future vision and goals, and encourage behaviour that is consistent with the organisation’s identity, enforcing rules and taboos, and can be used to change people and culture. Parkin argues myth is “those unique sets of stories, rituals and traditions that have been developed and cultivated over a period of time within an organization, and which give it its unique sense of identity” (198, p11).

Thirdly, myth is morally functionalistic because it enforces what is perceived to be appropriate conduct. Failure to follow proper conduct as suggested by the myth can cause injury to oneself (Day 1984, p250). Day (1984, p39) describes myth as a moral allegory, “a conscious intent in mythmakers to use a narrative to inculcate social and personal moral precepts”. He argues this began with Stoic philosophers led by Zeno of Citium in the late fourth century BC. Narratives can shock and ensure the transmission
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of wise morals across time. Day suggests "myth is created and perpetuated primarily because it actually works in social stability and integration of a group" (1984, pp249-250). Malinowski, as cited by Day (1989, pp250-251), states:

Myth fulfils in primitive culture an indispensable function; it expresses, enhances, and codifies belief; it safe-guards and enforces morality, it vouches for the efficiency of ritual and contains practical rules for the guidance of man. Myth is thus a vital ingredient of human civilization; it is not an idle tale, but a hard-worked active force, it is not an intellectual explanation or an artistic imagery, but a pragmatic charter of primitive faith and moral wisdom.

(Day 1989, pp250-251)

Fourthly, myth is psychologically functionalistic, because it ensures individuals contribute to and participate in society, by assuring the appreciation of these individual efforts of service (Day 1984, pp250-251). Kluckhohn emphasised the function of myth in providing personal satisfactions for all the individuals in a society, because it gives assurance and consolation for the individual (Day 1984, p253). Levi-Strauss (1978, p3) describes myth as being psychologically beneficial in that "...myth is unsuccessful in giving man more material power over the environment. However, it gives man, very importantly, the illusion that he can understand the universe and that he does understand the universe. It is, of course, only an illusion".

Accounting also displays an attribute of myth in that it infuses and embodies meaning, order and stability in a society. The very accounting, calculus assets minus liabilities equal owners' equity, sets about the privileging of capital by accounting. The accounting equation is expressed in terms of equity as opposed to, for example, in terms of creditors or labour. It is argued that accounting is exposed as an ideology that fosters capitalism and is complicit in wider social struggles (Tinker et al. 1982, p173). Gambling (1985) suggests this is akin to the idea of kingship and aristocracy.
Debtor/creditor relationships described by the accounting calculus facilitate a social hierarchy. In this way accounting provides a means of structuring and is a way of handling social uncertainty (Gambling 1985). Accounting orders economic transactions, and records them in a meaningful way by classifying them, and gives stability to the economic events of an organization (Pondy 1983, p157). This aids political stability in that it supports current social structures. It also embraces a moral structure in that embeds a privileging of capital over other interests such as labour or credit in accounting measurement.

Meanings are derived individually, but group to form a socially accepted meaning. There is always a culturally determined meaning which is a “folklore”. This is meaning which gains “the status of a testimonial” in a society (Sekula 1982, p87 as cited by Preston et al. 1996, p121). Using the example of income determination, there is a “folklore” belief in the application of accounting technology that the generation of a profit is a desirable outcome, despite the generation of profit having different meanings and different implications for various individuals and common interest groups in society. For example, the cutting of wages to earn a higher profit may not be viewed by labour and desirable. However, the earning of a profit gives the applicable organization “testimonial” of worth and correct behaviour in society, offering them a form of legitimisation from wider society. It also reifies a given order and social stability.

2.3.3 Attribute Three: Myth is Widely Believed with Profound Intensity

Belief is intrinsic to the power of myth. Myth cannot be reached by persuading, it is not a creature of science and reason. Belief is the “awakening of mythical consciousness”
(Kolakowski 1972, p5). Myth works because it is believed with profound intensity, and the majority of people believe it to be valid. However, there is tolerance along a continuum in belief of myth. Day (1984, p10) suggests that belief can range from “absolute belief in its truth” to “willing suspension of disbelief” as is the case with readers of fiction. For an effective myth, a reasonable number of people must have some belief; that is there must be some form of general acceptance.

It is argued that mythical belief can range from deshi which is a belief by a specific community, binding it together with specific tenets, to marga, which is mythical belief applicable to all of mankind (Day 1984, p10). Whether or not it is a belief of a narrow community, or a belief of a wider society, Dowden suggests that myth, to be myth, must be believed in some form. This belief has the consequence that what is believed is treated as historical fact by the societal members.

No matter how fictional or artificial local myth seems to us, it is always capable of being treated as strict history by interested parties. Myth, like propaganda, is worthwhile because people will believe it. Enemies must be prepared to counter it within the rules of the game it establishes. Mythic argument is accorded the same respect as historical argument would be in our day – that is, it is persuasive within the limits allowed by the more pragmatic concerns of self-interest and practical politics.

(Dowden 1992, p89)

Once myth is believed in the same way as history it is believed to be absolutely true because it is now given the status of being concerned with realities (Eliade 1963, pp18-19).

Myth only exists when individuals believe it with profound intensity. We can find an allegiance of this quality of belief in accounting in that accounting and accountability
functions are widely believed to be necessary and desirable for the well being of society. We can seek out the example of the reporting of income and other financial information in annual reports. Preston et al. (1996) argue that annual reports themselves are not the outcome of accounting. Rather, they argue that annual reports are "a visual medium through which corporations, one of the principal political, social, and economic institutions of the twentieth and twenty first century, attempt to represent and, as we shall argue, constitute themselves" (Preston et al. 1996, p115). That is, it is the belief in the power and knowledge contained in the annual reports that create for them a meaningful reality. Such a custom as the presentation of an annual report is not seen as requiring justification (Gambling 1985). Their necessity and importance is implicit and reified through belief. This belief is institutionalised as a marga belief in society through legislation.

Chambers also refers to this phenomenon of unquestioned belief users of accounting give to its artefacts.

Of course, 'wanting to believe' does not bring about the content of the belief. However, if it is said often enough that 'accounting is historical', 'accounting is factual', 'accounting is concerned with true representations', 'the products of accounting are useful', the very repetition tends to create the illusion, or delusion, that they themselves are true and reliable statements.

(Chambers 1989, p9)

2.3.4. Attribute Four: Scientifically Myth Cannot be Proved Rational.

With the coming of the scientific era, myth came to be regarded as non-rational, and because of this considered inferior knowledge. Day suggests that externally verifiable rationality is not necessary, and is in fact harmful to myth. Rationality constrains myth in a way that limits its power. Day (1984, p2) suggests that myth is non-rational, or
supra-rational. That is, it is beyond reason. This gives myth the power to perform functions that reason cannot. It allows myths to tolerate ambiguity. Myths are paradoxical because they are not factually exact. “They have a power which transcends their inaccuracy, even depends on it” (Dowden 1992, p2).

The consequence of this is that mythical knowledge cannot be proved or disproved scientifically. Mythical knowledge cannot be reconciled with phenomenological facts. Day (1984, pp10-11) gives the example of the flying carpet of the Arabian Nights. You cannot prove or disprove the carpets existence, or its ability to fly. This knowledge is accepted with belief. In the narrative the rules of engagement allow for a flying carpet. Myths intentionally allow reference to “non-empirical unconditional reality”. They are self-referential, and their existence cannot be proven. They concern questions that cannot be revealed by scientific methods and beliefs, because myth is non-empirical (Kolakowski 1989, p2). Kolakowski also suggests that a mythical organization of the world is always present in culture. True and false have no meaning (1989, p3). This is because mythical thought is more an emotional concept than rational scientific thought allows (Levi-Strauss, 1978, p16).

Externally verifiable rationality is not necessary and is harmful to myth, in that it limits its power (Day 1984, p2). Myths that are not factually exact allow them to transcend ambiguity and tolerate more than one knowledge and more than one viewpoint. Myth theory as a challenge to scientific method in accounting directly challenges much accounting based research that has as its underlying assumption rationality, such as agency theory, transaction cost theories or economic rationality or bounded rationality, and competitive game theory. In these applications accounting is seen as a tool, and not
as something that reinforces and maintains and creates social relations and beliefs (Oakes et. al. 1995, p57). Accounting is a social construction, and does not conform to physical laws. Its symbols, rules and constructs are self-referential.

Understanding accounting as a myth-making device allows us to understand accounting as the creation of a symbolic reality in contrast to an objective reality, which transcends constraining logic and empirical falsifiability. In myth, the ordinary rules of logic are suspended and contradiction can be resolved within the myth. The accounting calculus provides its own internal system of logic. For example, dollars of different time values are happily added, subjective estimates embedded in depreciation and valuation methods are tolerated, arbitrary labels are applied such as only some pollution created is directly measured as an expense for the entity (Hines 1988, p254), for example carbon credits may be measured. This irrationality and tolerance allows the social system (accounting) to merely get on with it (Pondy 1983, p163), outside the bounds of scientific rationality. This is challenging to current positivistic means of investigating accounting, because it suggests that research conclusions in accounting are dependent upon subjective research design choices, and the implication is that this has led to the overgeneralisation of evidence (Smith Bamber et. al. 2000, p103).

2.3.5. Attribute Five: Myth is Held to be Sacred

Ceremonies and rituals are two phenomena that operate in partnership with myth, often gaining their shape from association with myth (Dowden 1992, pp102-105). Eliade (1963, p10) suggests that myths are only communicated during periods of sacred time, and refer to gods or supernatural beings. Myths through rituals allow individuals to interact with the gods and supernatural beings directly. Myths typically invoke
supernatural powers that must be quite powerful as participants (Day 1984, p15). The powerful intercede to establish order in the world.

Eliade (1963, pp16-17) suggests that it is not enough to know the origin of the myth, but that origin must also be recited. In recitation or performance of ritual, the myth is reified.

Day (1984, p254) argues myth is sacred. If a religious myth, ritual is invoked: if a secular myth, ceremony is invoked. Both establish a pattern of actions that are solemnly and repetitiously performed to mark a special occasion. Rituals and ceremonies have specific sociological intentions: they channel the emotions of an individual into a resolution; they minimise feelings of chaos and uncertainty by offering reassurance of a divine concern; they communicate and instruct; they create group unity and subordinate conflicts within a group for social bonding; they create a controlled environment that is "right" above a mundane world; and they strengthen individual morale and confidence by encouraging imitation of a desired action (Day 1984, pp254-256).

Rituals, as evidence of myth in action, may be at three levels. First, there may be a low intensity treatment of ritual, where there is routine acknowledgement of forces and casual and constant ritual performance. Secondly, there may be a high intensity treatment of ritual, where rituals are reached at discreet intervals, including rites of passage. Finally there may be escape rituals, which are sporadic and designed for emotional release to relieve criticism or rebellion and prevent periodic antisocial explosions (Day 1984, p256).
It is identified that secular myth invokes ceremony, and that the presence of myth requires that it is recited and reified in ritualistic performance. Such allegiances between myth and the ritualistic nature of accounting are evident. There is a low intensity secular ceremony of ritual in the everyday keeping of accounts. Gambling suggests that accounts are a record of the rituals they describe and part of a ritual themselves (Gambling 1985, p13). The accounts themselves may be regarded as representations of ancestors (Gambling 1985). Gambling (1987, p319) argues that much of accounting practice is ritualistic, with accounts being formal representations of dealings between various groups.

A high intensity treatment of ritual occurs at discreet intervals in terms of the production of periodic financial statements and reports, which legitimise their author. The knowledge and truth of the technology of accounting in these financial reports is not doubted or questioned, and enjoys an everyday acceptance.

Day proposes rituals and ceremonies have specific sociological intentions to minimise uncertainty and subordinate conflict. Gambling sees an allegiance of this with accounting when he states:

A possible explanation for our whole accounting financial networks is as a machinery for generating financial sacraments, for new styles of financial relationships to accommodate new social and cultural requirements...A secondary function is to assimilate these popular devotions into orthodox ideology.

(Gambling 1985, p11)

Preston et al. (1996, pp132-133) argue that the representation of the annual report is not neutral, and that it acts to regulate and define the interpretation of those who use the
annual report. In this way the financial reports help to define and reinforce political and social power.

### 2.3.6. Attribute Six: Myth Takes a Narrative Form

Dowden (1982, p8) suggests that myth is communicated in both texts that are read and performed, told orally without reproduction of a particular account exactly, and through art. There are local stories that must be clustered with stories of other localities, converging in some form of epic. Myth narrative does “establish the family relationships between the heroes of different stories well enough to arrange the stories in sequence, and as a result to develop a sense of mythical chronology” (Dowden 1992, p11).

Narrative is important to accounting in establishing relationships amongst pluralist stories. Czarniawska-Joerges (1995, pp11-12) argues that narrative knowledge as opposed to scientific knowledge should be part of the research tradition in organisational studies, suggesting that scientific knowledge can only be gained through, and is legitimised by narrative knowledge. This gives the application of the narrative form relevance in accounting research. Accounting collects organisational stories. Scientific reductionism may not capture all the underlying phenomena of the ritual of accounting, thus unable to give an unprejudiced and complete observation.

A narrative depends upon time and sequence and thus implies a chronology suggesting causality (Czarniawska-Joerges 1995, p12). Narrative has two key characteristics, it permits ambiguity and enjoys paradoxes, where often explanation and interpretation are
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confused (Czarniawska-Joerges 1995, p15). The ability of narrative understandings to permit ambiguity and paradox supports the non-rational and supra-rational knowledge of myth understandings. This allows multiple stories to be told, and multiple stories to be valid in organisational studies of accounting.

Pondy suggests that accounting practice is metaphorical. A metaphor is given when one object is substituted for another when they are in very different categories, for example Peter is a rock. Pondy argues that myths are a type of extended metaphor in that a myth is a story that has a metaphoric relationship to real events, where the story takes place in a different time and space (Pondy 1983, p159). Accounting is mythical because it is a group of metaphors for economic events that take place in a different time and space. (This relevance of time and space will be discussed further in the next section). Pondy challenges that any social organization (naturally occurring) and any formal organization (rational model of conscious design) are “distinct phenomena subject to different laws”; that is, the social which is not naturally occurring versus the form design of the conscious designer. When these are treated as the same family of kinship or belief systems we can see myths and metaphors in a new light (Pondy 1983, p158). The metaphors of accounting not only allow social change, but facilitate it (Pondy 1983, p164). Metaphors may carry several meanings at once, both literal and non-literal (Pondy 1983, p165).

This can be applied to the example of accounting annual reports. It has been suggested that the viewer as well as the designer of annual reports brings multiple, equivocal and changing and sometimes contradictory meanings to the pictures in corporate annual report (Preston et. al. 1996, p115). Preston et al. (1996, p119) suggest that accounting
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practice takes part in impression management. This occurs where memorable “facts” and “messages” are highlighted by both visual and textual strategies, which may have wider socio-cultural connotations and significances than superficially appear. Accounting takes part in and facilitates the construction of multiple organisational and social narratives. Czarniawska Joerges (1995, p13) argues that this poly-morphic process is a context that compels research to adopt narrative knowing. Italo C Calvino, as cited by Patrick Creagh (1989, pp18-23) suggests “a silent myth makes its presence felt in secular narrative and everyday words; it is a language vacuum that draws up into its vortex and bestows a form on fable”.

2.3.7. Attribute Seven: Myth Suspends Time and Space.

One of the unique attributes of myth is its treatment of time and space. Dowden (1992, p121) suggests that every myth is located in a particular place, and has a sense of centre and a sense of distance or beyond. That is, mythical constructions are spatially unique and have boundaries. Eliade (1963, pp18-19) argues that myth space is perpetual because it is recollected and re-enacted. Such reiteration of the myth allows the myth to exist or step outside chronological time. Kolakowski (1972, p4) describes this stepping outside chronological time as an attempt to stop time by creating a mythical form of time that allows us to see change and accumulations. Myth is never of the present. It describes the past for the future. This reification and distortion of chronological time allows what is physically transient to become permanent in myth, for example, “becoming a legend” (Kolakowski 1972, p5).

Chambers argues that accounting does not exist in a continuum of time. Rather, accounting events (transactions) occur at specific points in time. Anything before this
point is the past, anything ahead is the future (Chambers 1989, p7). Accounting events occur at these moments in chronological time, and they only make sense in the context of what went before them.

Chambers (1989, pp14-15) accuses accounting of making use of "higgledy-piggledy" time, giving the examples of balance sheets which are at a certain date but which contain assets expressed as prices at earlier dates, or the representation of a depreciation expense making use of a past-dated price of the asset (historical cost) and a future selling prices of the asset (scrap value) to impose an assumed pattern of devaluation. This is represented to be of the present, but it is derived from historical events of the past and anticipated outcomes of the future. Neither come from the present moment.

Chambers (1989, p14) also accuses accounting practice of time inversion, an argument that also supports the proposition that accounting uses myth time outside chronological time. Time inversion occurs when present value calculations are used to bring estimated values of future options into the present to allow comparison.

The analysis of income figures in accrual accounting by Takatera and Sawabe (2000) will be used to illustrate point that accounting makes use of mythical time inconsistent with chronological time. Income figures are chosen as an example because the calculation of income is an extensive and common place practice of accrual accounting for such purposes and distributing income to owners, making investment decisions, and calculating amounts of tax to be paid. In these calculations, accrual accounting makes use of money as the measurement unit.
Takatera and Sawabe argue that “money links different points of time in two ways: physically and notionally” (2000, p789). Time is linked physically because money represents purchasing power in the future. Time is linked notionally because you can deal with future events in the present, for example commodities of the future can immediately be bought and sold in the present through futures markets.

It is argued that accounting provides a framework or taken for granted set of rules that relates time and space and provides the inter-subjective ground (a social space) for transactions across time. Accounting creates artificial dimensions of space and time; “specific procedures instituted in the accounting system generate artificial spaces where time flows differently from the outside world” (Takatera et al. 2000, p789). It is argued that under the entity concept of accounting, artificial organizational time is created distinct from the chronological sense of time of the market in which it is situated. Takatera et al. (2000, pp789-790) argue that accounting does this as a way of insulating organizations from wide fluctuations typical of market values as represented by prices, thus ensuring a degree of stability.

Before the widespread implementation of accrual accounting in the time of venture accounting, there were no accounting provisions made that encompassed time periods. Income was only calculated over the life of the venture, and was the difference between the cash received and the cash paid – charge and discharge accounting. In this early stage of accounting development accounting time was equivalent to market time, i.e. real chronological time, and the timing of income calculation was completely determined by the chronological real time used by the market. This is in contrast to the
suspension of chronological real time as is evident in the full implementation of accrual accounting.

Accounting began taking on the myth-like attribute of stepping outside chronological time when it embraced the principal of going concern. According to Takatera et al. (2000, p791) this created what they termed “equitemporal accounting” where time in a going concern was artificially divided into accounting periods for the measurement of income. Unlike venture accounting where the completion of the commercial enterprise could be easily identified, the going concern principal made the assumption that the enterprise would continue indefinitely. This created the problem at what point do you stop and calculate income? Artificial time periods were instigated to allow the measurement of income, that is, accounting periods came into being. This occurred by the nineteenth century in England and Scotland. At this point the internal logic of accounting systems had been “structurally separated from the external logic of the market” (Takatera et al. 2000, p791). That is, full accrual accounting was practised in which cash inflows and outflows which physically occur at specific points in time were recorded as periodic revenues and expenses, a flow concept over time. This distortion in the temporal treatment of transactions only worked because it was widely accepted and believed as a professional norm (belief with profound intensity being another key attribute of myth).

Like all good myths, accrual accounting suspends chronological time. It does this by making an assumption about the constant value of money. In measuring transactions in historical cost accrual accounting, the purchasing power is assumed to be constant. This of course is a fiction. For accounting to artificially partition time into accounting
periods, several assumptions concerning time and money were necessary. Takatera et al. (2000, p792) suggest that time differences in transactions are recognized through the time value of money. Historical cost accounting suspends this sense of time in transactions by assuming there is no change in the value of the money used to record the transactions. This is equivalent to assuming that no time passes between the transactions. “The accrual accounting system is capable of creating internal space independent of external time flows” (Takatera et al. 2000, p792).

Suspended chronological time is a means of supporting the reification of the social institution of accounting. This is done by imposing an internal logic, that is widely accepted (Takatera et al. 2000, p790).

The matching principle means the artificial allocation is independent from the timing of cash flows. This assumes that the time value of money is negligible and incorporates interest free expectations (Takatera et al. 2000, p792).

An accounting, historical and factual, locked by explicit reasoning to the processes of judgment and choice, is a widely entertained ideal. But if the reasoning disregards the uniqueness of moments of choice and the irreversibility of time, the ideal is set aside – if not deliberately, then carelessly or indifferently.

(Chambers 1989, p20).

Parallels of these myth treatments of space and time are evident and documented in the practice of accounting. The mythical quality of the suspension of chronological time in accrual accounting is long acknowledged.

All actions and the financial consequences of all actions are uniquely dated. The dates of actions and consequences are essential elements of their description and essential inputs of their understanding. However, in the course of
The temporal uniqueness of financial events has come to be disregarded in periodic aggregative accounting.

(Chambers 1989, p7)

2.3.8. Attribute Eight: Myth Contains Symbolism

Day argues that myths need symbols, and a symbol “represents not an external reality but a psychic and spiritual reality” (Day 1984, p11) and that symbols may be represented by emblems which are a sign the conscious mind recognizes to identify some other concrete object, for example a flag is an emblem of a country, which may symbolise nationalism. Symbols are ambivalent and generate rich and perplexing meanings. A symbol’s meaning is constructed by the user of the symbol, and may mean subtly different things to different users. For example a nation, while being a symbol of national pride, may bring sadness or anger to some in the case of war. In this way symbols participate in what they point towards. Dowden (1992, p9) suggests that symbols are formed from myths of a shared culture. Tollefson (1989) suggests that myth that uses symbol allows the generation of multiple meanings, allowing multiple indirect linkages to a contextual norm to be made. Symbols are participants in the myth, allowing evocation, suggestion and transformation. As such, symbols are useless for empirical and logical truth-testing, but do evoke contexts of ethical systems.

Accounting makes extensive use of symbols and symbolism. There are significant implications for how we go about studying and understanding the practice of accounting.
As symbols participate in what they point towards, signification cannot be separated from subjectivity (Preston et al. 1996, p132). Macintosh et al. (2000) will be used to exemplify the use of symbols in the practice of accounting, where Baudrillardian theory is applied to accounting. Specifically, to continue the example, Baudrillardian theory will be applied to the calculation of income to support the argument that accounting symbols are necessary elements of accounting myth, and not only participate in, but are constitutive of the functioning of present day accounting. Macintosh et al. (2000, pp14-15) argue that accounting signs and images today are simulcrum, where the boundary between accounting concepts and reality has melted or imploded, to form a new hyper-reality in which signs and images and models operate and function detached from the reality that they originally represented. In this way accounting symbols become participants in the reality, and not just representations of it. There are strong allegiances between this and a myth construction. Macintosh et al. (2000, p15) argue that Baudrillard’s use of Saussure’s semiotics offers a new epistemology for understanding accounting signs. This epistemology is sympathetic to the epistemological stance of myth theory.

Baudrillard proposes four phases of a sign. In the first phase the sign is a reflection and a representation of a concrete reality. The sign then evolves to a second phase where it departs from representing a concrete reality and can mask or denature that reality. The third phase occurs in which the sign masks the absence of any reality (this is like magic), and the final phase occurs when the sign precedes the reality, and the sign has no rapport with or resemblance of the reality, that is it is pure simulacrum (Macintosh et al. 2000, p15). Each of these phases of signs has clear ontological assumptions.
Macintosh et al. (2000) trace the evolution of accounting signs for/of income and capital through their historical development. In the evolution of these signs from reflection to simulacrum in a hyper-reality, we see a parallel of them now with the roles of signs and symbols in myth theory. They argue that early accounting gave “clear transparent signs of a physical and social reality in space-time” (Macintosh et al. 2000, p16). They go on to argue that there is a rift in the relationship between the accounting sign and the reality that it supposedly represented, to the point where today there is no underlying reality to which accounting signs refer. Today there is a mythical belief that historical cost is represents physical resources in a social reality and that balance sheet items can be physically traced to actual resources and obligations. However, Macintosh et al. (2000, p17-18) argue that this is only possible for simple transactions where there is a direct sign-referent relationship. Baudrillard describes this relationship as a feudal era.

Macintosh et al. (2000, pp20-23) argue that signs became a counterfeit of the original referent upon the introduction of accruals and deferrals in the calculation of income in double entry accounting. This apportioning of time served to create “nominal accounts” which copied the original ideal of income, but did not directly represent it. At this time there was a focus on the balance sheet.

Referring to Baudrillard’s second order of simulacrum, the order of production, Macintosh et al. (2000, p24) argue that during the industrial revolution the accounting sign for income came to “absorb” the income. That is, a new mass production and the emergence of the joint stock company ensured that products made were not directly linked to customers, and, in this way, customers and their associated profits were commodified. In this environment the laws of supply and demand came to dominate.
Profit was no longer a sign representing proprietor effort, but was reconceived to be a periodic return on capital. There came to be a greater distinction between capital and profit return. The balance sheet signs were now representational of future earning capacity (Macintosh et al. 2000, p25). Profit was not a symbol of the efforts of the owner, rather it was a symbol of the use of capital. Accounting attributes of objectivity, verifiability, reliability, consistency and comparability all stem from and are symbolic of this age of mass production (Macintosh et al. 2000, p27).

Using Baurilliards’ theory of signs, Macintosh et al. (2000, pp28-32) argue that we are now in the order of simulation, where the difference between the sign and its referent implodes, and the sign precedes the reality; that is, the sign is a participant in the construction of the reality. In this space boundaries of chronological time are gone and the future collapses into the present, such as is the case with options and derivatives and insurance. Image becomes more important than form, and this neutralizes and depoliticises power bases based on knowledge and form, and consequently makes obsolete theories of modernity. Accounting symbols are now of the age of a postmodern “hyper-reality”. Using Baudrillard’s terminology, Macintosh et al. (2000, p30) argue that income and capital now belong to the age of hyper-reality in which self-referential models engage each other, and in which signs do not have a referent and do not absorb the referent. For example earnings management is undertaken to match forecasts as a symbol of economic well-being, but not where are they valued as representing “real” earnings.
But instead of purporting to reflect a profound reality, institutional information such as earnings or a debt/equity ratio is part of reality. People who understand this see institutional information as an arbitrary or essential feature of a hyperreal world.

(Macintosh et al. 2000, p42).

Such a "hyperreal world" can be matched with the psychic and spiritual reality of myth as described by Day (1984, p11). These symbols are useless for empirical and logical truth-testing, but do evoke contexts of ethical systems. Financial symbols such as a debt to equity ratio, or an earnings management goal, are participants in the construction of an accounting myth, beings symbols that are suggesting and transforming and participating in the construction of what they point towards. They are accounting myth symbols formed from a shared accounting culture. They generate multiple meanings, depending upon the context and participants that use them. These symbols contain "deeply embedded social significances" (Preston et al. 1996, p115).

2.3.9. Attribute Nine: Myth Provides Valuable Knowledge and Guidance

Eliade suggests that myths are sacred, exemplary and significant, and that "the foremost function of myth is to reveal the exemplary models for all human rites and all significant human activities" (1963 p1). Myths teach how to repeat creative acts and thus the story represents knowledge that is handed down and also represents power derived from the knowledge (Eliade 1963, p15). Similarly, Campbell and Moyers (1988) as cited by Parkin (1998, p11) suggest "myths offer life models but the models have to be appropriate to the time in which you are living". Dowden (1992, p3) suggests that myths are believed, but not in the same way as history. They are accepted not necessarily because they are perceived to be true, but because they have some valuable meaning. Day (1984, p16) suggests that myths hold valuable knowledge and guidance,
and that they are more than a "cultural decoration or an aesthetic embellishment" because they hold "real knowledge and sublime truth". There is the implication that failure to follow the proper conduct as suggested by the myth can cause injury to oneself (Day 1989, p250). Similarly, Kolakowski (1972, p5) argues myths are acts of affirming values. They are meaning-giving interpretations of the world.

Parkin (1998, p23) suggests that when looking at organizational myth, it must be considered when and where myths are told in an organization, especially what myths are told upon induction to an organization. She suggests that modern myths are communicated through organizational newsletters, customer and client meetings, social events, team sessions etc. She also argues that modern organizational myths can be both positive or negative, but the narrative of the myth, and the communicator of the myth must appear credible, and appear to be fused into the organization for it to be believed. To this end annual reports are a visual media which play a constitutive role, especially in ways of knowing other cultures such as a corporate culture (Preston et. al. 1996, p115). This also applies to other accounting artefacts and practices, which are regarded as holding valuable knowledge and information.

2.4 Purposes of Myth

Having identified common attributes of myth, it begs the question why does society need myth? What purpose(s) do the attributes of myth serve? Several perspectives of myth have emerged to explain the purposes of myth in society. Dowden (1992, p23) suggests that there can be no theory-free approach to myth, while Rester (1999, p3) argues that there is no meta-theory of myth, that is, no single theory will explain myth.
Accepting that there is no meta-theory of myth, three different theoretical approaches are identified and explored to help explain the purposes myth serves. These three theoretical perspectives are first functionalist and psychological approaches, secondly sociological approaches, and thirdly structural approaches. These offer different perspectives of the purposes myth serves in society, and overlap and complement each other in places. These three approaches to explaining myth are discussed as a means to discern some common purposes myth serves. In chapter seven of this thesis, these common purposes are aligned in themes with common purposes accounting serves in society, demonstrating that accounting itself serves as a myth making device to support a society’s cultural norms and values.

### 2.4.1. Psychological and Functionalist Perspectives of Myth

The functionalist theoretical explanations of myth proposed by Sigmund Freud, hold that myths are manifestations of unconscious yearnings. Jung, who was a student of Freud followed this, and put forward his theory of the collective unconscious and mythic expression, which came through inherited archetypes (Walker 1995). This idea was promoted by Joseph Campbell (Rester 1999). A mythical functionalist view applied to accounting sees accounting as a manifestation of a yearning for order, meaning and stability. Inherited archetypes are the norms and values embedded in the accounting technology, for example, its ideological privileging of equity in the accounting equation as opposed to that of creditors or labour, and its preference for transactions to be measured in monetary terms.

Psychological theories of myth were in competition with functionalist theories of myth. Psychological theories propose that every myth has plenty of monsters. The importance
Chapter 2 Theory of Myth and its Accounting Allegiances

of these monsters is psychological, because they reveal more of what is inside than what is outside the individual (Dowden 192, pp133-134). Monsters exist in order to be slain by heroes and heroines. They represent dangers to be overcome, and focus and modify individual behaviour. Psychologically, myth urges the individual to contribute to society and in return is assured of society’s appreciation (Day 1984, p250).

Examples of accounting monsters are inefficiencies, lack of accountabilities, fraud, waste and financial mismanagement. The implication of this mythic rhetoric is that if accounting standards and norms are followed correctly, these monsters can be avoided. Accounting is the hero(ine) to slay these economic monsters.

2.4.2. Sociological Perspectives of Myth

Dowden (1992, p10) suggests that there is political power in myth. Parkin (1998, p11) argues that myth is developed and cultivated over a period of time in an organization to give it a unique sense of identity. Organisational myth is used to infuse organisational values and norms. Day (1989, p39) describes myth as a moral allegory “a conscious intent in mythmakers to use a narrative to inculcate social and personal moral precepts”. Day argues that myth is political because it maintains the political status quo for the salvation of society and to ensure an effective social system. It ensures socially acceptable conduct. For example, goals attached to key performance indicators show what is acceptable or valued in an organization, and encourages replication of these ideals.

A sociological perspective of myth allows the rejection of universal interpretations of myth. Focus can be on mythic narrative within and specific to the culture which
produces it. This idea was originally proposed by Malinowski. These ideas build from cultural relativism and contextualisation, in that they "examine the ways in which society and its institutions and structures are constructed, as opposed to merely exploring how these institutions function to maintain society, as Malinowski had done" (Rester 1999, p2). Lowry (1982) argues that myth plays the role of legitimising a particular social order to appear natural or correct. The approach implied is in support of an ethnographic methodology in the study of accounting. This will be further discussed in the next chapter.

2.4.3. Structural Perspectives of Myth

Day (1984, pp272-273) suggests structural explanations of myth were initiated in the Prague School of Linguistics in 1926 by Nicholas Troubetzkoy. Structuralism in myth is attributed to Vladimir J. Propp in 1928, and also espoused by Dmitry Segal and E. Miletinskij. They attempted to ascertain a narrow range of plots in Russian Folk Tales. From the Prague school developed structural linguistics by Roman Jakobson in 1956 and Levi-Strauss in 1958 with *La Geste d'Asdiwal* about Tsimshian Amerindians of the Pacific. All structural approaches to narrative ascertain "a chain of relations, a succession of concepts, a system of signifying oppositions distributed on different planes, at various semantic levels" (Day 1984, p273). These fall into three groups, material that is concerned with the concrete and material, mental which contrasts abstractions, concepts and ideas, and the spiritual.

The structuralism of Levi-Strauss is built upon four principles. First there is remarkable parallelism of mythic plots worldwide. Secondly, myths must be interpreted serially to understand any specific social group. Meaning is not revealed fully in any single story,
and the total meaning will exceed the sum of the individual paths. Thirdly, myths can be analysed into pairs of opposites. Finally, conflict or tension is resolved or mediated in a reconciliation of the opposites (Day 1987, pp273-274). Examples of mythic folk knowledges are capitalism, Marxism, Islamic commerce etc.

Lowry (1982) suggests myths embody a people’s perception of the deepest truths, and suggests Levi Strauss claimed that all myths are speculative and problem solving, claiming their structure was just as important to its meaning as the content, because the structure is often a system of oppositions and these are similar around the globe. The myth story mediates between content and form. Levi-Strauss is criticised on the basis of being too general and that myths differ enormously in form and structure and function, and that there is no single or universal myth.

2.5 Themes of Myth

In these three categories of explanations of the purposes of myth (psychological and functionalist, sociological and structural) Day (1984, pp21-25) identifies common themes emerging from each category, and classifies these myth themes into various topics. These are etiological myth, soteriological myth, and prophetic and eschatological myth. In chapter seven of this thesis, manifestations of these myth themes are traced in the artefacts of accounting practice as described in the case vignettes of chapter six, to demonstrate how accounting stories and beliefs are used as a form of myth by individuals at the micro level in an organization to inform and construe their world picture.
2.5.1. Etiological Myth

Etiological myth explains the origin of things and the reason for things. They are forms of creation stories. For example, before the eighteenth century, a disease or epidemic was generally explained as divine intervention. Thales (640-596 BC) interpreted myths as allegories of natural phenomena, and mythical beings as the personification of natural events or mythopoeic labels for elements of nature. Ontologically, under this approach all myth arises from an individual’s subjective observation of their outward world. (Day 1984, pp36-37). Day also suggests the natural allegory concept was also followed by Epicharmus, Theagenes of Thegion, Pythagoras, Max Muller and Thomas Bulfinch. Cambridge myth-ritual was developed from the work of Roberson Smith and J. Fazer, J. Harrison and F. Cornford, A. Cook and G. Murray. This school views myths as being allegories of events in nature, and looks for comparisons across languages and societies.

Similarly, accounts attempt to explain the origins of events in an economic world. Accounting describes the origin of assets, and the reasons for an entity’s current situation. Accounts give an economic history of an organization from the perspective of the ideology supported by the accounting system used. Accounting tells how an entity came into existence, or how a pattern of economic behaviour, or an institution was established. Eliade (1963, pp18-19) described myths as “paradigms for all significant acts” and in this way accounting is a construction of a myth like paradigm for understanding the origins of significant economic acts and their implications for a society. Accounts can satisfy this understanding of myth in their description of the economic past of an organization.
2.5.2. Soteriological Myth

Day (1984, p24) describes a soteriological myth as a myth of saving or salvation, where there is an ability to rescue from imminent disaster. The saving may be quite physical in nature, for example, the Trojan horse rescued Greek reputations from loosing a disastrous ten year war with the city of Troy. Similarly, society construes accounting technology as a tangible soteriological device that enables business entities to do the right thing and avoid financial disaster. For example, current enterprise resource planning models such as SAP, J.D. Edwards, Oracle and the like are touted as a form of salvation or disaster prevention for an organization. Recent corporate collapses such as Enron in the United States of America, and HIH Insurance, One Tel and Ansett Airlines in Australia are viewed as occurring because those corporate officers responsible did not apply relevant accounting standards (implicitly which would save them), and this led to very tangible financial disasters.

2.5.3. Prophetic and Eshatological Myth

Prophetic Myth and Eshatological Myth are concerned with the future (Day 1984, p25). They are the most remote direct from human experience and are most heavily laden with symbolism. There is an external vision present. Examples of prophetic and eschatological myth can be found in the disaster tales of science fiction that speak of the end of the world. Eschatology represents the other side of the coin to soteriological myth, because it suggests imminent disaster without belief in the tenants of the myth. The practice of accounting embodies prophetic forecasts, such as budgeting and decision usefulness models. Accounting is used to glean a prophecy of the future well being of an economic entity.
2.6 Theoretical Stances of Myth

It has not been the intention of the above discussion to elucidate a clear and unequivocal theory of myth that can be transferred as a theoretical framework to explain accounting practice. Rather, it is intended to illustrate there are many attributes present in various myth theories that are also present in the practice of accounting. It is posited that explanations of myth, and means of investigating myths in culture, may also be useful as another paradigm to investigate accounting in action, overcoming some deficiencies in current methods. The greatest value of the myth theory approach lies in its ambiguous, pluralistic tolerance, and this is most visible at the micro level. This will be exemplified in the interpretive ethnographic study of a public primary school with is to follow in later chapters.

It is appropriate to consider the philosophical assumptions underlying the above described myth attributes, with respect to the relationship between myth, knowledge, and the empirical world. This will allow reflection on the dominant assumptions of myth theory, and allow the exploration of their implications and consequences for our understanding of accounting in action. The application of these theoretical assumptions to accounting may offer accounting research a fundamentally different research approach from common current practices, and elucidate our understanding of accounting in action. To facilitate such a comparison, categories devised by Dillard (1991) will be utilised. These categories are ontological assumptions, epistemological assumptions, assumptions about human nature, appropriate methodologies, and assumptions about society.
2.6.1. **Ontological Assumptions of Myth**

Ontology is concerned with the nature of being or reality (Dillard 1991, p211). The ontological stance of myth theory is that there is no independent reality of the participant or knower. Rather, reality that includes the myth is dependent upon belief. At the primary level, the implication of this is that something is only real because it is believed to be so. This is a non-empirical unconditional reality that is self-referential. Individuals must participate in belief for the mythical reality to exist.

At the secondary level, a reality exists because it is believed in as part of a culture of the participants. The reality created is a social place, and does not align concretely or consistently with an historical chronology; that is, mythical reality is independent of time. Mythical reality depends upon a suspended sense of chronology. While belief is of the present, the reality created by the belief is never of the impermanent present, but of the permanent past or of the anticipated future.

2.6.2. **Epistemological Assumptions of Myth**

An epistemological stance is what is advocated as acceptable knowledge, or true knowledge, or correct knowledge, or worthwhile knowledge. This informs methodologies and methods for investigating and communicating that knowledge (Chua 1986, p605).

Epistemologically, myth tolerates knowledge that is non-rational or supra-rational, as well as knowledge which is ambiguous or contradictory. That is, multiple knowledges are regarded as valid if they are believed. A mythical organization of the world, (i.e.
rules that give meaning to empirical realities) are always present in myth. An absolute true and false have no meaning here.

In the process of knowledge making, participants are meaning giving. Narrative, text, and performance are essential to the knowledge constructing and imparting processes; they are the devices through which knowledge is reified. Knowledge reification is dependant upon individual participation and belief, and so it embraces and is constituted by emotions. Because knowledge is constituted of the individual, myth knowledge embraces ethical systems. Emotions and moral positions are essential to mythical knowledge. Once believed, knowledge is transmitted across time through narrative, text, and performance and knowledge is then regarded as historical fact.

Myth epistemology does not allow knowledge to exist in the present. Knowledge is about past events or anticipated future events. Myth does not impart any knowledge about the immediate present.

2.6.3. Myth Stances on Human Nature

Human nature engages with myth using the rules the myth establishes. This engagement is intimate in that the values of the participants are integral to the myth, which inculcates social and moral precepts. Individual values are merged into shared cultures. Such a subjective participation allows an emotional organization of the world, which embraces local culture and stories, and manifests itself in the form of ceremonies and rituals.

Myth offers human nature a mechanism to stop time to view change and accumulation in the world, allowing control and manipulation of things, events and conduct.
2.6.4. Methodologies for Investigation of Myth

As myth is protean, any methodology to investigate myth must emphasise process and embrace change, and be respectful of myth's culture-dependent nature, and its embedded mythical chronology. Similarly, as myth exists in a social space, methodology must be community based and the investigator must become part of that social space. As knowledge is imparted through narratives, performances and texts, methodologies sensitive to language, symbols and emblems are necessary. A detailed exploration of methodologies appropriate to investigate myth is given in chapter three of this thesis.

2.6.5. Myth Stances on Society

Myth impacts upon the various forces in society. As myth is protean, it is consciously and unconsciously reshaping views. It affects society by giving meaning, order and stability, and is a force towards the status quo, which is seen as necessary for salvation. It does this by subordinating conflict and encouraging imitation, to allow the transient to appear permanent. Myth is dependent upon its general acceptance by society, and at the same time is partial and transforming in that it provides a mechanism for the powerful to intercede for order.

It may be that a culture, in which dependence is experienced in relation to a culturally organized world, in relation to human products, does not need to constitute the sense of community around the distinction between subject and object, but is capable of recognizing the primacy of the act of perception in relation to that distinction.

(Kolakowski, 1972, p11).
2.7 Contribution of Myth Theory to Understanding Accounting in Action

The application of myth theory to accounting additionally offers an explanation of a key weakness in critical social science discourses of accounting. One of the limitations of critical social science offered by Dillard (1991, p17) is that theories of critical social science embrace a propensity for societal radical change, underlying which is the epistemological assumption that this emancipation of individuals is dependent upon those individuals being capable of “rational analysis”, and that this is ultimately unobtainable. Myth theory, in its tolerance of and even dependence on irrationality and ambiguity, makes a contribution that explains this deficiency in critical theory of irrational behaviour of individuals.

Myth theory can also offer critical social science support in its voluntarism assumption about human nature (Dillard 1991, p18). A voluntarism assumption holds that societal change emerges from self-understanding. Theories of myth embrace individuals’ belief and value systems (Dillard 1991, p13). By offering a discourse of accounting in terms of myth theory, visibility is given to the ethical and value systems of accounting, offering a basis for understanding and reflexivity and deeper self-understanding. It does this by tolerating and even privileging multiple and contextual understandings of accounting in action.

2.8 Chapter Conclusion

This chapter has introduced aspects of the theories of myth as a theoretical lens through which to investigate accounting in action. It is asserted that theories of myth are
sensitive to social and cultural practices, and this theoretical approach affords accounting research a new paradigm to explore aspects of accounting practice, giving primacy to accounting as a social artefact. It is argued theories of myth used as a lens to study accounting offer a richer, more context bound, and textual approach than positivistic hypothetico-deductive modes of inquiry.

In exploring theories of myth, the concept of a meta-narrative to explore what myth does is rejected. Rather in the four classifications of myth identified, archaic myth, intermediate myth, derivative myth and ideological myth, nine attributes of myth were discerned. These nine attributes are that myth is protean, myth gives meaning and stability, myth must be widely believed with profound intensity, myth cannot be scientifically proved, myth is afforded sacred status, myth takes a narrative form, myth has the ability to suspend time and space, symbolism is intrinsic to myth, and that myth offers valuable knowledge and guidance to its believers. These nine attributes are theorized to serve three purposes, that is to support etiological, soterological and prophetic and eschatological themes in society. These themes are necessary for society for psychological and functional, sociological and structural purposes.

In studying the presence of myth attributes in an organization (in this study myth attributes of accounting in a school), any methodology employed must necessarily be supportive of the ontological and epistemological assumptions of the theoretical lens used. In chapter three following, interpretive ethnography is introduced as a methodology sympathetic to this mode of inquiry in that it is a methodology that is sensitive to context specific social and cultural uses of accounting. The implied assumptions and limitations of this methodology are next discussed in chapter three.
Exposing Accountabilities Using Ethnographic Methodology and Method in Accounting Research

Interpretation has been understood as a phallic, a phallic-aggressive, a cruel and violent, a destructive act, and as a fertile, a fertilizing, a fruitful and a creative one. We say a text, a culture even, is pregnant with meaning. (Crapanzano 1986, p52).

Chapter Overview

This chapter is concerned with how accounting researchers discover, understand, interpret and communicate knowledge about accounting and its practice and processes. Ethnography is identified as having methodological integrity as a means of investigating context specific social and cultural uses of accounting in an organization. In section 3.1 a brief introduction to the nature and use of ethnographic methodology that originated in the field of anthropology is presented. In section 3.2 the assumptions and limitations of ethnographic methodology are discussed. Section 3.3 describes the strengths of ethnographic methodology as a relatively new paradigm to accounting that can expose issues of accountability in organizational studies at the micro level. Section 3.4 describes methods employed in ethnographic research. A conclusion of the chapter is given in section 3.5.
Chapter 3 Ethnographic Methodology and Method in Accounting Research

3.1 Introduction to the Nature and Use of Ethnographic Methodology

3.1.1. Definition of Ethnography

The online Webster Dictionary (1999) defines ethnography as "the study and systematic recording of human cultures; also a descriptive work produced from such research". Traditionally we associate ethnography with the field of anthropology and studies of difference in various communities and cultures around the world.

An interpretive ethnography is a descriptive account of what is lived and understood of a culture. This culture is itself a contextual process that is ongoing, elusive and constantly modified. It describes both interaction and setting, and should be concerned with social behaviour outside as well as inside the site (Wolcott 1975, pp24-25). It is a joint act in which the researcher is the centre of the research act (Denzin 1971, p58). Ethnography is not identified by the methods it employs, but rather by its aims, "to discover and disclose socially acquired and shared understandings necessary to be a member of a specified social unit" (Van Maanen 1982, p103). It is a cultural description emerging from a long and intimate relationship.

At the micro level all organizations whether they be in commercial, private and not for profit sectors too have their own cultures. In these organisations members interact with each other while at the same time interacting with prevailing technologies and external environments. Accounting is an intrinsic technology to all such organizations, whether the doing of accounting is for an organisation’s own record-keeping, commercial interactions, or the meeting of statutory obligations. This thesis proposes and
demonstrates that an ethnographic approach to studies of micro level organizational culture will make visible new knowledge about accounting in action in its organizational context that cannot be identified by traditional mainstream accounting research methodology.

3.1.2. Nature of Ethnography

Ethnography is a qualitative approach, because rather than purporting data can be gathered and measured numerically, and generalised in a quantified fashion, ethnography has a preference for non-numerical research methods using fieldwork, participant observation, and interviewing. Ethnographic data is context specific, because it is unique site-suggested data, which cannot be replicated. Context is seen as an important influence causing change to phenomenon. These changes are not clearly visible in research methods that do not consider the micro level context. In this way, ethnography is inter-actionist because it concerns itself with micro-sociological and situational analysis. It is also humanistic because it uses reflexive sociology and acknowledges pluralistic implications of social research. Consequently ethnography embodies a critique of positivism (Faulkner 1982, p69), and its methods are fundamentally different to positivism's research methods (Wilson 1983, p1). Unlike quantitative approaches, which are interested in determining "how much", and where a meaning is assumed and measures are assigned to it; qualitative approaches to research are interested in the questions "what and why?" Qualitative research seeks meaning, definition, analogy or metaphor to characterise something (Faulkner 1982, p32). It is these attributes of ethnographic method that make it an appropriate methodology for investigating the presence and operation of accounting in an organization. It offers a
means of exposing and investigating belief systems associated with accounting practice, and is sensitive to and tolerant of the protean in a context.

3.1.3. Genealogy and The Two Schools of Ethnographic Methodology


The term "ethnography" has not developed as a blanket one. Coffey et al. (1996, p1.2) suggest that ethnographic research is currently characterized by variety. The literature reveals two key schools of thought in this approach to research. The first school regards the presence of the researcher in the culture being researched as a disinterested and objective observer. The second school of thought acknowledges the presence of the researcher in the culture being researched as problematic, and a disturbance to the culture. Both these approaches are now discussed more fully.

Smith (1978, p111) describes the approach taken by ethnographers such as Erickson (1975), Levi-Strauss (1963), and Wolcott (1975), as one extreme where ethnography is regarded as telling the story of a group, organization or community. Hammersley (1993a) also supports such an approach. This earlier view of ethnography holds that
subjects of the studies and the consumers of the ethnography were separate, morally remote and isolated from the story being told (Geertz 1989, pp132-135).

This approach is in contrast to more recent voices in the field (Tyler 1985, 1986; Clifford 1986(a), 1986(b), 1988; Crapanzo 1986, Van Maanen 1986, 1988; Atkinson 1992, Ashmore 1989). These ethnographers acknowledge their participation, subjectivity, partiality and contingency, as well as the pluralistic nature of their interpretive observations. This school approaches the doing of ethnography as exposing multiple, pluralistic and contradictory observations, interrelationships, and meanings. The presence of the researcher in the writing of the ethnographic text is also seen as problematic, for example Woolgar (1988, p16) suggests the researcher must pay attention to the juxtaposition of image and caption in the writing of the ethnographic text. That is, the researcher must reconcile what is observed with what is said, acknowledging their own role in the construction of the interpretation. The researcher is not morally removed from the research produced.

While it is outside the scope of this research to critique various approaches to doing ethnography, this ethnography of accounting in action at the micro level within a primary school is situated in the research tradition of the second ethnographic approach described above. Doing more than merely telling a story, I acknowledge the presence, bias and processes of myself as researcher, using reflexivity and textual construction.
3.1.4 Ethnographic Methodology in Accounting Research

Ethnography in any of its approaches is a methodology not predominately embraced in accounting research, though it has been used (Covaleski and Dirsmith 1988, Davies 1990, Preston et al. 1992, Lodh 1994, Chua 1995, Rasyid 1995, Kaidonis and Nancarrow 1996, Mir 1999, Irvine 2000). However, ethnographic methodology has much to offer the discipline in exposing new knowledge and a different kind of knowledge of accounting and accountability, and particularly in relation to accounting in the public sector as has been shown by Kaidonis (1996).

In the accounting literature there is often a unitary view of ethnography presented (Parker and Roffey 1997, p217) that holds the subject of the studies and the readers of the ethnography as separate, morally remote and isolated from the story being told (Geertz 1988, pp132-135). Those accounting researchers using this methodology should not be innocent of the assumptions and limitations of the tool they have borrowed. Ethnography is often used in accounting research as a uniform and unproblematic methodology (Tinker 1998, p16). Accounting research cannot naively accept the ethnographic form as one blanket methodology innocent of its internal debates, limitations and assumptions.

3.1.5. Calls for Reflexive Methodologies in Accounting Studies

In response to perceived deficiencies of mainstream accounting research, there has long been a call for studies of "accounting in action" that are broad and inclusive of context (Burchell et. al. 1980,p5: Hopwood 1985, p370; 1987, pp106-107: Laughlin 1987, p479; 1995, p63). Context embraces cultural, social, political, and historical traditions in
which accounting is practiced. Flamholtz argues that accounting should not be studied
as a "process in isolation of the organizational context in which the accounting function
operates" (1983, p153). Hopwood (1987) suggests that little had been done to
understand how accounting impinges upon and changes the way an organization
operates. He calls for a study of underlying accounting processes, and their significance
to the organization and to society. Capps et al. suggest "little attention has been devoted
to explaining the mechanisms of the emergence and reproduction of cultures over time"
(1989, p219). An ethnography of an organization which considers accounting as part of
the context is an ideal research methodology to meet these concerns.

This thesis uniquely contributes to the very limited body of ethnographic accounting
research in the Australian public sector, particularly the education sector, and
contributes to the knowledge of ethnographic methodology and method in accounting
research generally.

3.2 Limitations of Ethnographic Methodology and Some Answers

The ethnographic research methodology is not risk free, and the researcher cannot be
innocent of the underlying assumptions and limitations of the methodology chosen to
gather knowledge. Understanding and acknowledging such limitations is important in
not misrepresenting knowledge gathered and used.
Contemporary ethnography is not unproblematic, and cannot be seen as a purely methodological category. The ethnographic enterprise now carries with it connotations of theoretical, epistemological and ethical controversy. We cannot remain innocent about the methods of data collection for social and cultural exploration, or the methods we use to reconstruct and represent social worlds.

Coffey et al. (1996, p1.2)

Significant limitations of ethnographic methodology identified in this thesis include the limiting attributes of language, the morphing effect of context, the limitations of the researcher themselves, and the problem of verification of data and ownership of the data collected.

3.2.1. Language as a Boundary

Ethnography necessitates language, whether oral, text form, narrative, or in symbols is the tool through which data is gathered, and interpretations about that data are communicated. Wilson (193, p7) proposes that language is a limiting factor in ethnographic research. Language is limiting in two ways; firstly in that there are concepts embedded in any language, and secondly in the rhetorical nature of language.

The first way in which language is limiting is you must have a word to describe, understand and communicate concepts and ideas. The strength of your understanding depends upon the right words existing and the intended meaning being attributed to those words by other individuals. Language used by both subjects and researcher is embedded with one set of concepts, screening other concepts out by its use. Such use of language frames (and implicitly limits) previous experiences, observations and thought. Van Maanen (1982, pp103-104) argues that this limitation can be somewhat overcome if the participant observed acquires knowledge of the language spoken in the setting,
undertakes first-hand some activities, and works intensively with a few informants drawn from the setting.

The second way language has been criticized in the doing of ethnography is for its reliance upon the narrative text. As explained in chapter two of this thesis, since the Enlightenment study has been separated between rhetorical language and science. Where science came to be seen as a representation of reason, logic, methods and evidence, rhetoric was seen as a tool of arguments and persuasion that used the methods of opinion and ornamentation. Such a dichotomy permitted the belief in a scientific neutral language relying upon observation that clearly distinguished between the observer and the observed. This understanding infers a distance between the researcher and the researched (Coffey et al. 1996, p3.1) and enjoys a privileged position. However, this dichotomy denies that scientific accounts and texts make use of the narrative. Czarniawska-Joerges (1995, p2) suggests that everyday wisdom is expressed in narrative knowledge. She also argues that the dividing line between what is 'scientific' and what is 'narrative' is blurred, as stories and metaphors are found in scientific texts and folk tales and fictions are built upon facts. Cultural systems of interpretation include language, discourse, logic and narrative (Bruner 1990, p34).

Ethnographic method rejects this criticism of subjectivity, arguing that rather than taking the nature of a text narrative for granted, acknowledging the innate partiality, argument, persuasion, opinion and ornamentation of a text brings to light the limitation of authority in the ethnographic text, and is ethically sound. Smith (1987) and Olesen (1994) as cited in Coffey et al. (1996, p4.2) argue that ethnographic texts privilege the voice of the author’s accounts and experience over other members of the culture, and
may give visibility to dominating groups in that culture. Wilson (1983, p13) suggests that it is difficult to get a picture of the complete distribution of attitudes in a large organization. Any attempt to do this, or obtain new information, is done in a calculated fashion. The language used then becomes constitutive in that it creates and constructs meanings of the culture described. This implies a cultural relativism that has moral and epistemological overtones.

To address this limitation, Coffey et al. (1996, p1.3) identify two approaches taken in the ethnographic literature. The first is the use of “thick description” of Geertz (1988) that is employed by interpretive anthropologists. The second approach to overcoming the limitations of language as a boundary is that used by symbolic interactionists, who place language at the centre of a constructed view of reality. They implore the use of complexity in text, celebrating the messy, fragmented, and creative. Textual devices and a mixing of genres such as a dialogic approach, drama and poetry and autobiographical work is seen as fragmenting authoritative voices in texts. Coffey et al. (1996) identify Mulkay (1985), Dwyer (1977, 1979), Holquist (1990) and Allan (1994) as supporters of this approach. Marcus (1986 p169) refers to Giddens (1979) who notes the central problem of "the integration of action perspectives". Clifford suggests that an ethnographic text is an allegorical voice encompassing sounding theoretical and interpretive constructs. As all aspects of the ethnographic text are allegorical, none are nor should be privileged above the rest (Clifford 1986, p103).

3.2.2. The Morphing Effect of Context

A second significant limitation of ethnographic methodology is that any temporal study has imposed upon it changing contexts. The environment in which the study is located
is continuously shifting. This is restricting in two ways, externally and internally to the study.

First from an external viewpoint a snapshot of the organization at a place in history over a period of time is only possible, and generalizations are invalid. Ethnographies are a temporal artefact. The ethnographer is a participant through time, and writes from constantly shifting positions (Pratt 1986, p39). This moving position is constantly being reflected upon and talked and written about by the researcher. As ethnography is essentially a narrative this imposes a temporal aspect on the text (Clifford 1986, p100). Cultures are not stationary to be captured in a moment of time for analysis, and any attempt at this is a simplification and exclusionary. Rather culture is intrinsically temporal, and all relationships are shifting over and through time in an organic way. There is no one moment of absolute representation (Clifford 1986, pp10-15). Any ethnography can be nothing more than an historical inscription of relationships over time.

Secondly, as the researcher moves through the research site, an internal view is formed. However, the site itself is constantly morphing with competing interests and representations. Wilson (1983, p13) suggests that because of this it is difficult to then get a picture of the complete distribution of attitudes in a large organization. Any attempt to do this, or obtain new information, is necessarily done in a calculated fashion.

Despite these temporal and context specific limitations of ethnography Wilson (1983, pp2-3) suggests that ethnographic techniques can gather data about human behaviour that cannot be obtained using quantitative methodologies. He suggests that such a
naturalistic perspective can capture human behaviour, which is significantly influenced by its context. Context includes both physical setting, as well as internalized notions such as traditions, roles, values and norms. An imposed context such as a questionnaire or controlled experiment used by mainstream accounting research imposes its own unique setting, rather than respecting and immersing itself in the context of the subject, and does not allow questions to emerge from the field.

Rist (1983, p177) proposes that ethnography has emerged as a legitimate research response to increased concerns of accountability. It is a research methodology which can tell “what is really going on out there” (1983, p177).

Ethnographers are unavoidably subjective in that though they travel through an organization or place over a period of time, they culturally begin located in the one place whence they came. They interpret in the context of their previous experiences (Rosaldo 1986, p96). This makes an ethnographer's interpretation one truth of a potential many, and each truth is just as valid as the next. No one truth is exhaustive and definitive, but an attempt at persuasion (Rosaldo 1986, p80).

3.2.3. The Researcher is not Superhuman

Wolcott (1975, p28) argues that doing ethnography is a human task with human limitations. These limitations arise largely from interactions with individuals and the skills of the researcher. Wilson (1983, pp4-6) identifies that there must be an inherent suspicion of the intent of the research by the subjects in a research site. Subjects may feel an obligation to provide behaviour that is appropriate or expected. The success of
the research is dependent upon a special inter-personal relationship with the researcher. There may be present as an undercurrent a desire to be evaluated positively.

### 3.2.4. Verification of Data and Ownership of Data

A fourth limitation of ethnographic methodology is concerned with the verification and ownership of data. This arises because mainstream concepts of verification of data are not valid in this methodology due to the problematic claim to ownership of the data.

The ethnographic narrative is recorded and constructed by the researcher. It is a telling of a story by a participant observer in a culture. A participant observer has no claim to any universal accuracy or truth, as understanding is always relative to one's position in the social scheme (Van Maanen 1982, p146). This is problematic for notions of verification of data, and truth in data. Ball acknowledges this when he states:

> I can see only dangers and shortcomings in any attempt to implant a scientifically derived notion of 'verification' into the methodological procedures of participant observation research. Not only is such an attempt based upon a misunderstanding of the fundamental differences between the interpretive methods of participant observation and the statistical methods of positivism, but is also trades upon an inflated reputation for the approach it advocates.

(Ball 1982, p137).

Mainstream methods of verification fall down for ethnographic data because the data collected is of a fundamentally different nature, and it is in this difference that exists the value and contribution of this method to research in accounting. James (1896, pp121-122) as cited by Ball (1982, p137) described two different kinds of knowledge, "acquaintance with" and "knowledge of". The latter "knowledge of" is a formal, rational and systematic generation of knowledge, based upon observation that has been checked.
and verified in exactness and precision. This is in contrast to the former mentioned "acquaintance with" knowledge, which is obtained through personal and first-hand encounters with the world. It is knowledge from doing and use, rather than formal and systematic observation.

Ball (1982, p138) argues that the distinction of these two forms of knowledge is important because the two forms of knowledge have different functions, and they are not that same knowledge with different levels of accuracy and validity. They do not exist on a continuum of reliable/objective/valid, and the criteria of one paradigm should not be applied to another paradigm.

This is not to argue that there are not appropriate verification techniques available to the participant observer in the interpretive paradigm. Ball (1982, p139) suggests that in the realm of the interpretive, verification is intrinsic to the process of research itself. That is, verification cannot be separated from the collection and analysis of data itself, because the participant observer is immediately sharing the context of the social setting, simultaneously constructing the account of the cultural setting. In this way the participant observer is entitled to participant validation, or respondent validation. Ball (1982, p139) argues that the observer's account is data in its own right, and has the validity of an original source.

It is invalid to seek the verification by replication in ethnographic method, because to do so does not acknowledge diversities of contexts and interpretations. There is no one interpretation attributable to all subjects of a study. This is because all members of a culture being studied have different status and roles. They have different histories and
biographical experiences and may have different values and ideological commitments.

The morphing context influences interpretations that are emergent and processual. The culture studied is necessarily situational and temporal. It is not the task of the participant observer to filter observations to one consensual interpretation as is implied in any form of verification. Rather, it is necessary that the researcher's observations and understandings be contested (Ball 1982, p140).

It is in this uniqueness of experience that the ethnographic text gains authority. The text is a personal narrative in a discursive space (Pratt 1986, pp30-33). Clifford (1986, p121) argues that ethnographers systematically construct stories they believe to be true of themselves and others. Necessarily the construction is not premeditated, but contingent and fleeting. It is an ethical imperative that an ethnography make no attempt to present differing voices as if a jigsaw to bring together in one coherent and recognisable picture. It must tolerate pluralism and ambiguity. There is danger where "narrative realism merges innocently with realist goals and thence with positivist description of factual reality" (Webster 1983, p198). Rather, a pluralistic tolerance must be sought in any writing of interpretations.

This leads us to the second limitation of ethnographic data, the ownership of it. Tyler (1986, p8) points out that ethnographic knowledge is an emergent, reflexive creation of the author-text-reader. It does not belong alone to the researcher or to the culture studied or to the reader. It does not describe a knowledge and it does not produce an outcome. Rather it is a dialectic that privileges neither the author, nor the text nor reader. In this way ethnographic data is inter-subjective knowledge, and is not the focus
of one individual to own or claim (Tyler 1986, p122). Underpinning this idea of multiple truths and multiple voices and multiple knowledges in a culture(s) is a rejection of the idea that reference is an "univocal relation between forms of representation (words, images, etc.) of an objective, external world" (Hassard 1993, p2). The ethnographer must acknowledge privileging one interpretation because interpretive ethnography's interest in multiple voices is an epistemological stance embracing an ethical disposition (Linstead 1993, p53).

Geertz (1988, p140) and Linstead (1993, p54) argue that all voices do not have an equal hearing. It is suggested voices native to the field cannot speak but through the ethnographer. Consequently, try as the ethnographer might, he or she cannot avoid imposing themselves on these voices with their methods, language and selections. Ethnographers inevitably intervene and speak over the top of voices in the field. In this way ethnographies are fictitious in the sense that they are exclusionary. Through omission or expression there are always voices silenced to some degree. However, there are others that are given voice otherwise not institutionally heard. The ethnographer must be aware of the partiality of interpretations and representations, and that the very act of writing an ethnographic text invokes a power relationship. In this way an ethnographic text is reciprocating, and its meanings are multi-subjective and power-laden. This in itself overcomes any limitations of the data and makes the ethnographic methodology most desirable, because the text in form as well as content questions monophonic authority (Clifford et. al. 1986, p7-9).
3.3 Advantages of Ethnographic Methodology

Ethnographic methodology offers the study of accounting in action three advantages. First it situates the researcher in the context of the site, giving them sensitivity to the unique cultural understandings of that site. In doing this it permits an ethical stance for the researcher as it acknowledges ideological structures and value systems of both the researcher and the subjects that are in operation at the micro level organizational context. This challenges the myth of objectivity. Secondly ethnographic methodology accommodates sensitivity to gender and marginalized groups. Thirdly, a strong advantage of the approach is that it allows discernment derived from the freedom in use and examination of language, text and symbol.

3.3.1. Sensitivity to Ideological Structures and Value Systems

Accounting literature calls for accounting researchers to pay attention to underlying ideological structures and value judgments, so as not to separate them from the responsibility of their work (Tinker et. al. 1982, p167). Smith et. al. (1988, p95) expressed concern that case studies should not be undertaken in an apolitical manner as suggested by Kaplan (1984, pp390-391), but rather in a way which acknowledges wider and contradictory social and economic aspects of accounting for control. Heeding this call, accounting literature case studies pertaining to accounting in action and organizational culture and which acknowledge their ideological underpinnings are not uncommon (Davies 1990, Preston et al. 1992, Covaleski and Dirsmith 1988, Chua 1995, Hopper and MacIntosh 1993, Kaidonis and Nancarrow 1996b, Laughlin and Broadbent 1997).
The interpretive ethnography used in this thesis is also a contribution to this literature in that its methods expose underlying ideological structures and value systems at play in the research process. By choosing the methodology of the interpretive ethnography, this study is responding to the criticism of Morgan.

Accountants often see themselves as engaged in an objective, value-free, technical enterprise, representing reality "as is". But in fact, they are subjective "constructors of reality": presenting and representing the situations in limited and one-sided ways. They are not just technicians practising a technical craft. They are part of a much broader process of reality constructions, producing partial and rather one-sided views of reality, exactly as an artist is obliged to produce a partial view of the reality he or she wishes to represent.

By appreciating and exploring this dimension of the accounting process, accountants have a means of developing a new epistemology of accounting that will emphasise the interpretive as opposed to the supposedly "objective" aspects of the discipline, perhaps in a way that will help broaden and deepen the accountants' contributions to economic and social life".

(Morgan, G. 1988, p477)

Ethnographic methodology offers accounting a deeper understanding of the social interactions of accounting, acknowledging the fallibility of the notion of objective understandings of accounting taken outside their situational context. Wilson (1983, pp5-6) proposes interpretive research as an alternative view to objectivity, suggesting that behaviour cannot be understood unless the framework that subjects use to interpret thoughts, feeling, and actions is also understood. This implies an "objective outsider" is inadequate for gathering data, because this framework must be experienced. Any attempts at objectifying information are arbitrary and privilege a selected meaning system.
Denzin (1971, p58) supports this position, suggesting that all sociological work reflects the unique stance of the investigator, and that the researcher attempts to answer in the public arena what are essentially personal and private questions. The research interest precedes the research activity and is derived from the personal preferences and choices of the researcher. In this way Denzin suggests that a researcher is both the object and the subject in a study. Van Maanen (1982, pp107-108) concurs, suggesting that it should be acknowledged that legitimate personal matters lead an ethnographer into the field, and the research endeavour ultimately always comes down to a person. Ethnographic methodology is ethically responsible in that it formally acknowledges the personal moral lens that the researcher introduces by his or her presence.

3.3.2. Ethnographic Sensitivity to Gender Issues

In addition, challenges are made to researchers to advance accounting research into an area that has traditionally been of interest only to women, or the other, or negative space in accounting studies (Oakes and Hammond 1995 p63, Hines 1992). These voices can be institutionally silenced. Ethnographic narratives and their interpretive nature give a mechanism for these quieter voices to be heard. Use of reflexivity and narrative methods intrinsic to interpretive ethnography address these concerns by allowing the researcher to expose their partiality, gender bias, and ideological bents in the writing of the work.

3.3.3. Use of Language, Text and Symbol

Ethnographic research has the advantage of the richness, texture and complexity of data in its examination of language, text and symbol. As ethnography is not description, but
construction, the tools used will influence the final construct. Ethnographies are in one sense bound, and in another sense freed by their literary structures and qualities. Traditional western mainstream thought polarised written language into extremes: fiction versus fact, rhetoric versus plain signification and subjectivity versus objectivity. Ethnography as a methodology has the ability to acknowledge that these are a construct of viewpoint and belief, and are context dependent. It explores the protean and pluralistic texts and knowledge constructions potentially present in a site.

Such a sensitivity to language is important to accounting research. Francis argues that rather than being neutral, accounting is a moral and discursive practice. Accounting is moral because it has "the capacity to change things in the world...it has consequences that call for moral discernment in the part of its practitioner" (1990, p5). Francis also describes accounting as a discourse. He states "Explicit recognition of accounting's status as a discursive practice...is profoundly important because it forces accountants to acknowledge their own personal involvement, their own moral agency and rhetorical role, in the production and creation of accounting reports" (1990, p5). A methodology that is sensitive to the use of language is able to highlight symbolic structures and underlying assumptions (Chua 1986, p615).

3.4 Ethnographic Methods

3.4.1. Overview of Ethnographic Methods

In embracing an ethnographic methodology, a commitment is made to seeking methods of inquiry in the field that will expose partial, pluralistic and context sensitive data. Two methods are identified as achieving this: the use of reflexivity by the researcher,
and data collections and analysis using competing codes and representations of source materials.

Section 3.4.2 below defines reflexivity. It describes reflexive method as a form of sophisticated rigor that highlights process. Reflexivity is shown to raise awareness of silences and absences, expose and explain communal meanings and systems of interpretation, and to highlight process giving primacy to the micro-situational context.

Section 3.4.3 looks at methods of data collection and analysis using competing codes and representations of source materials in three ways. First this section will consider the ontological and epistemological assumptions of the methodology, being concerned with what counts as data in an ethnographic study while recognizing that there are multiple genres of data in a research site that compete in their codes and representations. This discussion extends to the process of identifying the research questions(s), and (un)planning data collections.

Secondly, section 3.4.2. considers the problems of data collection, including gaining entry and establishment in the field, gaining the trust of subjects, and ethical dilemmas that arise around the collection and use of data.

Thirdly, section 3.4.2. focuses on the actual doing of the ethnography and the skills required. Skills discussed include observation and awareness of linguistic cues and attention to detail, the simultaneous as opposed to sequential collection of data, and the personal involvement of the researcher in the site.
3.4.2. Reflexivity

Reflexivity requires the researcher to undertake personal reflections and construct texts of them. An ethnographer who uses reflexivity writes personal accounts of the research process that are necessarily autobiographical in form. Reflexivity requires the researcher to reflect upon their presence and impact on the research site and processes. Reflexivity organically binds ethnographic authority, personal experience and originality of expression (Pratt 1986, pp29-30). Woolgar describes reflexivity as “the willingness to probe beyond the level of straightforward interpretation” (1988, p16). It is a way for the researcher to expose underlying assumptions. It also allows a researcher to declare beliefs and interests and practices, thus providing a form of investigative transparency and honesty. Reflexivity is intrinsic to interpretive method, as it acknowledges the constitutive role of the researcher, as well as inherent values of the researcher. Knights (1992, p515) as cited by Chia states:

[i]nsofar as they fail to acknowledge their own participation in the constitution of social reality, qualitative researchers, who claim a distance from positivist beliefs, also have a tendency to be unreflexive about the representations they produce. Whether quantitative or qualitative methods are used, representational approaches to knowledge rest on a privileging of the consciousness of the researcher who is deemed capable of discovering the 'truth' about the world or management and organization through a series of representations.

(Chia 1996, p44)

When writing a description and of experiences of a research site, the ethnographer helps create the organisation and systems with which he or she is involved. The researcher's findings are personal linguistic constructions (Chia 1996, p45). Research becomes their narrative. Harding (1987, pp6-7) suggests that both what is asked and at the same time what is not asked and who is doing the asking is significant to the outcomes of the
research. Reflexivity acknowledges the imperfections of the process and that there is no uniform experience or understanding. When a researcher asks a question, embedded in that question is a personal understanding of the context of the research. Such an understanding is woven from the individual, their experience, class, race, gender, beliefs etc. Harding (1987, p8) suggests that this interest must be declared as it moulds the findings of the research. In this way research cannot help but be from the subjective, and this is encapsulated in reflexivity.

Denzin (1971, p58) suggests that the ethnographer must reflect on the conduct of self and others in interactive situations, and that these reflections become central pieces of data. Such introspection is basic to naturalism. Autobiographical reflexivity is a way in which data and explanatory schemes are made visible to expose the replication or generation of interpretive schemes. Such reflexive accounts should include the political and theoretical stances of the researcher, exposing the conceptions and limitations of the research (Ball, 1982, pp145-147).

In this way the authority of the text is constituted by intense personal narrative and should not be devalued as anecdotal. Every version of an ethnographic other is also a construction of a self (Clifford 1986, p23). Undertaking ethnographic research requires the researcher to speak and write, and speaking and writing themselves are interpretations, and thus are reflexive and autobiographical (Crapanzano 1986, p52). These attributes of ethnography mean that they are also morally charged (Clifford 1986, p100).
Crapanzano (1986, pp52-53) suggests that the ethnographer, like Hermes is a cunning trickster. The story must be convincing and while it does not lie, it does not promise to tell the whole truth. He suggests that in clarifying the foreign and making an organization familiar to a reader, the ethnographer can only present an understanding constructed from their cultural premise. Reflexivity is a means of admitting this trickery.

This raises the question is there a meaning beyond the individual perspective? Can individual reflexivity expose and explain communal meanings and systems of interpretation? The answer is yes, through what Bruner describes as a "folk psychology" (1990, p33). A culture provides the processes and transactions involved in constructing wider meanings. There are cultural systems of interpretation to construct public or communal meanings. For example, Bruner (1993, p33) suggests that an autobiography is understandable to both the individual and to others because of cultural systems of interpretation. This is so even though an autobiography itself is unable to be understood by individuals identically. Thus, while reflexivity is personal, it is not confined to the personal. Interpretations are made through structures that hold at a particular time and place (Usher 1993, p104). Reflexivity highlights structures and interpretations at a specific time in a specific society and culture. The individual reflexivity of the researcher of an accounting ethnography is located in a structure and discipline in which the organization and accounting system operates. In this way research findings can reflect the issues of the researcher's context, as seen through the personal, and yet beyond it. In this way reflexivity exposes and explains communal meanings and systems of interpretation.
Reflexivity has the capacity to raise awareness of silence and absence in a research site because as a method of inquiry it has a "social subjective" (Usher 1993, p105). The reflexive researcher, in the questions asked and conclusions made, also signifies a gender, sexuality, ethnicity, class etc (Usher 1993, p105). Through this signification, it can also highlight what is not present.

Thus epistemic reflexivity in making us aware of the necessary place of research communities also makes us aware of their power of exclusion and closure and provides us with the means to interrogate and problematise our emersion as researchers within them.

(Usher 1993, p104)

Reflexivity also offers a researcher the advantage of highlighting process giving primacy to the micro-situational context. Chia (1996, p46) describes this as "becoming realism". "Becoming realism" gives ultimate priority to process. Reality is continually being re-understood, reinterpreted. Relationships take focus over objects and structures. This gives primacy to the local situation, its relationships and the order of the accounting processes. Reflexivity allows us to realize that accounting is both a medium and an outcome.

3.4.3. Data Collection and Analysis

This section of the chapter will review three aspects of data collection and analysis for ethnographic research. First the implications pertaining to data collection of the ontological and epistemological assumptions of the methodology are considered, including the process of identifying the research question(s), and (un)planning data collections. The second aspect of data collection and analysis discussed is the logistics of data collection, including gaining entry and establishment in the site, gaining the trust
Chapter 3 Ethnographic Methodology and Method in Accounting Research

of subjects, and ethical dilemmas that arise around the collection and use of data. Thirdly skills required by the ethnographer for successful data collection are reviewed.

Any research method employed to collect data contains underlying ontological and epistemological assumptions. Facts or data are "theory laden" because they are part of a symbolic scheme (Gaffikin 1988, p16). Meaning given to them depends upon what understanding is brought to them. Meaning depends upon the symbolic scheme applied (Bredo and Feinberg 1982, p115). This has distinct implications for those using an interpretive paradigm, as described by Blum.

the grounds of competent use of method within the interpretive 'community' are distinct form those operant in the positivist 'community'. Each community provides its own socially organized devices which may be appealed to for assent to and warrant of the 'truthfulness' of research knowledge. The conventional wisdom of the community also provides the language and theoretical presuppositions which allow for the identification of that which is to count as data. This data, this research knowledge, cannot be divorced form "the observer's procedures for finding and producing them"

(Blum 1970, p333)

Ethnography is located in the interpretive paradigm as described by Burrell and Morgan (1979). Explanation is all that is sought, and the research only attempts an understanding of a social order. Meanings are embedded in a logical consistency of their own. Chua (1986, p614) says interpretation seeks to make sense of human actions by fitting them into purposeful set of individual aims and a social structure of meanings. Individuals' interactions create intersubjective meanings.

Knowledge comes from experience as an active participant in the social world (Dillard 1991, p11). Hassard argues "postmodern epistemology suggests that the world is
constituted by our shared language and that we can only "know the world" through the particular forms of discourse our language creates" (1993, p3). Knowledge/meaning is not constant, but is continually redefined because it emerges from a reality of constantly shifting contexts (Chua 1986, p617). Consequently, these meanings/knowledge attributed to any data cannot be rational, but rather embrace symbols and intentions.

This has implications for any view of data in an interpretive scheme. There can be no data in the traditional sense in an interpretive ethnography. "Data" is shallow and does not evoke emotion. An experience lived is not emotionless. An interpretive form of ethnography does not box aspects of an organisation in such a way, or artificially and intentionally impose an ideological framework ex ante or ex post the experience. Rather, an ethnographic researcher becomes and lives the organisation in a real way. In this manner an interpretive ethnography is more personal than traditional case studies that are predominate in the accounting literature to date. It is a celebration of uniqueness, subjectivity and culture.

Is there such a thing as a research question in the given assumptions of an interpretive scheme? Wilson (1983, p7) argues that ethnography allows concepts to emerge on their own. This is also argued by Wolcott (1975, pp27-28) who says the site defines the problem and that an ethnographic researcher is best served when feeling free to "muddle about" in the field, and to discover the problem(s). In this way he regards ethnography as a high-risk and low-yield approach suited to generate hypotheses, not to verify them. Becker (1958, p160) argues that relevant problems are only discovered in the course of research.
In "doing an ethnography" there is much latitude in collecting data as it cannot be limited to pre-specified places and times (Wilson 1983, p12). Data is emergent from the site, and may not be known at the commencement of research, with access to confidential data often emerging with the growth of trust in the participant observer. Ball (1982, p148) suggests it is inappropriate to employ standardized procedures in participant observation.

The form of data may take many modes. Wilson (1983, p11) suggests some of these to be verbal interactions between participants, verbal interactions with the researcher, nonverbal behaviour, patterns of actions and non-actions, archival records, artifacts and documents. Wolcott (1975, pp42-43) also argues for this, suggesting critical ethnography is the use of varied modes of gathering information. These varied modes of gathering information yield a fruitful harvest. Wolcott (1975, pp48-49) suggests that a wealth of primary data is necessary for a worthwhile ethnography, and this wealth is diverse and unique to the site. He includes stories, myths, songs, maps, photographs, sketches and pictures. Faulkner (1982, p66) argues that impoverished data collection procedures can hinder creative research processes, and it is important to be creative "as you go along" (1982, p66).

Wilson (1983, pp12-13) suggests that observations are made and opinions formed through various lenses including the answer to a given question, what is said to other people, what is said in various situations, and what is said at various times, what is actually done, as well as non-verbal signatures such as body language, and what those who are significant say, do and feel. Similarly, Vidich (1960), as cited by Wolcott (1975, p38), proposes ethnographers must go "native" in fieldwork as a necessity in
getting the information wanted. Ball (1982, p148) argues that you cannot divorce a researcher's account from involvement in the field. Wolcott supports this, stating that the level of personal involvement in ethnography far exceeds that of other research approaches (Wolcott 1975, p37). Wilson (1983, p16) argues that any analysis of data necessarily must seek to understand meanings of participants, being careful not to have interpretations over-structured by theory. The analysis of the data must be accepting of uniqueness.

Personal involvement in the field by the researcher to gather data is not straight-forward. Common difficulties evolve around the ethnographer gaining entry and establishment in the field, gaining the trust of the subjects, and being willing to compromise on ethical dilemmas that inevitably arise.

Wilson (1983, p10) suggests that any ethnographer must be sensitive in entering and establishing a role and deciding how they will become involved in the community. Van Maanen (1982, p109) identifies two problems associated with the entry and establishment of the researcher role in fieldwork. First, entry must be obtained through approval from a third party. This immediately presents the dilemma of the researcher disassociating themselves from the interests and controls of that third party. Secondly, the researcher cannot buy their way in by offering anything of value to participants, so there are no compelling reasons for subjects to participate or cooperate. Because of these constraints, it is necessary to make the research non-intrusive and sensible to those being studied.
An ethnographer must gain the trust of subjects so that participants are willing to freely share their views (Bruyn 1966, Wilson 1983, pp11-13). Ethnography is not a one-way process. Van Maanen (1982, pp110-111) suggests subjects in a site are always studying the fieldworker and modifying their behaviour accordingly to avoid attracting attention and subsequent scrutiny. To successfully observe a 'natural' situation, the ethnographer must gain the trust of the subjects. Trust cannot be gained uniformly in the organization, as there is neither uniform tolerance nor equivalent subject knowledge of the ethnographer.

There are also ethical problems surrounding the collection of data in a field study. Wolcott (1975, p39) acknowledges that there is a problem of ownership of materials that have been gathered or prepared in the field. Many are private documents that belong to the researcher.

Becker (1958, p174) questions what interpretations an ethnographer can ethically make public. Van Maanen (1982, p147) also takes up this theme, suggesting that in any reporting of a study the ethnographer becomes an informant, and even with discretion it is inevitable that trust must nearly always be violated.

Ethical concerns also present themselves upon leaving the field. Van Maanen suggests "Fieldwork inevitably entails attachment, and it therefore creates all the existential dilemmas upon which any human relationship is based" (1982, p116).

An ethnographer uses particular skills in operating in the field of a research site. An interpretive ethnographer is required to give something of themselves. In any analysis
of data, the researcher is also a constructionist. Redfield (1953, p156) as cited by Wolcott (1975, p38) argues the ethnographer should not hide behind a mask of neutrality in giving accounts of their findings. Rather, they should include something of themselves and how they feel personally towards events they are studying. Much of this is missing in "accounting-in-action" research. Wax (1971, p363) as cited by Wolcott (1975, p38) agrees arguing fieldworkers themselves should report how they have been changed by the experience.

Faulkner (1982, p66) suggests that personal blocks an ethnographer may encounter in collecting data include being custom-bound, over-certainty, reluctance to play outside their discipline and an impoverished fantasy life, the desire for frustration avoidance, fear of the unknown, a reluctance to exert influence in their site, resource myopia, engaging only a partial contact with their environment, and a fear of failure. He argues it is necessary to be open and flexible so as not to become custom-bound and over-certain in a chosen discipline (Faulkner 1982, p66).

Becker (1958, p160) argues participant observation research is carried on sequentially, however the tasks of analysis and data-gathering can be simultaneous. Data gathering is sequential because it has a chronology. Data analysis and data-gathering are simultaneous because the researcher is constantly interpreting and reinterpreting with the morphing of context and meanings, and with varying levels of trust and disclosure shown to the researcher. This makes it difficult to specify precise procedures for the conduct of interpretive research. Techniques are those of the anthropologist including observation, awareness of linguistic cues, and a careful attention to detail.
3.5 Chapter Conclusion

This chapter has described the nature and genealogy of ethnographic research, identifying it as an under-utilized paradigm that offers much to accounting research. It is a methodology that is able to satisfy calls for context specific and ideologically aware research in accounting.

The interpretive paradigm of ethnography is far from perfect and key limitations in its application were discussed, including the limiting factors of language, the morphing effects of context, and imperfections of the researcher, and ethical considerations surrounding the verification and ownership of data.

Despite these limitations, key strengths in this research methodology are determined to outweigh the limitations identified. Ethnographic methodology has the advantage of permitting the research process to acknowledge ideological structures and values inherent in accounting systems, provides a sensitivity to gender and marginalized others, and exploits the richness of the use of language, text and symbol. Methods relating to interpretive research were explored, as was reflexivity.

The application of this methodology and related methods as they were employed in investigations for this thesis are now described in the next chapter.
Chapter 4

An Ethnography of a NSW Primary School:
A Description of the Study of this Thesis and
Ethnographic Methods Used

Chapter Overview

Chapter four describes the selection of and involvement in the site of this ethnographic study of accounting. The research site is a small primary school in the New South Wales Department of School Education. Section 4.1 introduces this field study as a cultural description that has emerged from a long and intimate relationship with the site. Section 4.2 is a prelude of the reflexive voice claiming ownership to and interest in the site. Section 4.3 describes the physical characteristics of the site, including an historical overview, the surrounding environment and demography. A narrative of selecting and gaining approval to access the research site is described in section 4.4, while section 5.5 gives a detailed chronology of “going native” involvement in the field of the researcher. Methods of data collection used are described in section 4.6, while section 4.7 reflects upon the difficulties experienced in gathering this data.
4.1 Introduction

Ethnography is a cultural description emerging from long and intimate relationships within a site. This interpretive ethnography is not a case study in the traditional mainstream sense a case study is done in accounting research, and it challenges mainstream accounting research methods. In owning and taking responsibility for the narratives and unavoidable partial representations, this interpretive ethnography is “honest” as opposed to duplicitous. It is not just visiting an organisation, even for an extended period. Rather, as a researcher I celebrate that I must be a real part of the organisation to ethically claim ownership to its meanings and a right to explain them. An interpretive ethnographer does not search for and conduct interviews, make observations, and collect texts and secondary sources in a disinterested fashion. To do so gives priority from the outside to one attribute of the organisation such as accounting, to serve an interest pre-existing to entry in the organisation, and this does not truly allow an honest research question to emerge or not emerge from the field.

4.2 Prelude: A Reflexive Text

I am writing a story, a narrative, a telling. I am writing of a place of mine, and its people. I am writing of how they are and what they dream, and of how what they dream becomes them. I am writing of sinister things, of counting and measuring and controlling by and of this place and people. I am writing for greater truths.
This place of mine is happy and relaxed. There is much banter and laughter. It is welcoming and informal. There are smiles and green open spaces and splashes and sweet smells of fresh cut bread and pies in ovens. There is always music.

So what of sinister things? Yes, they lurk here, never far, ever watchful. They miss nothing, seeing all and biding their time. They move quietly, inauspiciously, and many do not believe in them at all. Yet others with them quietly conspire.

How came I to this place? It was no accident. It beckoned. It lured me with offerings and promises of riches. It stretched out and engulfed me with security. I offered up my children to it and I have no regrets.

I do have a need to understand. I see a place of beauty, wonderment and creation. Yet I am alone.

To whom can I speak of this? Those lurking sometimes tell me what I see and think is not real. They tell me what I should be seeing, and what I saw. They tell me they see, but they do not see in the same way. Like a prism, there are many facets, but you can only look in one at once. Like them, if you look from too far away, you cannot see anything at all. And yet they insist I need to see the way they see. Why? To what end? They do not know they need to understand. And so I write the tale of this place, so that there may be understanding, for there can be no one truth.
My special place has many creatures. Some are very small with quiet voices; some are very small with shrill voices. Others are larger and move in a frenzied state. Some are frightened and damaged and their whimpering disables you. Others are only injured. A few are very proud and elusive. Some choose never to venture beyond their habitat. Other sinister ones lurk where they cannot be seen, and their frightening voice booms unpredictably out of darkness. There are ephemeral visitors too, who leave their ghosts to laugh and mock. All are worth knowing, and all plot to become this tale.

The excitement in my place is its language. Sometimes I understand very well. Other times there are strange noises and symbols, and bows and signs and paralanguage. Slowly, slowly the strange language of this place reveals itself to me, only then to think better of itself and as a shape-shifter change its form.

I cannot take you there. I can only take you close, as sadly only I am allowed to this very place. Only I have been able to see this meaning. I cannot even tell you where this place begins. It does not start at the gate; no, to tell you that would be wrong. It does not even start with what you can see, because it goes farther than that. It goes beyond time and beyond space, as it is in the mind. It is also in the heart, and where it is changes as a symbiosis with the Other. Its tentacles envelop you, yet you see straight through it.

Let me invite you on an adventurous journey, and I will take you close to this place. I can do this by telling you what I have seen, and what others saw, and what others would have us believe. I will teach you the love of this place and with you
share its wealth. Do not be alarmed, but this journey is not without risk. I will use many dangerous devices, as in danger lays the excitement. Indeed, in danger lie the riches of knowing and power.

And now if we leave calmly on this journey I can share my secret with you. In the riches of my place we will live a paradox. We will have power, and yet at the same time this will come from being powerless, for we must use our power to save this place. Indeed, many of the evil ones have tried all manner of technology for seeing and control, as it is a thing of value. Their tools are innocent enough, but in their using is unleashed untold violence and anguish. They leave behind cancerous seeds that grow invisibly over time, to emerge when called to take the lives of many good. We have a duty to go on.

And now the trick: surrender your mind. Trust, become nothing and let nothing be you, so that our journey may begin.

4.3 A Description of the Research Site

This section of the chapter gives a description of the research site from historical, physical, and demographic perspectives. It is intended to make familiar the research site.

4.3.1. Historical Overview

This primary school has a long history, being first established in 1927 on a different site. It was the main primary school of the local suburbs. A large increase in the local
population saw the expansion to a second site in 1952. From then until 1989 the school operated at two sites. Years three to six were located in the current school environment. The infants department continued to occupy the original site, geographically close. However, with a decline in enrolments, the infants department moved to the present site in 1990.

The school has seen a changed profile over time. In the 1970’s it enjoyed enrolments of around seven hundred. These enrolments were predominantly from an Anglo-Saxon, middle-class background. It now has a population of around two hundred, and a much larger and diverse ethnic enrolment.

4.3.2. Physical Environment

The school of this case study draws chiefly on the population of three nearby suburbs of a large city. It is located near a central business district. Major arterial roads including a four-lane highway straddle the school. There is public transport access close, with school bus stops for the children located across the four-lane highway. Nearby roads are lined with medium density housing, which is both public and private. While in the 1950’s and 1960’s this was a quite affluent area, it has declined in affluence in more recent years.

The topography of the school mirrors the competing interests of the development of education in Australia. This is further discussed in chapter 5. Competing private schools are also located in the immediate vicinity. Both a catholic primary school and a private grammar school are located across the road from the public school.
The school's cosmetic topographical advantage observed compared to the competing schools is that it enjoys spacious grounds of grass and many large trees, removing the school from the impressions of the street outside the gates, and the presentation of the catholic school across the road.

The buildings of the school, while not visible from the road, are austere. They are architecturally a product of the 1950's, dominating the landscape with a dull brown brick. There are two very long main parallel buildings with traditional corridors, complete with hooks on the walls, and serviceable brown carpet. These are linked in an H shape by an administration and library facility.

The building is large enough for the population to accommodate specialist classrooms, a considerable advantage in contemporary under-funded public schools. These are a telelearning and computer room, a music room, a language classroom, a craft room and a school hall. It also has a large canteen.

The school community has modified this standard architecture to encompass several unique features, including a swimming pool and amenity block, a rainforest plantation and a native plant garden, for which the children are responsible for maintaining. An outdoor playground has been constructed as a joint project with the local city council, and serves the wider community.

4.3.2. The School Demography

The population of the school community has declined dramatically over time, in a natural response to the ageing of the local population, and the changing economic
profile of the area. Many of the more affluent in the area choose to send their children
to one of two of the nearby private schools. In 1995 the school had seven straight
classes and one composite class. By 1997 this had changed to five straight classes and
two composite classes, with the loss of one teacher.

Along with an historically ageing local population, and the consequent declining
enrolment, there is a large increase in recent years of the ethnic and temporary
enrolment of the school. Many of these children belong to overseas postgraduate
students at the nearby university. This has followed a large increase in rental
accommodation in the area, along with numerous emergency housing and refuge
housing. This has accompanied the declining mean socio-economic status of the suburb
(Department of School Education; 1995, p2). The consequence of this is that many
students and their families are transient or short-term residents in the school community,
in contrast to the previous history of the school.

### 4.4 The Selection of the Research Site

This section describes the journey undergone to select this school as a research site. It
also describes the process of gaining approval to research at the site.

#### 4.4.1. The Place Whence I Came

How I came to the school is a personal tale. It is a story of how educational funding and
accounting touched my family in a very significant way. It is a tale of the researcher's
voice in the field.
I was seeking out a school for my eldest daughter. She was seven years of age, in year two at a catholic primary school in another area, and profoundly unhappy. Being somewhat talented academically, my daughter taught herself to read at the age of three. In preschool she was reading basic texts. By kindergarten she had mastered the reading level of a short children’s novel, and began to learn her first foreign language, Greek. This caused a problem with her schooling, as she knew the work and spent most of her time running errands, and received little stimulation in her class environment. She was profoundly unhappy.

My daughter was referred to a clinical psychologist to assist her with her displayed levels of frustration and unhappiness. After two months of counseling and testing, it was reported that she was measured to be in the gifted category. The recommendation was that she immediately needed a special education program that met her academic ability.

These recommendations were independently obtained, and communicated to the school. However, a meeting with the principal to achieve the outcome recommended was most disappointing. While the school was presented with a highly technical document describing my daughter’s needs, we were told frankly by the school principal “I don’t believe it, in fact, your daughter is behind the class in maths”. No attempt was made to consult an educational psychologist. When this was suggested, we were told the school just did not have the resources to meet this request, nor did they have the resources to give one child a special programme. Upon medical advice we removed her from the school and were left with having to seek an appropriate alternative.
After visiting many schools, we stumbled upon the school of the case study. Immediately our inquiries were welcomed with an open and friendly atmosphere. Although unannounced we were shown around the school, and were impressed by the cheerfulness and relaxed demeanor of both staff and students. The principal seemed keen to push the school swimming pool as a key attraction. However, the key attraction to us was the dedicated language room, and the fact that every child in the school was learning to read and write Korean. The dedicated computer room was also impressive.

After deciding the school appeared to have the relaxed atmosphere we were seeking, we met formally with the principal. Upon explaining our problem of needing a program to suit our daughter’s academic development, we were told immediately that he felt himself unqualified to make a recommendation for appropriate education for our daughter, and asked our permission to consult a specialist in confidence. We were delighted in finding someone who respected the complexity of the situation.

After due consultation our daughter was offered a place in a composite class that would allow her to accelerate academically with the older class, but still remain in social contact with children of her age. The solution was an instant success. Our daughter moved from social isolation to having a group of long-term friends and a very supportive school community. Many opportunities for independent self paced learning, outside competition, and gifted programmes were made available.

It was not very long before I began asking myself questions. How was it that a school with fewer students and was obviously far more economically deprived than my daughter’s first school could support a language program, advanced computing, an
extensive library, a school pool, and specialized learning programs for its students? How did such a limited resource base stretch so far? How and why did such a small school choose to prioritize such activities? These questions formed the basis of my research interest in school funding and accountability.

4.4.2. Gaining Approval to Research at the Site

As time moved on I became increasingly involved in the school community. The precise involvement is detailed in the next section of this chapter. My skills in accounting were uncovered and sought out. The greater my involvement, the greater interest I had in my research questions.

Upon deciding to undergo a research degree, I used my situation to my advantage and asked permission of the principal to undertake a study of how accounting was used in the school. By this time I had a strong rapport with the principal and staff, and I felt the principal trusted my intentions with the request. My request was met with reserved favour, dependent upon approval by the New South Wales Department of School Education. The principal made this request on my behalf.

I was delighted to receive a letter on 29 August 1995 from the principal on behalf of the New South Wales Department of School Education granting me approval to conduct the research. This letter is shown in Appendix 1.1. Two conditions were attached, I had to keep the name of the school and those associated with it anonymous, and the school had to be given a copy of the research on its completion. Announcements were made to the school community about my research at a staff meeting, a Parents and Citizens Association meeting, and at the School Council meeting. Reactions from the school
community to this announcement ranged from supportive enthusiasm to mild disinterest. No hostility was detected.

4.5 A Chronology of Involvement in the Field: A Narrative of “Going Native”

My involvement in the school began in Term 3 of 1993. This involvement ended in 1999. However, the term of the approved research began in September 1995, with the majority of data being collected between 1996 and 1999. While for the whole of this period I was a parent of children at the school, in addition during this time I participated in various other aspects of the school community. The exact nature of each of these involvements in the field is discussed fully in chapter 6 of this thesis. However a summary of the involvement is detailed in Table 4.1 below.

Table 4.1 Chronology of Involvement in the Field

<table>
<thead>
<tr>
<th>Year</th>
<th>Canteen</th>
<th>School Council</th>
<th>Parents and Citizens</th>
<th>Korean Programme</th>
<th>After School Care</th>
</tr>
</thead>
<tbody>
<tr>
<td>1995</td>
<td>Volunteer</td>
<td>Member</td>
<td>Participant</td>
<td>Client</td>
<td></td>
</tr>
<tr>
<td>1996</td>
<td>Committee</td>
<td>Member</td>
<td>Participant</td>
<td>Client</td>
<td></td>
</tr>
<tr>
<td>1997</td>
<td>Committee</td>
<td>Secretary</td>
<td>Member</td>
<td>Participant</td>
<td>Client</td>
</tr>
<tr>
<td>1998</td>
<td></td>
<td>Secretary</td>
<td></td>
<td></td>
<td>Client</td>
</tr>
<tr>
<td>1999</td>
<td></td>
<td>Member</td>
<td></td>
<td></td>
<td>Client</td>
</tr>
</tbody>
</table>

Canteen involvement was originally as a volunteer on a one day a month roster. However, once my accounting skills came to light I was invited to join the canteen
committee and assist in the administration and bookkeeping aspects of running the school canteen.

The school council is a volunteer governing body appointed under a constitution and with the approval of the New South Wales Department of School Education. It is a body intended to facilitate self-governance of schools. I was invited to join the school council in 1996 by the principal on behalf of the current council for a term of two years, as specified by the constitution. I accepted this and participated as a member for the first year, and accepting the nomination of secretary for the second year.

The Parents and Citizens Association is a nation wide body of parents and interested members of the public formed to support the interests of students in the public schooling system. I was a paid-up member of the Parents and Citizens Association throughout 1995 to 1999. In 1998 I accepted the nomination of secretary of the school branch of the organization.

The Korean Programme was based at the school, and required families pay an additional fee for classes after school hours. In addition to formal language study, the programme offered families access to experiences of Korean culture including cuisine, music and dance, as well as the opportunity to meet Korean students.

The after school care programme was run by a Children's Services Action Group in conjunction with the local city council, and with the sponsorship of the school. I was a client of this service as my children attended this service throughout the length of the field study.
4.5 Methods of Data Collection

Methods of data collection used in this thesis are personal notes and recordings, listening to field stories and music, texts, photos, interviews, pictures and paintings, and secondary sources.

Personal notes were taken to record observations throughout my time in the field, and I journeyed through different involvements. Note taking was used to record and in recalling conversations and meetings proceedings.

Taped recordings were made of one interview. A later condition was placed on the research by the principal that interviews were not to be recorded on tape. However, one interview was recorded as the subject was no longer associated with the school in any way, and her involvement was not under the authority of the principal, but in the jurisdiction of the parents and citizens body.

A large part of the school community is the student body of the school. While no students were actively interviewed in the undertaking of this research, as a member of the community I was exposed to their stories, songs and music. Many of these informed my view and questions of the site, and should be declared as forms of data.

Many texts were gathered as data informing this thesis. Texts gathered were strategic planning documents, budgeting papers, external reports, internal reports and memos, swimming pool correspondence and management plans, correspondence and minutes of the Parents and Citizens Association, the canteen committee and the school council, and
artifacts from the Korean programme. In addition texts were made of interviews with the principal, teachers and parents. Details of these texts are given in the tables at the end of this chapter.

Table 4.2 relates to Appendix 1 and lists strategic planning documents gathered as data. Table 4.3 relates to Appendix 2 and lists budgeting documents gathered. Table 4.4 relates to appendix 3 and lists documentation associated with external reporting by the school. Table 4.5 relates to appendix 4 and lists documentation associated with internal reporting by the school. Table 4.6 shows documents contained in appendix 5 relating to the school swimming pool. Table 4.7 lists documents pertaining to aspects of social capital within the school community, as described in appendix 6. Table 4.8 relates to appendix 7 and contains documents associated with the school canteen. Table 4.9 pertains to appendix 8 and contains documents of the Korean programme. Table 4.10 lists documents of the school council as shown in appendix 9. Finally Table 4.11 is a record of interviews done with members of the school community as included in appendix 11. These documents were all collected as data for this thesis.
### Table 4.2 Strategic Planning Documentation

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<td>1.3</td>
<td>Management Plan 1995</td>
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<td>1.4</td>
<td>Strategic Plan 1995-1999</td>
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<td>1.5</td>
<td>Action Plan 1994</td>
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<tr>
<td>1.6</td>
<td>Draft Strategic Plan 1995-1999</td>
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### Table 4.3 Budgeting Documentation

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<td>2.2</td>
<td>Anticipated Budget 1993</td>
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<td>2.5</td>
<td>Working Budget Papers 1994</td>
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<td>2.6</td>
<td>Budget 1994</td>
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<td>2.7</td>
<td>1994 Monthly Income Performance Report</td>
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<td>2.8</td>
<td>1994 Budget Monthly Income Performance Report Worksheet</td>
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<td>OASIS Budget Income Performance Report 8/9/1995</td>
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<tr>
<td>2.10</td>
<td>Budget 1995</td>
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### Table 4.4 External Reporting Documents

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<tbody>
<tr>
<td>3.1</td>
<td>1993 Annual Report South Coast Region</td>
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<td>3.2</td>
<td>1995 Annual School Report Pro Forma</td>
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<tr>
<td>3.3</td>
<td>1998 Annual Report</td>
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<td>3.4</td>
<td>Quality Assurance Report</td>
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<td>3.5</td>
<td>School Promotional Pamphlet</td>
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<tr>
<td>3.6</td>
<td>Notice of Text Book Fees</td>
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<tr>
<td>3.7</td>
<td>School Report and Merit Certificate examples</td>
</tr>
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<td>3.8</td>
<td>Parent Teacher Interview Slip</td>
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<td>3.9</td>
<td>School Newsletters</td>
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<td>3.10</td>
<td>Teachers Federation Stoppage Notices</td>
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<td>3.11</td>
<td>Fun-a-thon News Slip</td>
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<td>3.12</td>
<td>OC Placement Test Information Sheet</td>
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<td>3.13</td>
<td>OC Information Evening Notice</td>
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<td>3.14</td>
<td>OC Placement Test Information Bulletin</td>
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# Table 4.5 Internal Reporting Documents

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4.1 Basic Skills Individual Student Report
4.2 Wollongong District Office Management Structure
4.3 Total Annual Entitlement Report
4.4 Canteen Trading Statement Pro Forma
4.5 Manual of Preparation of Trading and Profit and Loss Statement
4.6 Canteen Trading and Profit and Loss Statement Pro Forma
4.7 Manual of Preparation Balance Sheet
**Table 4.6  School Swimming Pool Documents**

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**Table 4.7  Social Capital Documents**

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**Table 4.8  Canteen Documents**

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**Table 4.9  Korean Program Documents**

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### Table 4.10 School Council Documents

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<td>Letters of Invitation to Join School Council</td>
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<td>Final Report of School Council Survey May 1993</td>
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<td>Parent Survey Summary 1994</td>
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#### School Council Minutes of Meetings

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### Table 4.11 Interview Transcript and Records

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4.7 Difficulties in Gathering Data

The gathering of data in this site was problematic. As a field researcher I was restricted by limitations of my ability. Particular areas of frustration lay around attempted censorship, the undisclosed purchase price of my access, and the ethical dilemmas surrounding my privileged and trusted position assigned by subjects in the field.

4.7.1. The Censorship of Approval

The only restrictions placed upon the research in the original letter of approval were the requirement of anonymity and that the school receive a copy of the final research outcome. However, when it came to actually undertaking research, both implicit and explicit forms of censorship were placed upon me.

I originally began the collection of data in a very formal way, requesting appointments with teachers and administration staff, and permission to attend meetings. However, while the principal was keen to participate in the research, he did not anticipate the research to be so in depth. He became nervous about “taking too much teachers’ time”, although this appeared completely contrary to the reaction I received from the teachers. He then required that I do not tape interviews, but restrict my record to written notes. At no time was any reason given. I began to notice some members of staff I was happily given access to, while others access was made so difficult by the principal to be not possible. I soon realized that the principal was happy for me to record his version of how funds were raised, recorded and allocated in the school. He was less happy about me speaking to some others. Given that I did not want to jeopardize the very good access I was granted, I tended to placate the principal so as not to jeopardize the access I
did receive. I changed my tact in collecting data to less formal procedures such as playground chats and morning teas and school social functions.

It is interesting that through this process in no way did I feel confined because I was a parent of children at the school. I was careful not to mix my two hats, so to speak, and did not abuse my positions in either role. While one informed the other, I feel I was respected and trusted enough to keep the research a professional activity, and isolated from personal dealings with the staff about my children. It is hard to gauge if the staff read the situation the same way, but I was given no reason not to think so.

4.7.2. The Purchase Price of Access

I soon discovered that while I was granted excellent access to the site, I was expected to reciprocate. Accounting was a skill in the school community in increasing demand and in short supply. I was called upon to donate, and happily complied, time and energies in helping office staff use new computers, getting bank reconciliations to balance for the canteen accounts, supervise stocktakes and calculate costs and margins on fundraising activities.

4.7.3. The Problematic of Ownership of Data

Given that much of the data is protected by a commitment to anonymity, there are problems in the disclosure of some data. While a comprehensive collection of data as described in the tables in this chapter is included in a volume of appendices, an embargo is placed on this volume in order to fulfill the commitments undertaken at the commencement of this research. This volume is available to the thesis supervisor and examiners only.
4.8 Chapter Conclusion

This chapter has introduced the research site of this study, by describing the selection of and involvement in the research site of this ethnographic study. It celebrates the reflexive voice claiming ownership to and interest in the data gathered. It specifies the chronology and sources of the data gathered. Chapter five following expands an understanding of the research site by describing its wider historical, social and political contexts. Chapter six explores in a series of vignettes the narratives emerging from the data collected.
Chapter Overview

This chapter takes the form of a meta-narrative and provides an overview of the historical, political and cultural contexts informing present day governance and funding of New South Wales’ public education. This approach elucidates how recent funding and accountability issues are framed. The chapter describes at the macro level the journey to a social knowledge in which the following chapter “Tales of the Field” is immersed. It provides an understanding of the sentiment, values and traditions informing and prevailing at the time the ethnographic study of this thesis took place.

Section 5.1 of this chapter describes the earliest developments and cultural foundations of the education system in New South Wales. It begins with the history of church schools and their allegiances and rivalries with the state school system. Section 5.2 reviews the role of the Commonwealth government in state education in Australia, particularly New South Wales. State responses to this intervention are discussed in section 5.3 of this chapter. Section 5.4 describes the impacts of public sector reforms and the new managerialism of the 1980’s on the New South Wales public school system. These impacts included the introduction of school councils, the instigation of school budgets and the prioritising of social capital.
5.1 Introduction

This overview of the development of education in New South Wales describes a struggle for literacy by poorer peoples of a convict past. It considers the implication for education policy and funding of mass emigration and war, and acknowledges the unique and long standing mix of educational politics between church and state in New South Wales that prevails vehemently in the funding debates and policies of today. An appreciation of the growth of a unique system to cope with a distinct and harsh physical environment is also described (Fraser 1986, p416).

5.2 Earliest Developments and Cultural Foundations

New South Wales was established as a penal colony of England on 7 February, 1788. By 1800 New South Wales had a population of 5,995 (Fraser 1986, p27). As such, during the earliest years of the penal colony and through the majority of the nineteenth century, any formal general education was initially provided by what resources were available. This included convicts, the churches or private individuals, and government supported schools. In the earlier years most benefited financially in a limited way by government funding.

The first school established in New South Wales in 1789 was a school for girls run by a convict, Isabella Rosson. The children were taught reading, some writing and arithmetic (Fraser 1986, p216). By 1792 there were three schools in operation, all conducted by
convicts at penal settlements, one in Sydney, one at Norfolk Island and one at Parramatta.

5.2.1. History of Church Schools.

It was not until 1792 the first church school was established by Rev Richard Johnson in Sydney. This had three teachers and one hundred and fifty children. However, it was burnt to the ground in 1798 in suspicious circumstances (Fraser 1986, p216).

By 1797 there were six schools in New South Wales, and all were now under the control of two chaplains, the Rev Richard Johnson and the Rev Samuel Marsden. They were funded by the Society for the Propagation of the Gospel. In 1798 missionaries from the London Missionary Society began work as teachers, and in July 1800 they erected a church school at Kissing Point, and soon after a similar school was established at Toongabbie.

5.2.2. The Alliances of State, Private and Religious Education in New South Wales, and their Funding.

On 10 October 1800 Governor King imposed an import duty on goods. This duty was intended solely to establish a fund for education in the colony. Fines were also to be paid into this fund. It was from this point that education including that provided by religious bodies and private individuals began to be partially funded by the state. Shortly after this in 1806 the first formal Catholic education began with an Irish convict priest.
On the 24 February 1810 in the *Sydney Gazette* an announcement was made indicating the first free public school. It stated “Having with much regret seen a number of children about the Town of Sydney who appear to be wholly neglected in their Education and Morals, His Excellency (Governor Macquarie) is hereby pleased to signify that a Public Charity School will be established for the education of Poor Children” (as quoted in Fraser 1986, p216).

Schools began to spring up in an ad hoc manner reflecting a diversity of social and religious strata, pedagogical methods and political intentions. Private schools served the middle classes, for example the Lancastrian monitorial system was introduced by Rev Crook at the Sydney Academy. Such private schools flourished. A typical example is the opening on 26 July 1819 of Dr Laurence Halloran’s Establishment for Liberal Education in Sydney “for the Education of a select Number of Young Gentlemen in the various Departments of Classical, Mathematical and Commercial Learning, and Lettres” (Fraser 1986, p417). Poorer non-denominational schools came to be established by the government. An example of this is the Newcastle East Public School, which was founded for the children of convicts banished form Sydney, its headmaster also a convict. In 1821 the first Marist Brothers’ College was established at Parramatta by Father John Therry. He was the first Catholic chaplain to New South Wales. By 1833 there were ten Catholic schools in New South Wales (St Mary’s Catholic Community Ipswich 2001, p1). These Catholic schools were established by the Catholic Church and serviced the lower classes, attempting to overcome illiteracy amongst them.

This diversity of schools first came under the influence of regulation in 1824 when Governor Brisbane appointed the Rev. Thomas Reddall as Director General of Public
Schools in New South Wales. Reddall was authorised to introduce the form of monitory system of Andrew Bell, which was exclusive to the Church of England. The selection of this system was seen as partial. However under this system Rev Thomas Hobbes Scott of the Church of England hierarchy established the Church and Schools Corporation, and although it was dissolved in 1833, it succeeded in increasing the number of government-aided schools (Fraser 1986, p417). Around this time in 1831 the Rev Dr John Dunmore Lang, a Presbyterian, opened the Australian College in Sydney for youth of all denominations. In 1832 Church of England schools named The King's Schools, were opened at Parramatta and Sydney to service the upper class sons of wealthy colonists. Governor Bourke protested against this at the time, claiming “The children of the poor are educated in mere hovels under Convict School Masters” (Fraser 1986, p417). The social class divide was being replicated and enforced through the educational opportunities emerging. In response to this ad hoc development of education in these early years, Governor Bourke was in favour of national schools similar to those of the Irish National System.

Governor Bourke’s proposal for national schools met with fierce resistance, especially from the Catholic Archbishop Ullathorne, who organised a procession to protest against the continuing demand for national schools. He organised a procession of pageantry, including a cross and banners, three hundred girls in white, many other children, the Catholic congregation, acolytes and clergy and then the Archbishop in mitre and cope. Such a procession was a strong political statement for choice in education in Australia, and a wielding of political power.
In 1844 the Lowe Committee recommended to Governor George Gipps that New South Wales adopt the Irish system of education, but rather than establish a decentralised system of school boards, it was recommended that the scheme be administered through a central body. Following on from this, in 1848 Governor Fitzroy appointed a Board of National Education to establish government schools based on the Irish National System. Government funds were allocated for this purpose, and a Denominational School Board was appointed to administer government funds and operate church schools. Thus began the dual system of state and church based education in New South Wales. In July 1849 George William Rusden, an agent for the Board of National Education, began travelling throughout New South Wales to help colonists to establish national schools (Fraser 1986, p417). This set in place a structure that delivered an efficient system of inspections that facilitated schooling results that were both uniform and satisfactory (Mumford, J. 1994, p53). This overcame the difficulties foreshadowed by the Lowe committee that recognised early establishment of administration at the local school level was difficult because of the prevailing primitive colonial conditions. There was a predominantly illiterate, disinterested and geographically dispersed settler population that were unwilling to donate the time and finance necessary to develop effective local school support (Mumford, J. 1994, p62). Additionally poor communications and large distances created travelling hazards and great expense. Such environmental conditions encouraged the establishment of a centralised education system. Despite this, government administration regarded the idea of local school boards as used in the Irish system favourably, though not practical during the period 1844 to 1866 (Mumford, J. 1994, pp54-55).
While initially schools were established in areas of settlement, from 1848 government schools were established to service expanding pastoral districts in the colony, entrenching further the emergence of the dual system of state and church schools. By 1880 this had grown to 1265 New South Wales state board run schools in operation (NSW Department of School Education 1988, p7).

In 1866 the Denominational School Board was replaced. The New South Wales Public Schools Act established a Council of Education to control state schools. Henry Parkes was the first president. This can be construed as a political appointment, as at this time Parkes was part of a ruling coalition that lasted nearly three years (Eraser 1986, p284). The act permitted the appointment of itinerant teachers where the population was scattered.

Now an established system of schooling was in place, concerns for the quality of that education emerged. In 1874 William Wilkins, Secretary to the Council of Education, led the introduction of a scheme for the examination and classification of teachers, and the appointment of school inspectors. This was an attempt to control the quality of teaching in the school system (Fraser 1986, p419).

Conflict was endemic in the dual system as also around this time of the 1870’s to 1880s. There were parish Catholic schools established by bishops, in order to counteract secular “godless” schools as well as other private schools. This established the beginnings of the Catholic systemic system in New South Wales. These Catholic schools with the endorsement of the Catholic clergy drew a high enrolment and were very effective, with pupil attendance at any one time being on average 81% of enrolments, compared to
pupil attendance for government schools at the same time being 70% of enrolments (Burke et al. 2001, p2).

In an attempt by the Parkes and Robertson coalition government to establish uniformity and authority over the New South Wales education system, the Public Instruction Act of 1880 saw the New South Wales government assume responsibility for all school education in the colony. This included education provided by both independent schools and Catholic schools. It enabled the formal establishment of a state school system administered through a new Department of Public Instruction (Scott, B. 1989(b), p1). A Minister of Public Instruction was appointed, and the department and the minister were answerable to the parliament of New South Wales. Initially the department provided a primary school instruction, but this was soon expanded to include secondary education. The Department of Public Instruction took responsibility for 1,265 schools. Of these 150 were denominational, 705 were public, 313 were provisional, and 97 half time (Fraser 1986, p420). Initially a narrow and uniform curriculum was provided, but in later years this was expanded to include accommodation for different learning needs and rates, and different student interests. By the end of the nineteenth century, New South Wales had embraced and almost implemented universal education at a primary school level (Burke et. al. 2001, p1).

The introduction of the New South Wales Public Instruction Act in 1880 must be seen in its context. The act followed immediately after the publication on July 25 1879 of the Joint Pastoral Letter by Roman Catholic Archbishop Vaughan and three of his bishops. The letter castigated state schools for neglecting Christian religion, stating "they are seedplots of future immorality, infidelity and lawlessness, being calculated to debase the
standard of human excellence, and to corrupt the political, social and individual life of future citizens” (as cited in Fraser 1986, p420). The effect of the act was that by 1893, state aid was removed from all Catholic and other religious schools. This decision was intended to abolish religious schools and give the government a monopoly over educational services. This was countered by the charging of fees by private religious schools. The Catholic system subsidised these schools of the poorer classes by staffing them almost entirely with religious. By 1910 the Catholic religious teaching workforce comprised of over six thousand (Canavan, 1998, p46).

From these earliest colonial beginnings, it is seen that education was always provided in the context of a wider partisan struggle for power between churches and state. This was no different with the onset of federation. By 1901 New South Wales was suffering badly from the effects of a long economic depression. At this time of federation in 1901, the state public school system and private schools were well established. Both public and private schools were regulated through the New South Wales Public Instruction Act of 1880. The public school system as a significant part of community life and social capital is demonstrated by the choral performance of fifteen thousand New South Wales public school pupils at the first Governor-Generals signing of the new Oath of Allegiance in Centennial Park, Sydney on the first of January 1901. At this time the state school system had 9,353 schools with a total enrolment of 887,137 pupils, the majority of which attended fee free public state schools. However, most of these schools were one-teacher schools with enrolments between ten and thirty pupils (Burke et al. 2001, p2). These were governed by an absolute centralised state education system. At this time of federation, education was not included in the Commonwealth powers, and consequently the state education system remained in place. Compulsory attendance
was required for students six to thirteen years of age, however regulation was not strictly enforced, and did not apply to indigenous peoples. At the time of federation in 1900 state schools remained open for 220 days a year, which was high for a non-industrialised country at the time (Burke et al. 2001, p2).

The spirit of federation manifested itself politically and economically in New South Wales State education policy. Federation reformers called for the modernisation of public education to meet the aspirations of the new nation. They sought a liberalisation of the static elementary school methods, and a more formal training for teachers. An educated workforce came to be viewed as the fuel of the new emerging national industrial economy (Burke et al. 2001, p3).

In response to this disquiet, a New South Wales Royal Commission on Education, chaired by G. Knibbs and J. Turner took place between 1903 and 1905, and was highly critical of the then education system. The Carruthers Government consequently appointed in 1905 Peter Board as Director of Education, and he implemented the changes recommended in the Knibbs and Turner Royal Commission, including the introduction of a new syllabus, to meet the aspirations and growth of a new federated economy.

As a response to the new federal economic aspirations to be derived from education, the New South Wales government established in addition to the free state primary schools their own fee paying state secondary schools in the early 1900s, increasing more the competition between the public and private sectors. It was agreed initially that the public secondary schools would not be allocated in the private school catchment areas.
These new selective high schools appealed to the new middle classes, and came to educate those who intended to enter professions. These academic high schools were gender differentiated in capital cities, though their fees were less than fully private schools. Entrance examinations were given, though their culture was similar to existing private grammar schools. These selective schools for twelve to fourteen year old students were justified by arguing they offered curricula to meet the different abilities and expectations of a unique group of students (Burke et al. 2001, p3).

Such a strong schooling system served the economic needs of the state well, as is shown in the growth of literacy rates of the time for children five to fourteen years of age. In 1901 these were 80% compared to an earlier 1891 of only 76%. By 1911 literacy rates of this group had grown to 90% (Burke et al. 2001, p2). By 1915 public high schools were teaching a curriculum of technical, commercial or domestic economy, training semi-skilled vocation and technical workers. The superior selective schools continued to offer a general academic curriculum.

When promoting this growth in schools and emphasising the importance of educating the whole population, the New South Wales government was inhibited by poor quality teacher training, and shortages of books, materials and instructional equipment for individual learning. In response to this in 1916 New South Wales introduced the regulation of teachers for the first time in both public and private schools. This had the effect of reducing the number of family-owned private academies in the secondary market and creating a centralised system had ensured uniformity of quality of teacher education. The closure of some schools in rural areas this caused was addressed by the
introduction of correspondence education in 1916 by the Department of Public Instruction (Burke et al. 2001, pp3-5).

Parallel to this growth in the New South Wales Department of Public Instruction, the training and political voice of the teachers also grew. The New South Wales Teachers’ Institute was formed by public school teachers in 1895 (Fraser 1986, p247). This evolved into The New South Wales Teachers Federation, which had its first annual conference of federation in 1919. From its earliest inception, it addressed funding and policy issues in state schools, as shown by the agenda items of this first meeting, many of which are still issues today. They included the inadequacy of teachers’ salaries, the understaffing of schools, the unwieldiness of classes, and insufficiency of accommodation (New South Wales Teachers Federation 2001, p1). The New South Wales Teachers Federation became a large political force. By 1920 their membership had grown to 5,600 members or 78% of teachers employed in the state school system. Their strength has always been a part of the context and culture of the delivery in education in New South Wales. By 1996 their membership was 64,000 (New South Wales Teachers Federation 2001, p1). They have grown from appointing their first organiser in 1937, to having 43 full time administrative officers in 1996.

Public secondary education came to dominate the provision of state schooling between World War I and World War II. However during this period and especially during the depression of the 1930s, the economic cost of education became a political concern. Tuition fee amounts were constantly debated for secondary education. The government noticed that when fees were increased for state secondary schools, enrolments decreased especially during the worst years of the depression. Government secondary schools
were attracting large enrolments with retention rates high from primary schools because of a lack of work available to the students, and also low fee state secondary schools attracted and retained students from private schools whose enrolments fell 20% between 1930-1934 with decreasing family incomes. The public purse was suffering badly during this time and the New South Wales government reintroduced across the board secondary school fees as an emergency measure because there were not enough secondary school places to accommodate the large growth in demand. This was seen as a way of capping the economically unsustainable retention rates between the depression years of 1931 and 1936 (Burke et al. 2001, p5).

This economic context changed dramatically in the post World War II period with full employment and relatively high rates of economic growth and a high level of immigration to the state. In August 1947 Australia launched and immigration policy (only for immigrants who were white) aimed at increasing the population by one per cent a year. These settlers were British or displaced persons from the refugee camps in Europe after World War II (Fraser 1986, p71). Support for public education was strong and large amounts of state economic resources were allocated to it. State government abolished entrance examinations for high schools, extended the leaving age and increased school scholarships and subsidies for school transport. At the same time the school curriculum was liberalised (Burke et al. 2001, pp7-12).

At this time the demand on Catholic schools was unprecedented. This arose because bishops declared that state education was unacceptable, and those parents who provided their children with state rather than Catholic education were denied absolution in confession, a serious matter for a Catholic. This changed Catholic perceptions of state
education, and saw a huge influx to the Catholic system, especially from the new immigrants, many of whom were Catholic. Enrolments in Catholic schools soared, with increases of one hundred per cent not uncommon (St Mary’s Catholic Community Ipswich, 2001 p 4). But Catholic schools, despite the free labour of their teaching religious, were unable to provide adequate resources.

Decentralisation of education administration in New South Wales began in 1948 when the first regional office was opened at Wagga Wagga (Fraser 1986, p424). Further reorganisation was afoot with the Wyndham Report on Secondary Education in New South Wales recommending a major reorganisation of secondary education in 1958, including a common core of subject activity and electives at three levels. This was formalised in 1961 with the New South Wales Education Act that took up the recommendations of the report in 1962.

By the late 1950s and early 1960s the Catholic schools were in dire circumstances given the absence of any state funding. Post war population increases and a strong demand for places in Catholic schools required more lay teachers to staff these schools, all of whom required a salary, unlike the religious that taught in the Catholic school system. In 1965 there were 1628 lay teachers in New South Wales Catholic schools, compared to 3654 religious. By 1975 there were only 2530 religious and 5343 teachers employed (Canavan 1998, pp46-48). The employment of lay teachers in the early 1960s was placing a large financial burden on schools and parishes. A political campaign for funding equity was commenced. Bishops issued statements encouraging the lobbying of political parties and individual politicians.
This political activism culminated in the Goulburn school strike in 1962. The flash point occurred when government health inspectors insisted there were insufficient toilets at Our Lady of Mercy Preparatory School. The parish was without funds to undertake the required upgrade, and received no government funding. With the approval of Goulburn’s bishop John Cullinane, parents of approximately two thousand school students attending four Catholic schools voted to close their schools and enrol in the local state schools (Canavan 1998, pp48-49). These students flooded the local state schools and on Monday 16 July 1962 one thousand extra children attempted to enrol at the already overcrowded local state school. State schools were accommodating where possible, but many children could not be offered places (Australian Broadcasting Corporation, 1997). The strike lasted one week, but it set in place a precedent of setting funding formulas that is still contested at a local school level industrially and politically in 2001.

The strike led to the founding of a national lobby group, and state funding to all schools became a national issue. A National State Aid campaign and Catholic lobbying of politicians began in earnest (Luttrell 1996, p39). In 1963 the New South Wales Labor Government led by Bob Heffron promised money for science labs at all non-government schools. However, that decision was overturned by the Australian Labor Party Executive. Political opportunism never far away, the Prime Minister Mr Menzies took the opportunity to call a snap election promising State Aid for science blocks and Commonwealth scholarships for students at both government and non-government schools. This was a significant offering of funding by a Commonwealth Government that had no constitutional responsibility to provide funding for school education. It was seen as an attempt by the Menzies’ government to separate Catholic voters from their
traditional support of the Labor Party (Hogan as quoted by the Australian Broadcasting Corporation, 1997). The Commonwealth government began to pay grants to assist with the ongoing funding of all non-government schools in Australia. Also in response to the campaign, in New South Wales, the State government introduced grants of $27 for every primary school student and $36 for every secondary school student attending a non-government school (Cavanan 1998, pp 48-49).

This commitment of Commonwealth funds to state school funding was a watershed development in the provision of state education. The only Commonwealth funding provided previously was resulted from increases in Commonwealth revenue when in 1941 the Commonwealth began funding tertiary schools and universities in the states. Now in the early 1960’s this had also widened to include Commonwealth funding of schools, though in a limited way in both the public and private sectors in the states, through various programmes.

Political pressure arising from the New South Wales Teachers Federation was not insignificant in gaining this provision of Commonwealth funding for New South Wales state schools. Specifically there were two instances of strong political pressure from the state school system to gain Commonwealth funding. In 1961 there were 241,000 signatories for a National Education Petition presented to Prime Minister Menzies, calling for Commonwealth funding to state schools. This was a culmination of a long campaign from the 1940s for Commonwealth funding of certain programs. The federation also called a twenty-four hour strike in support of a fifteen-point programme for improvement in education funding on 1 October 1968. This was the federation’s first general strike, entitled “United Action” (New South Wales Teachers Federation 162).
Approximately eighty per cent of New South Wales' public school teachers took part in the strike, which was the first such stoppage in New South Wales. They were successful in achieving a school building programme and extended teacher training (Fraser 1986, p266). Today such programmes instigated in the 1960s are still funded by the Commonwealth government (New South Wales Teachers Federation 2001, p2).

While Commonwealth funding of New South Wales state schools was hard fought for and welcomed, the Commonwealth provision of funding also to private schools met with resistance from the New South Wales Teachers' Federation. During the 1960s the growth of the New South Wales public school system was fuelled by a post-war baby boomer generation. However this changed in 1964 with funding for non-government schools by the Commonwealth, which made non-government schools more affordable. This Commonwealth non-government school funding increased sharply during the 1970s (Burke et al. 2001, p8). The Catholic schools' State Aid campaign generated its own body of opponents to the funding of a dual education system. In 1969 a branch of the Council for the Defence of Government Schools (DOGS) was formed in New South Wales. They argued that any money channeled into independent schools of any denomination would mean less of the total pie for schools in the state system. This was argued as a matter of equity, where it was felt all students have a right to an equal opportunity in education, and that this is best achieved in a free public system that is controlled and funded by the taxpayers (Bath and cited by Australian Broadcasting Corporation, 1997). Commonwealth funding of state independent schools as set in train by the Menzies' government was construed as a double standard. On March 5 1969 DOGS began a legal challenge to state aid to private schools, claiming it was unconstitutional and illegal. Despite this challenge state aid to non-government schools
was embraced further when Whitlam led the Australian Labor Party for the first time in twenty-three years into office in 1972. In 1973 the federal Whitlam Government set up a Federal Schools Commission, and tripled federal funds for all schools, both government and non-government (Australian Broadcasting Commission 1997).

5.3 The Role of the Commonwealth in State Education

Given that the Australian Constitution reserves education as a responsibility of the states, the motive for the provision of Commonwealth school funding to the states can be questioned. Financial reliance on the Commonwealth by New South Wales governments for school funding has enabled successive federal governments to actively participate in key policy initiatives of the states, including New South Wales (Cuttance et al. 1998, p1). The mechanism for such policy intervention is various funding formulas to state public and private schools, and began initially with the Menzies government’s attempt to win the votes of Catholic labour supporters. Not only did the provision of Commonwealth funding to state education have the advantage of appearing benevolent and thus politically expedient, it also gave the Commonwealth a means through which to influence state economic policy. Historically there has always been a strong relationship between education and economic needs of a society. Education is a strong contributing factor to economic well-being (Caldwell, B. 1898, p5). Indeed this is a synchronous relationship with a statement by the Commonwealth Education Minister in 1999 demonstrating that economic goals are intrinsic to public education policy.

Governments set the public policies that foster the pursuit of excellence, enable a diverse range of educational choices and aspirations, safeguard the entitlement of all young people to high quality schooling, promote the economic use of public resource, and uphold the
contribution of schooling to a socially cohesive and culturally rich society”

(Kemp, D. 19991, p1)

Burke et al. (2001, p1) suggest that it is important to look at key policy changes to expose the underlying political agenda of changing educational funding policies.

The first major alteration of funding arrangements came during the 1970s. The Karmel Report (1973) was a national report commissioned in response to the recognition of the "individual rights" movement of choice in education, as was promoted by the National State Aid campaign (Burke et al. 2001, p14). The Karmel Report was released for the Australian Schools Commission and represented the Federal Government’s first significant intervention in primary and secondary education (Fraser 1986, p428). It outlined reforms and the expansion of Commonwealth funding for schools. During this period of the writing of the report in 1973, funding to the states was determined by the Gorton and McMahon Coalition governments on a flat per capital grant that varied only by the level of education. However, the following Whitlam Commonwealth Government in 1976 expanded the availability of Commonwealth funds for both public and private education, and in the spirit of the Karmel Report once again resuscitated Australia’s dual education system (Burke et al. 2001, p14). The Whitlam Government’s funding formula greatly favoured low resource, mainly Catholic schools. In fact it was during this period of the 1970s that the greatest Commonwealth expansion in funding occurred. Outlays increased by ten per cent of gross domestic product in one year when the Whitlam Commonwealth contributions and the New South Wales state government funding were combined (Burke et al. 2001, p7).
Stagflation of the late 1970s and early 1980s led to restrictions on education expenditure, and the emergence of a new rhetoric for efficiencies in the use of educational funds (Burke et al. 2001, p7). The liberal coalition Commonwealth Fraser Government during the period 1975 to 1983 also favoured the education funding policy of choice in schooling. They shifted Commonwealth recurrent funds away from the state public education system run by the state Labor Wran Government, to the Catholic schools and better resourced private schools (Burke et al. 2001, p14). At the same time the notion of academic excellence emerged as a Commonwealth education goal. In 1983 the then Fraser Commonwealth Government expanded Commonwealth funding, proportionately increasing high income non-government school funding the most, but also increasing in absolute terms the funding to low resource schools (Burke and Spaull 2001, p9).

There was a distinct change in education policy at both the Commonwealth and state levels during the mid-to-late 1980s. During this time, the provision of state public education was caught up in the movement of public sector reforms, and was put under pressure for increased accountability for effective performance and an efficient use of resources (Dimmock et al. 1997, p149). The delivery of public education in New South Wales was caught up in a public sector movement that saw concepts of public service and administration move aside for concepts of public management. The Federal Labour Hawke government in particular saw public sector management as crucial to drive overall economic policy for change (Abraham 1992, p1). From this time onwards Commonwealth policy has concerned itself with the setting of standards to measure the effectiveness in both education systems and schools individually.
5.4 State Directions

The public sector reforms were not unique to the Commonwealth, but also found their way into the New South Wales State Government. In 1988 a conservative liberal state government was elected, the policies of which set in train significant challenges and changes to the public education system. The view was established that the notion of a self-managing small business should be applied to public schools. The ideology of this policy was corporate managerialism (New South Wales Teachers Federation 2001, p2). From this state government, the then Minister for Education and Youth Affairs Dr Terry Metherell announced in April 1988 the appointment of a management review to examine all aspects of the portfolio. This included the efficiency and effectiveness in achieving the government’s goals for education (Abraham, 1992, p2). The prime purpose of the reform was to make schools educationally effective and efficient organisations (Scott 1989, p6). Such an approach was not unique to New South Wales at the time, but as basic to the emerging educational administration throughout North America, Europe, the USSR and New Zealand at the time (Schools Renewal Task Force, 1989, p1).

5.5 Public Sector Reforms and Managerialism in the New South Wales Department of School Education

During the late 1980’s the New South Wales Department of School Education was not immune from the wave of public sector reforms and managerialism of the day. In April 1988 the then New South Wales Minister for Education and Youth Affairs Dr Terry Metherell announced the appointment of a management review of the department. Dr
Brian Scott, a leading business person and management consultant was selected to head the review, which received over four hundred submissions (Scott 1989, p1). Subsequently the impetus came from the Scott Report of 1989 for a policy named *Schools Renewal*, a management review for change that proposed the challenge of creating a system of self-managing schools. This proposed a huge cultural shift from an historically established centralised system to a devolved one. Essentially this was a change to self-management by schools that allowed schools to operate within a regional, state or national framework (Abraham, 1992, pp2-3). At the time, the *Schools Renewal* policy was seen unfavourably by the New South Wales Teachers' Federation. It was regarded as a UK Thatcher product to undermine public education, in which “rich schools in affluent, favourable areas will thrive through lucrative corporate sponsorship deals and through the capacity of parent communities to subsidise the school budget” (Zadkovich 1992, p6). The Scott report took a different view.

A self-managing school is a government school which is managed within a framework of centrally-determined goals, priorities and requirements for accountability but otherwise has the authority and responsibility to devise an educational programme and to allocate resources to meet the particular, unique needs of its community.

(Scott Report 1989, p1)

The Scott Report put forward five fundamental principles. First, the schools and not the system hold the key organisational element providing teaching and learning. Secondly, every school is different and has different needs. Thirdly the best judge of those needs is usually the individual school’s teachers and its community. Fourthly, the schools will best meet their needs if they are able to manage themselves in line with general guidelines. Fifthly, the role of an effective system is to focus on providing support to schools and their teachers (Caldwell, B. 1989, p9).
However, these five fundamental principles have an accompanying economic agenda. Scott wrote

The achievement of planned outcomes depends on both the effectiveness of provision and the efficient use of resources. One of the Review's basic objectives is to ensure the best possible educational value is achieved for each educational dollar spent. This means establishing systems and procedures which allow schools to provide quality education under optimum conditions at least cost”.

(Scott 1989[b], p31)

The policy of decentralisation recommended could only be economically enabled if there were several systemic changes. Up until then a centralised system existed in which the department financed and administered staffing, curriculum, planning, buildings and maintenance (Cuttance et. al. p1). Under a policy of decentralisation the old system of school inspectors was abolished, and cluster directors were appointed to state designated regions. Caldwell (1989, p14) argues that the position of cluster director should not be equated with the previous position of school inspector who was more of an educational auditor. Rather, the cluster director's role was a managerial one to aid the policy of devolution. The cluster directors were to be responsible for the overall education and management performance of all schools within their boundaries, including school budgets.

The Scott report found that the education budget was framed and administered in ways that inhibited effective financial and operational management by head office, regions and schools because it was input-oriented and not closely related to educational needs or outcomes. This resulted in an inhibitive practice of giving priority to reconciliations of financial appropriations that focused on operational matters and functioned in an ad hoc way, and did not support program implementation. The Scott report recommended each
school was responsible for managing their own budget, and local governing school councils were established at each school (Scott 1989[b], p30).

Following the Scott report and embracing its recommendations, *Schools Renewal* was introduced to the New South Wales state school system in 1989. The policy of *Schools Renewal* required new skills, knowledge and attitudes of teachers and schools. As their schools were required to be run along the lines of a small business, they now needed the capacity to prepare a strategic or corporate plan, an ability to enact a framework of accountability, and a self-managing capacity (Caldwell, B. 1989, p12). This was foreshadowed by Scott, who suggested principals would need to acquire appropriate management and clerical support, and intensive training and development in order to upgrade financial and other management skills (Scott, 1989[b], p11). Such a new managerial approach had new implications for schools. This included implications for their funding, new requirements for greater accountability in terms of performance measurement and financial accountability especially in the area of budgeting at a school level, devolution of responsibilities and authority especially via the introduction of school boards, and the introduction of quality control measures.

### 5.5.1. Devolution and the Introduction of School Councils

Since 1844 it has been envisaged that local boards take an integral place in the day to day management of schools (Mumford 1994, p56). The concept of schools councils for New South Wales' public schools was finally embedded in the *Schools Renewal* policy in section 2.2 of its guidelines. School councils were to be established and held accountable to the assistant director-general (region) for making the policy decisions of the school (Schools Renewal Task Force, 1990 Number 14, p2). However, devolution
to school councils did not extend its arm to financial matters. While a local responsibility was given for policy, the financial means to enact that policy was not forthcoming. Specifically, "school councils are not empowered to implement any management decisions" (Schools Renewal Task Force 1990, Number 14, p2). The principal is accountable to the cluster director, for all decisions including those relating to the school's finances. It was rationalised that in this way the school council did not have a financial liability. This is despite Scott writing in his report "school councils should be involved in discussions on formulation of each year's school budget" (1989[b], p11). Even with respect to forming school policy, one can be circumspect about the practicalities of the devolution. Although schools were told they could design a school council that best suits their needs (Schools Renewal Task Force 1990, memorandum number 90), and that the school council could influence curriculum when they develop school aims, needs and priorities, (Schools Renewal Task Force 1990 Number 14, p2), they are unable to change the syllabuses of the Board of Studies, and they cannot override guidelines or policies in key learning areas. The rhetoric of devolution was not matched with delegated powers and funding control to enact devolution at the school council level.

5.5.2. Devolution, Education and School Budgets

Prior to the introduction of Schools Renewal, funds were allocated to schools following a traditional Westminster accountability approach. Monies were supplied on a line-item, specific purpose basis according to across-the-board funding allocations (Scott 1989[b], p10).
This changed with the introduction of program budgeting, when, to enact economic principles of efficiency and effectiveness, budgets were tied to education performance measures. Literacy and numeracy programs were put into a single funding bucket. No longer were special budget lines specified for students with special needs and disabilities, as this was to be funded from the single funding bucket at the discretion of the local district and school management. It became mandatory for schools to sign up for Commonwealth set performance targets that were not disclosed specifically in the funding bill, as a condition for funding. This applied to both public and private school systems (New South Wales Teachers Federation 2001, p10). This change in budget allocation was viewed by teachers as significantly impacting on the resource levels made available to those students, disadvantaging students from low socioeconomic backgrounds, English as a second language students, and aboriginal students. The literacy funding-model was regarded as a punitive approach disadvantaging those with the greatest need. It was also observed that the literacy and numeracy benchmarks are of an arbitrary nature, and have the effect of reducing support for students most at risk. It was regarded as an economic rationalist idea of “most profitable” gone crazy, with those achieving the best literacy and numeracy rates being rewarded in funding (New South Wales and ACT Independent Education Union, 1998, pp1-2). The new budgeting method assumed school accountability for monies spent was deemed to be met by measuring and reporting outcomes of schooling in terms of literacy and numeracy by comparing these nationally (Kemp, 1999, p2). This was interpreted as desirable when accountability in the education sector was explicitly linked to global competition.

The Government’s main objectives for schooling derive from our belief that the quality of our education is the surest guarantee that Australia will meet the challenges of competition in the global economy and provide our citizens with jobs and opportunities in the years ahead.
5.5.3. Devolution and Social Capital

Caldwell offers a more holistic appreciation than a direct economic link between educational accountability and economic performance, referring to Coleman and Hoffer (1987) who suggest that, rather than educational performance measures of literacy and numeracy, the key accountability performance indicator for educational funding should be social capital. Social capital is defined as "the network of mutual support involving the family, the student, the school, and (where appropriate) the church (Caldwell 1989, p6). Because of their pastoral nature, from their earliest beginnings schools have been closely associated with everyday life and depended heavily on the patronage of parents and the goodwill of the community (Mumford 1997, p3).

The aspect of social capital was not wholly overlooked by the Scott Report, when it stated that an increase in parent and community involvement creates substantial benefits to schools students and staff. The management review found that parental and community support for and involvement in the activities of schools varies greatly across the state, mainly attributable to two factors, the socio-economic mix in the school including fluency in English, and the interest in and leadership ability of the principal. (Scott, 1989[b], p29). It was this view that informed the establishment of school councils.

Social capital is not an unlimited resource, and Lonegran and Dunne (2001, p5) ask the question, should the school parent-taxpayer accept that they should be a major supplier of an increased resource base for school education? Galbraith refers to this argument as
the “revolt of the rich” where taxpayers do not expect to keep maintaining the modern welfare state including education through the donation of their social capital (Burke and Spaull 2001, p14).

While the Scott report essentially argued the policy of Schools Renewal was an educational one, it redefined the provision of state education using business language in terms of efficiency and effectiveness, quality control, devolution, strategic planning, budgeting, social capital and performance management. These are all catch cries of the public sector reform movement of the time, and their legacy is left in schools in New South Wales to the present day.

Lonegran and Dunne go further in suggesting that the ideas of efficiency and effectiveness have substituted for adequate funding of school goals, with expenditure on schools being regarded as an expense rather than an investment (2001, p7). Also the implementation of the Schools Renewal policy was not cost free. There was an increased need for ancillary support staff in schools, requiring the state budget to make available 33,750 days work funding on the basis of 225 days work per cluster area per year. This equated to an additional position per cluster (Schools Renewal Task Force 1990, Number 14, p3).

Schools Renewal has seen the economic rationalism catch-cries of efficiency and effectiveness emerging as dominating narrative in the construction of accountability for schools. Accountability of schools is generally concerned with quality, school effectiveness, equity and its implied value of excellence, and efficiency (Caldwell, B. 1989, p4). Dimmock et al. (1997, p149) argue that under this policy schools are more
accountable in two ways. First, academically, schools are individually accountable through the instigation of uniform external tests and monitoring and evaluation through the mechanism of external exams, especially for literacy and numeracy. Secondly, schools are held accountable for their performance to parents and school communities via their school councils and parent bodies. The tone of these accountabilities is an emphasis away from accountability to individual parents and students, to a tighter accountability of the school overall to the school system. Schools have been made more accountable overall to the system as a unit because of the introduction of decentralisation, devolution of finance and decision-making and the introduction of school-based management (Dimmock et al. 1997, p149). However, in many respects this attempt at decentralisation was cosmetic. The department is still centrally dominated by financing and administering staffing, curriculum, planning, buildings and maintenance. Despite the reforms for devolution the reality is one of policy being dominated by issues of central education bureaucrats and politicians, what Cuttance et al. refer to as the "ministerialisation" of education policy (1998, p1).

By 1992 the New South Wales Department of School Education's new Director-General, Dr Ken Boston, established a quality assurance system to review schools and evaluate systemic programs as a basis for public accountability. Mr Cuttance was appointed as head of a newly established Quality Assurance Directorate at the senior management level of assistant director general (Cuttance et. al. 1998, p4). This meant that the Quality Assurance Directorate was given the same senior status as other traditional education arms of the management structure of the department, establishing a new structure in which to privilege the accountability goal. Indeed, government state schools run by the Department of School Education in New South Wales today are
headed by a career civil servant given the title of Director-general of Education (Cuttance et al. 1998, p1).

By the later 1990’s, many schools were promoting a new service-focused image with the idea of the client dominating and a focus on student and parent empowerment and choice a key factor. This is a market-driven environment for education, oriented on outcomes and requiring accountability reporting to facilitate this (Dimmock et al. 1997, p150). This ideology still prevails into the twenty-first century, though not comfortably. Dr Boston, the New South Wales Education and Training Director-General, criticising the Federal Minister of Education Dr Kemp in the statement “this government must understand that public schooling is of a profoundly different order from public hospitals, or public transport or public housing” (New South Wales Teachers Federation 2001, p1).

The effect of economic rationalist managerialism on education by the end period of implementation of Schools Renewal saw education spending by both state and commonwealth governments as a percentage of gross domestic product fall considerably. An amount of 4.9% cent in 1992-1993 had dropped to 4.4% by 1997-1978 (Australian Bureau of Statistics as cited in Lonegran and Dunne 2001, p6). New technological advances have also impacted upon the provision of education, for example the use of computers, but the cost of government funding has not kept up with massive increases in the costs of schooling because of these developments (Lonegran and Dunne 2001, p7).
5.6 Chapter Conclusion

This chapter described the meta narrative of history, informing historical developments of funding and accountability issues in a New South Wales school. The following chapter “Tales of the Field” problematises this meta-narrative in that it narrates ethnographic descriptions at the micro level of a New South Wales primary school during and just after the instigation of the Schools Renewal policy. It examines the impact of this funding policy and its new demands on accountability. Multiple understandings of education at the micro level are explored, exposing the use of its pluralistic and mythical narratives, exposing how their violence is used to privilege and alienate participants simultaneously. The ethnographic study of accounting in a primary school describes a microcosm of the history, context and culture described in this chapter. Many shadows and understandings of the past echo through and inform the present narratives of accounting in action in a small school.
Chapter 6

Tales of the Field

6.1 Introduction

This chapter problematises the meta-narrative of funding and accountability described in Chapter 5 of this thesis. It narrates ethnographic descriptions at the micro level of a New South Wales primary school during and just after the instigation of new policies of the state government.

Multiple understandings of education at the micro level are explored exposing the violence, privileging and alienating that is inherent in all accounting texts.

This chapter is intended to show “becoming realism” (Chia 1996, p46) by a thick description of accountability processes in the research site. Reality is continually being re-understood and reinterpreted, allowing the emergence of a reproduced culture of accounting and accountability over time.

The chapter is structured in a series of three vignettes, telling stories of different voices in the field.
Vignette 6.1

The Tale of Accounting in Action in the School Canteen

6.1.1. The Story of the School Canteen.

The accounting practices of the school canteen over three years, from 1994 to 1996 inclusive, are described. As a microcosm of school culture the school canteen and its associated accounting practices exemplify the mythical attributes and powers of accounting. The consequential difficulties and implications associated with accounting beliefs and constructs in a small community are examined.

6.1.2. The Canteen and its Relevance to School Funding and the School Community.

The Canteen is a traditional fixture in New South Wales Schools, operating with twin objectives to both serve the school community and provide a source of funding for the school. In this case study the level of contribution to overall school funding by the canteen suggests it to be increasing in importance. In 1995 the budgeted net income by the school from the canteen source is $3,000, or 1.1% of the overall budgeted income. In 1996 the actual canteen revenue was 9.5% of total school revenue, and contributed to 11% of their total payments. Relatively speaking, it is becoming not an insignificant amount.

Despite the smallness of the dollars involved, the funding of and by the canteen raises universal issues of accountability, empowerment and control within the school
community. Many qualitative concerns, disproportionate to the dollar amounts, but integral to accounting practices, are apparent.

6.1.3 An Individual Experience

Not being domestic by nature, I was an unlikely volunteer to the service of the school canteen. I had an ulterior motive. We had just moved to the school and I felt if I worked in the canteen I would help my children settle into the school better, because they would see it as a place their mother chose to be. I was not surprised when I was enthusiastically welcomed as an unsolicited volunteer by the principal. I was surprised that I was rostered for duty so quickly.

In retrospect my first experience was very telling. I arrived to a spacious and well-equipped kitchen. Three fridges, a freezer, three pie warming ovens, a microwave, electrical appliances, room heating and cooling - it was very impressive for a small school of around two hundred students. My first impressions were that this must be a highly organized and efficient operation. I then wondered at the lack of stock. However, since we had moved from a much larger school I reasoned that this was a matter of scale to which I had to adjust. Given the size and nature of the contents of the canteen it was obvious that at one time the population of the school had been much larger, and this made what stock there was appear even less.

My impressions changed.

I very quickly realized I was alone for the day, despite having been told there were always two ladies rostered on duty. Being unfamiliar with the environment and
procedures I quickly sought advice from the school office. Questions I felt were easy such as “Do you have a price list? What time does the baker arrive? What time do we open?” were met with a wall of “I don’t know”. I also caused the arrival of a very concerned principal who did not want to lose a new recruit on her first day. I remember saying “Don’t worry - I can improvise. If nothing else they will all get a lunch”.

Despite what I felt was my capable and resourceful attitude, they soon called upon a replacement volunteer, who generously arrived late to show me the ropes. This was some relief to myself, but also some concern. I suffered in silence all day while cigarette smoke wafted and permeated everything (myself a non-smoker and despite numerous signs to the contrary). The sight of cockroaches and sundry appearing as long-term residents added no comfort.

Several more days like this followed before year-end, revealing many idiosyncratic occurrences. One day I arrived to find numerous pallets of bread lying in the corner. On asking what they were for, I was told they were left over from the sausage sizzle that day. Upon suggesting the bread be put in the freezer, I was told that the supervisor was going to feed them to her horse as they had gone stale. To say the least I found this odd as the bread had only arrived four hours earlier.

On another occasion I expressed concern that some children were coming to the counter and were given goods without payment. I was told not to worry, that this was the daughter of the supervisor and her friends. My naivety showed as I assumed the money was to be put in the till at the end of the day. The friendliness, warmth and acceptance
of others reassured this idea, which was later strongly suspected to be false. I quickly came to realize that many days went where volunteers did not arrive for duty, and hasty phone calls were made to find replacements (myself filling in on several occasions).

During this period of 1994 and previously, there were no financial records of any significance kept. Accounting for the canteen operations was independent of the school administration, being run by a group of parents as a sub-committee of the Parents and Citizens Association. One parent volunteered as canteen supervisor. This parent was the sole signatory of the cheque book belonging to the canteen bank account. Accounting for this business consisted of recording the daily sales amounts in an exercise book, along with the number or pies and cakes ordered for that day. All stock was purchased by the supervisor, who merely wrote out a cheque to cash and purchased what was considered necessary. To all appearances, the bank statements were never checked, and no reconciliation was ever done. Financial statements were never reported directly to the Parents and Citizen's Association, but a Cost of Goods Sold Statement was communicated in a formal fashion to a Mother's Group each term (which was essentially a social club), via an overhead. In my attendance at two of these meetings, the amounts were never questioned. Apart from this reporting, no financial interest was taken in the canteen at all. Accounting was being seen to be done.

After serving six months of 1994 in the capacity of volunteer canteen worker, I was approached by the principal to become a member of the canteen committee for 1995. I was told the canteen committee met each month to discuss management and staffing. Feeling that I had a few useful skills and ideas that I saw were needed, (and again naively not thinking it strange that I would be approached with such a short history at
the school), and given the assurance that the commitment of time would not be too onerous, I accepted. Under this new arrangement of a committee run by the school, the key responsibility for the financial management of the canteen lies with the principal.

A school-operated canteen is one where the principal is responsible for the employment and dismissal of paid staff and the appointment of voluntary workers.

(School Manual on Financial Management S 9.213)

At the first meeting I learned of the constitution of the committee. There were five new members; the principal, a supervisor (also with a child starting in Kindergarten), and three other mothers, myself included. We were all relatively new to the school community. The membership was hand selected by the principal and the first meeting was somewhat disheartening. Being an accountant, and having former experience in retail I was concerned that from the start of the year we review our pricing and supplier relationships, and as new members we become familiar with what is a typical profile of the canteen.

After I stated as much, we were reluctantly and confidentially advised that there had been no effective bookkeeping to date, and no figures could be muted on what was a typical take or how much exactly were owed to suppliers. The principal’s intervention and establishment of the new committee resulted after he was contacted by several of the canteen’s suppliers, demanding payment for outstanding invoices. Some of these were twelve months old and in some cases amounted to several thousand dollars.

In a crisis response to the situation, the school staff took over the function of bookkeeping, which constituted of keeping a cash book and being responsible for the
bank account. Investigations by the principal revealed that there were large sums owed to various suppliers, not only for canteen stock, but for fundraising events and school uniforms (which the canteen previously sold). It could not be ascertained whether these stocks were ever received, or sold. Discretely the departmental auditors and police were consulted. Despite many interviews by the police and auditors, no arrests or prosecutions were made. No accounting records meant that there was no evidence of any fraud. However, regardless of the situation arising from fraud or mismanagement, the lack of accounting and accountability in the school canteen was a key contributor to the situation.

The preceding financial procedures were even more dismayng to myself as an accountant. Previous to the start of the current year, the same person ordered the stock, paid for the stock and did the stocktake, counted the money, did the banking each day, and “kept the books”. In retrospect a very foolish scenario, at the time the individual was highly regarded by many as a very generous and dedicated individual who did much for the school. The principal who was new to the school had inherited the situation and there were no real indications of problems. As a small community, the situation was seen as typical.

Not until the suppliers contacted the school directly did the encumbrance emerge. The principal was very dutiful and insistent that the given situation was in no way associated with the new committee, although we all realized our responsibilities to the debts endowed. I then realized the political implications of my appointment. I was part of the new beginning to be held up as something unassociated with the old, as were the other members with young children in the school.
Chapter 6 Tales of the Field

The debt was estimated in the vicinity of around $5,000 dollars, while the average take (not profit) of the canteen at the time was guessed to be $50 a day ($250 a week). The suppliers were very generous in coming to terms with the committee (one was owed several thousand dollars for nearly six months) and a repayment scheme was negotiated by the principal. However, this also placed the committee at the mercy of these suppliers. We were often given out of date or near date stock, and encouraged by suppliers in our situation to stock items both not in keeping with the Department of Education’s guidelines and not what we believed was in the best interest of the children. For example, much high profit high sugar confectionary.

Over the year we raised our daily take to over $100, along with a profit margin from negligible to around 40%. With the aid of “meal deal days” and newly negotiated sponsorship from the local milk company and football club we were able to repay $4,000 debt (this discharged all negotiated obligations) and finish the year with a little over $1,000 in the bank. No financial contributions were made to the school by the canteen in this year.

Administratively we also made some “successful” changes. The bookkeeping function was taken over by the school clerical staff, the canteen changing its administrative format to a “school run canteen”. A new volunteer supervisor did the buying. However, the stocktake functions were undertaken by other members of the committee. The payment of suppliers was done monthly by cheque, to which the principal was signatory. Term trading statements and a monthly income statement were also produced by myself (appendix 6.5). A petty cash imprest system was set in place for small items, for
example, to buy eggs if they run out. A standard float was established. A policy of no credit was instigated, except where a child had no lunch. An invoice system to parents was established for this contingency. A fixed asset register was also established, along with a procedures manual.

Regular committee meetings each month were held at which a financial report was produced. This consisted of historical income and expenditure for the month, a schedule of debt repayments made, those proposed, and the current bank balance. All accounting was done on a cash basis, and began to resemble that prescribed by the Departmental School Manual on Financial Management. Greater accountability was also now evident in the school community, with canteen notices being included on the regular school bulletin (appendix 6.9).

Despite what seemed an unlikely success, there were still areas of concern for myself. As an accountant I could see a problem with the same school staff counting the takings each day, doing the banking and paying the suppliers. However, the small size of the school prohibited any further division of labour, however prudent. The principal was unwilling to allocate these tasks to volunteers even if they were available, given the chain of authority and responsibility. Moreover, others did not see that there was a problem in the lack of separation of duties. It went against the ethos of how you helped out in a school. There was no forecast of budget produced by the committee, although the principal discreetly estimated a total funding figure from canteen revenue to be included in the overall school budget for 1995. Little was done with the asset register, certainly no provisions were established to depreciate items (given the cash based accounting used.) Uncommercial purchasing practices were still apparent, for example
in regard to the quantities and timing of purchases, there was little formal regard of cash flow. The canteen was stocked like a home pantry.

During this year and the next, which saw a disruptive turnover of three committee members, the canteen came to be run in more in the spirit of, but not yet strict accordance with, the requirements of the School Manual on Financial Management. Term Cost of Goods Sold Statements were produced. An annual Income Statement was drawn up, and included in the school’s annual report to the Department of School Education. This was achieved with assistance from the Departmental auditor. Bank reconciliations were completed each month. The canteen kept a cash book. A purchase order system was instigated, in which deliveries were matched with purchase orders, and signed as being received correct. Three unsuccessful attempts were made to establish a stock card system. However, these arrangements for handling canteen funds while financially prudent, were in themselves highly destructive to the school culture.

6.1.4 Observations Concerning Accountability and the Canteen Community.

From the canteen committee’s point of view, given the current debt crisis, a strong focus on internal control and asset protection measures were a highly responsible way of protecting a potential source of school funding and valuable school assets. It was also seen as essential to being able to repay the debt incurred by the canteen. However, the new financial measures also disempowered and controlled the participants of canteen activities. They were also incongruous with what were imposed as the wider community goals of the canteen, and also the formal rhetoric of the Department of School Education.
Simply stated, the aims of the school canteen are:
- To provide a balanced and nutritious food service to children of the school at a reasonable cost.
- To maintain standards of health care in relation to the preparation, supply and service of food at the canteen
- To provide a service to the school community
- To support the school in its health education program”

(School Manual : Educational Management 1997 S13.3.3)

Rather than a source of unity and education in the school, the canteen and its financial baggage became a source of division in the school community. Publicly, for legal reasons and sensitivity to the children, very little was said about the motivation for administrative change. In the community very little was known about the financial status of the canteen as no audited financial reports were publicly issued. It was assumed to be healthy on the basis of the esteem of the individuals involved. The previous administration had many loyal friends, and the new guard were seen as undermining reputations and community relationships. Many volunteers did not choose to continue to donate their time. It was often expressed to me by other parents that they felt “spied upon” by the committee because they were asked to record each days takings and major quantities of stock sold. Many refused to sign invoices or check stock when it was delivered “because they did not have time”. It is my opinion this was a protest at having the accountability function more visible, and these new procedures were perceived as being a personal indictment.

This “spied upon” attitude prevailed and infiltrated the thinking of many canteen workers. Such an attitude shift became increasingly acceptable as the norm. For example, year six students were encouraged to help in the canteen on a rostered basis, as it was considered useful in helping them with their maths, as well as teaching personal
skills such as food preparation. Students who helped out in the canteen during busy periods were “suspected” of stealing, with no real evidence gathered. Eventually this led to students no longer being allowed to work in the canteen. Cleaners were suspected, and there became an omnipresent suspicion of stock “walking”, despite there being no record keeping of stock on a daily basis to substantiate these impressions. This unfortunate situation led to one cleaner being sacked with what appeared to be no evidence against her, but a suspicion of a carton of pizzas going missing. I believe this was possible because she worked for a newly appointed subcontracted and non-unionised cleaning firm, who were happy to accommodate the request of the principal to keep the business from the school.

Because an emphasis on control had been instigated, this began change on an individual level. Sensitivities were further violated when issues of wastage and details of daily duties started to be prescribed. What was once a social day was becoming more like “a day at work” - and unpaid at that. A note culture evolved, where volunteers would leave notes visible in the canteen for those attending the next day, sometimes vicious in nature, about what was/was not done correctly. These draconic supervisory roles were assumed by several volunteers not necessarily committee members. Thus the culture of the organization was being altered by newly established financial accountability requirements. These were not consciously recognized by the individuals involved, but were unconsciously perceived not as objective and neutral, but as personal constrictions and obligations that were or were not to be accepted.

The committee also created ill feeling and was not really successful in some of its changes designed to protect canteen assets. Given the financial pressure of the debt, a
new procedure was written and distributed to all workers stating that the canteen was happy to provide themselves and their preschool aged children with a free lunch. However, they were asked to pay for any lunches and food consumed by their school aged children and their friends. Some volunteers took great offence at this and did not return to the roster. It was an attempt by those controlling the funding to change the work ethic of the canteen, and this was not acceptable to the participants. I also feel that this financial pressure placed on some school members excluded them from working in the canteen. Myself, a mother of three, came prepared to have the expense of at least $10 a day when I am on canteen. Many families cannot afford what their children had come to expect, so they choose not to volunteer. There was a direct conflict of financial accountability with the ethic of the community spirit.

Previously, the canteen had a generous policy of credit on trust, and without formal record keeping. If an individual or family (including teachers) desired credit the amount and name was written on a lolly bag and pinned to the noticeboard. That is as far as it went formally, those concerned being trusted to repay the amounts owed when able to do so. The abolition of such a procedure affected families. The canteen was seen to no longer function as a source of caring in the school. An ill parent could no longer automatically rely on the canteen to feed their children if they were too ill to shop for groceries, or if the social security did not go in their bank account that fortnight. This charitable function of the school was never measured formally, and was never seen as a community resource available to individuals of the school; only as a liability to the school as a whole, and as something totally unacceptable from a financial accountability perspective.
Many of the new procedures instigated were demanded by financial prudence, and specified in the Departmental School Manual of Financial Management. Pressure from the departmental auditor, and sense of probity by the principal also were behind the accounting changes. However, the accounting instigated was seen as a barrier by many members of the school community. Having a high ethnic enrolment, many parents have little or no written English. If part of their duties requires them to complete petty cash vouchers, invoices for parents, stock cards, sign for deliveries, etc. this is intimidating. On an occasion one parent expressed concern to me that her contribution is inadequate, and she now feels unable to do the task. This suggests the new emphasis on how the funding is managed is counter-productive to the goal of strong community spirit and participation within the school.

6.1.5. Canteen Fundraising as a Source of Cultural Discrimination

In accordance with the requirements of the School Manual on Financial Management sections 9.211 - 9.21 from 1995 the canteen was being run as a school operated canteen.

Where the canteen is operated by the school, the principal is to exercise overall supervision and financial control of the canteen. The principal may be assisted by parents and / or voluntary helpers, including a committee that is not a sub-committee of any parent organisation and is answerable direct to the principal.


The language quoted above of who is responsible (the principal) and who assists (parents and volunteers) the operation of the canteen is gender and culture neutral. This is a façade. There is a gender tradition that canteens are “run by the mothers”, the activity in the school most close to traditional domestic duties of women. Hence,
despite the principal being male, the operation and management of the canteen is female dominated.

An official slip revealing the truth of this assumption is sighted in the School Manual on Financial Management, the current school copy being quoted. In sample form 9.829 - Trading Profit and Loss Statement pro-forma requires the signature of the “canteen manageress”, as does sample form 9.815 Trading Statement pro-forma.

Moreover, the responsibility for the funding to the school supplied by the canteen is not culturally neutral. Given that a large proportion (approximately 40%) of the school is of non-Anglo Saxon background, this is in no way represented in the canteen roster. There is not wholesale acceptance by many cultures in the school community of the responsibility to assist the operation and financial achievement of the school canteen. In some represented cultures such work is considered demeaning and not culturally acceptable. In others, the idea of work outside the home is unacceptable to the traditional family lifestyles and values. Many do not associate with the canteen a sense of responsibility because in their traditional cultures and countries this was not the case.

Such a gulf between the prescribed management of the canteen and the cultural context of the school leads to the domination of this resource by a dominant cultural subset within the school - the traditional stay at home Australian mother.

This has severe consequences in terms of the equity of this resource within the school. Moreover, the current state is self-perpetuating, and there is no real force for change. The cultural minorities are excluded at many levels, making any benefits and
responsibilities invisible. As all the buying and menu choices are made by the canteen committee that with the exception of the principal, is culturally monopolised by Australian women, a traditional white Australian menu choice exists, which is in many cases culturally insensitive. For example, on many “sausage sizzle” days, Moslem school community members are unable to participate because there is no meat provided that is in accordance with their religious requirements, and the only meat on offer is beef which many Hindus in the school do not eat. There is in my opinion a false belief that even if these families were accommodated, they would not participate as the idea of purchasing food from outside by their children is both culturally and financially unacceptable. There is also an attitude that this is an Australian school, and so the onus is only to provide Australian food on an everyday basis. This is in contrast to special days when foods of other cultures are promoted.

6.1.6. Taken for Granted

The cultural assumptions on which the clinical descriptions of canteens as a source of school funding as described in the School Manual of Financial Management needs also to be examined. One dangerous premise of the school’s long-term reliance on funding from the school canteen is its reliance on voluntary labour. This is a non-costed and financially unacknowledged resource within the school, which is increasingly an artefact of a by-gone era. Individuals who are able to afford unpaid time during normal working hours are becoming increasingly rare, especially as the socio-economic geography of the school alters. It may be a grave miscalculation for the school to rely on this form of labour (in all aspects of school life) in the long term.
Presently there is great difficulty filling the roster for each month, with many days having only one volunteer rostered. This allows no provision for illness etc. There were twenty-six volunteers for the 1995 roster. This number is required to cover each school day, preferably with two rostered for each day. There has been a conscious though token push to have males recruited for canteen duty. Only two have joined the roster.

While the procedures manual provides for other alternatives, for example, it to be run by a private contractor (S9.103) it is my opinion that population of the school would not allow that to be financially viable given that a wage would also have to be got from the proceeds.

6.1.7. The Canteen and Accountability

The School Manual on Financial Management Part 9 Canteens is very specific on the accounting procedures to be followed in the operation of a school canteen. The irony is that the existence of these procedures has never formally been made known to the Canteen Committee by the principal. Any compliance has been achieved though the indirect advice of the Departmental auditor.

These procedures are inadequate at several levels. First, the directive of the financial manual suggests that the canteen be run as a business.

The aims of a school canteen include functioning as an efficient business enterprise by offering regular, consistent and quality service to the school community and recognising that a health canteen can operate profitably for the benefit of the school....”.

(School Manual on Financial Management 1997 Section 9.101)
However, the manual cannot be interpreted to achieve this end. It is concerned more with departmental compliance than with measures to achieve business ideals of efficiency and effectiveness. The strong emphasis on compliance and accountability both reflects the sensitivities of public monies but does not translate well into the organizational form of the school canteen.

6.1.8. The Problem of Voluntary Labour.

Several factors contribute to the discrepancy in the case study between what is required and the reality. All labour is voluntary, and much labour is untrained. While the manual is traditional and accountability is based on assumed relationships of authority and responsibility, in reality such relationships are blurred if they exist at all.

The supervisor is paid a small annual honorarium to cover costs of transport and telephone, but all other work is unpaid. Consequently there is nobody with the time or authority to remain on the premises to supervise compliance with financial control procedures. Canteen duties are ranked with personal responsibilities, and tend to fall in the "nice to do" and not the "need to do" category. There is also a problem of authority and responsibility given the volunteer nature of the workers. The principal is responsible but has no real authority over individuals. The culture remains that it is on trust. This is a disincentive for volunteers to either be encouraged or wish to take responsibility for or identify fully with the funding implications of the canteen for the school. There is no visibility of the funds, and no "official" empowerment of the volunteer to decide how the money raised is to be used within the school.
The only clearly stated organizational structure is the roster, and the canteen committee. The only formal authority in the structure is that of the principal. While he is given authority over the canteen committee, in reality he has very little power in his relationship with the volunteers. There are little formal consequences he can invoke, whereas the volunteers are free to interpret his instructions as they will. The canteen committee has no formal power of control, and it is only goodwill on the part of the volunteers that see its intentions realized. Consequently there is no real authoritative mechanism for accountability procedures to be implemented, yet alone monitored.

The implementation of accountability procedures outlined in the manual relies on the expertise of the workers. As volunteers come from all backgrounds, it is not common that they appreciated the necessity or ability to complete the procedures. Many do not see the necessity for their compliance, viewing it as posturing by the committee, and choose to ignore any instructions.

This has been the case with the attempts to implement a formal stock control system. While mandated as necessary by the auditor, and a procedure established in accordance with the manual by the committee, several attempts at implementing the system were unsuccessful, because it simply was not maintained as a daily duty by the volunteers. Any attempts at starting up the system failed. Meetings were called to explain the system, and volunteers chose not to attend.

In the regulations there is little incentive or encouragement for the volunteers to take any more than a manual interest and responsibility in the management of the school canteen. The minimum amount and timing of all financial contributions is prescribed the manual.
The income from a school operated canteen should be sufficient to:

(a) Meet the full costs (including provisions for depreciation and long service leave).
(b) Provide a contribution to the school for educational purposes.”


and

Contributions to the school for the year are to be at least equal to:

(a) The net profit for the year less any increase in working capital required to operate the canteen.
(b) The costs of any services met by the school and, wherever practicable, the costs of building repairs and maintenance recorded in accordance with 9.653.

(School Manual on Financial Management 1997 Section 9.216)

One attempt to overcome the problem of ensuring essential internal control procedures are maintained has been to delegate these duties to paid school staff. However, where financial recording and internal control procedures are allocated to school staff, such as banking monies and paying invoices, there is difficulty as there is not sufficient staff for ideal separation of duties, given the small size of the school.

6.1.9. The Problem of Non Acknowledged Human Resources

Another problem associated with labour and the operation of the school canteen is the question of available skills. The accountability requirements of the manual are technically demanding. While the principal is responsible for financial records and their maintenance, the duties may be delegated. It is the experience in this school that the availability of knowledgeable and skilled staff and volunteers for this task is minimal.

Tracing the day-to-day accounting tasks of the canteen exemplifies this. In the first instance no records were kept, as it was not realized to be necessary or desirable. This
idea was totally outside of the reality of the participants of the organization. It was not material so as to attract the attention of those outside the organization.

Upon the emergence of financial crisis at the end of 1994, the day-to-day activity of maintaining the cash book and organizing accounts to be paid was delegated by the principal to a new part time office worker who was employed on a casual basis to replace a long term staff member who had retired. This worker, while very diligent and conscientious, did not have the bookkeeping skills necessary for the duties associated with canteen that she assumed (appendix 6.2). She was deemed qualified for the task by the principal who had no specialised knowledge to tell him otherwise, because she had run her own business for a period of time. At the end of the financial year when the cash book was sought to produce the financial statements, I found the bank reconciliations had not balanced for the previous seven months. Yet these were signed as being "correct" by the principal, in an attempt to demonstrate compliance and probity. Both individuals were diligent in their duties but not trained in the tasks required of them (appendix 6.3). The office worker was in her current position because her own business had failed. While I was in the fortunate position of being able to see and assist with the necessary corrections, it was mere coincidence that my skills were available. This is a small example of a wider problem facing the small primary school. While it looks good on paper in the manual, it is of little use if the school is not given the financial resources/ funding to obtain the necessary skills.

This problem was resolved in the short term of 1995 with the casual being replaced by a permanent part time employee with excellent bookkeeping skills (appendix 6.4). However, given the staffing formula imposed for the school, her hours were to be cut...
next year down to two days a week. This was untenable, and she has sought and obtained another position. During this time the bookkeeping of the canteen was maintained to a very high standard. Once again the school canteen was faced with no person of suitable skills to undertake the prescribed task.

I was asked if I would help out with the bookkeeping function. I consented partly out of self interest as the task carried with it permission to use the material for my research. I suggested that I send the accounts to the office each month. I asked if they would be happy for me to do this on a spreadsheet using excel, to which the principal agreed. Each month I would collect the source documents, work on them, and return them to the school with the financial report on a disk for the principal to present to the committee, in which I no longer formally took part. I was under the impression that this system was working well, until I received a call from the principal saying they needed the reports for the auditor.

I went to the school, to discover all my disks sitting in an "in tray". No one had ever considered it necessary to see or use them. In fact they had forgotten they were there. The truly amazing aspect of this is that I was sending the data on a 3 1/2 inch floppy, but the school computer was so old it only had a 5 1/4 inch drive, so they never had the technical ability to read the disk anyway. I was trusted so the reporting was trusted to have been done properly anyway. This is despite their recent brush with major fraud! This incident indicated to me that the only function the formal accounting served in the organization was to satisfy external scrutiny. It had no internal credibility or acceptance. It was not accepted as part of the culture of the school.
After some discussion the principal decided that a manual system was the only way to go. He requested that I spend time with him teaching him the basic bookkeeping skills necessary, which I did. He expressed frustration at wasting time on bookkeeping, bemoaning that none of the other staff had time or ability to do the job. This resulted in the bookkeeping reverting back to a dubious standard. There was no longer a “check” on the person doing the accounts, who as principal was held to be beyond approach. He also has the signatory to the cheque book. The canteen had virtually come full circle, once again seeing internal controls and reporting being eroded as unnecessary because of the esteem of the individuals involved.

Simultaneously with the above, during this period the school had been gradually transferring its accounts over to a new computerised accounting system used by the New South Wales Department of School Education, known as OASIS. In 1996, since the canteen now operated as a school run canteen, the accounting of the school canteen was computerized and amalgamated with the general school accounting. The canteen no longer operated its own bank account, as all transactions now went through the school bank account. It was no longer possible to do a bank reconciliation for the canteen. Daily sales records were no longer visible.

The principal had to persist with the accounting via the cash book as a dual system, as the OASIS system did not allow dissections of data which were necessary to complete the reporting requirements of the Department of School Education in the School Annual Report. The School was required to produce annually a Cost of Goods Sold statement, an Income Statement, and a mark-up schedule. The OASIS system did not permit a
dissection of costs sufficient to meet these reporting requirements. Thus a duplication of efforts was necessary.

At the end of 1996 I was contacted by the principal requesting assistance, as the two recording systems did not reconcile. Upon analysis, it was discovered that in the computerised accounting system, many costs were allocated to the canteen account that were not the responsibility of the canteen. For example, all the paper towel and toilet paper supplies were charged to the canteen account. This is because the school secretary knew one particular company supplied packaging products to the canteen. She then charged all invoices from this supplier to the canteen. This was not an isolated example.

The accounting functions were never used for the benefit of the school community, and were only kept to meet departmental and Westminster accountability requirements. However, it is these requirements that put fear into the principal. To exemplify, I received a phone call from the headmaster one day in November 1996, with absolutely no notice, requiring my presence that afternoon to discuss the school canteen accounts with the departmental auditor. The presumption was that it was my responsibility and duty.

### 6.1.10. Interview with the Auditor

The interview with the auditor was very telling. When I entered the office everyone was unusually quiet and polite. The office was a little darker than usual as the curtains had uncharacteristically been drawn. All but the auditor were standing. I was not in the mood for such nonsense after being summoned, and coming from teaching classes. I waltzed in and sat down. I received a few astounded looks. The auditor began asking
me very simple and odd questions about how I underwent preparing the financial statements. He was quite condescending, until I started using some technical accounting language, after which he loosened up.

He was very concerned about the erosion of margin from 40% which was achieved when we were trying to eliminate debt, down to a mere 15% in the first quarter of 1996. I found this annoying, as I had included explanations in notes to the accounts when I had drawn up the statements. The school, after compromising itself to pay back the debt, had made a conscious decision to run a healthy canteen. Healthier products were sold at cost or very low margins to introduce them in competition with unhealthy alternatives, which were gradually being phased out. It was then I realized that the principal had not included the notes to the accounts when he handed over the financial statements to the auditor. I am not sure exactly why, whether he did not see them forming part of the financial statements, or whether he did not wish the auditor to be made aware of the negative aspects mentioned in the notes. I suspect it was a combination of the two.

It was at this point I maliciously decided to have some fun with the auditor. After all, what did I have to lose? It had been a long day. There were no real consequences that could be invoked. My research had made me very aware of the requirements of the School Manual on Financial Management. I pointed out that his question was irrelevant, as the school manual did not require we make a profit, but merely to cover expenses. It was not a profit motive that was required of the canteen’s operations, but rather to meet the health, community and education goals of the department.
He did not like this answer, and proceeded to point out deficiencies in accountability procedures. I pointed out that those who operated the canteen, including the principal and the staff of the school, were not equipped with the necessary skills to meet those requirements. I further pointed out an absence of lines or authority and responsibility to require volunteers to do this work.

This was all too much for the auditor, who was not used to frumpy mothers being so forthright and articulate. I am sure I heard him agree with me at one point. He left within half an hour, giving all the school accounts a "clean bill of health". The principal was ecstatic, yelling across the playground car park at me "we passed, we passed" when I went that afternoon to collect my children. After recent history, this was a great sense of relief to him.

6.1.11 Accounting in Action in the School Canteen as a Myth Making Device

The above told a narrative of accounting in action in a small school canteen over a period of two years, and introduced several cultural artifacts of accounting in this context (appendix 7). The following section will focus on two areas. First, it will identify themes of accounting myth in the narrative. Secondly, it will identify links of the described accounting practice with attributes of myth. In this way the extent to which accounting behaved as a myth-making device in this context will be explored.
6.1.12 Themes of myth found in the practice of accounting in the school canteen.

Two accounting myth themes are identified in the school canteen narrative: accounting is an objective neutral practice, and good accounting practice is synonymous with good accountability.

6.1.13. Accounting myth one: accounting is an objective neutral practice.

An examination of the New South Wales Department of Education policy guidelines on educational management and financial management of school canteens (appendix 6.1) offers a clinical, procedural and methodical image of the practice of accounting in a New South Wales school canteen, listing prescribed methods of operation. Areas addressed are quite comprehensive and cover employment of staff, statements of duties of canteen supervisors, insurance, superannuation, payment of gratuities, stores purchasing and payments, stocktaking, payment of accounts, petty cash, unpaid purchases, collections and banking, procedures for recording cash including cheques and petty cash, accounting records including accounts, cash books, and reserves such as a long service leave reserve, and depreciation of equipment. Recommendations on pricing and profit analysis including mark-up procedures are also made. The policy documents also require the production of a term trading statement, annual trading and profit and loss statement and an annual balance sheet. Accounting in the school canteen, as is represented in these documents appears rational and unambiguous. The policies are symbolic of a controlled order and stability. They are presented in a way that suggests if followed faithfully, they will produce valuable knowledge and guidance. Examples of this are found in the following two quotations.
One of the purposes of analyzing the sales levels is to identify any adverse trends that might indicate a reduction in customer support for the canteen, because if that happens the overall profitability of the canteen would be affected unless comparable reductions in operating costs can be made. Such a trend might indicate dissatisfaction with the standard of service from the canteen.

(New South Wales Department Education 1997, Section 9.905)

The calculation of the expected average mark-up and its comparison with the realized mark-up, in the manner set out in 9.711 and 9.713, provides an indispensable basis for monitoring canteen operations. Although it is required to be prepared only at the end of Term 1, this calculation provides a yardstick against which to measure the results of subsequent terms too. Of course, it may also be prepared specifically for the other terms.

(New South Wales Department Education 1997, Section 9.905)

However, the application of the relevant policies demonstrates that the reification of the prescribed into the practical is tempered by an organisation’s culture and values, which are constantly shifting. As such, rational and objective ideals exist only in the form of belief, or at a myth level. Rationality and objectiveness disappear as the practice of accounting embraces an organization’s partialities and ethos. This is shown clearly in the micro level analysis of the school canteen. In this instance there is a void between prescriptive accountability requirements demanded by the department, and the nature and quantity of accounting actually done.

Up until the end of 1994 the school canteen operated in a sociological context that needed very little accounting. The participant volunteers in the organization saw little need for formal accounting and were satisfied without it. This state saw the privileging of Anglo-Australian female groups within the school, and the status quo of this order and stability was maintained. In 1994 this was the structure of the Parents and Citizens
run canteen, supported by volunteers and tied to the mothers group. The values underlying this social structure were trust, community service and the fulfillment of a socializing role. This was expressed in terms of the little formal accounting, the participation of the un-recruited volunteers, and its support network for the mothers club.

This initial social stability was disturbed with the emergence of at worst fraud and at the best significant mismanagement. This was brought to the attention of the principal concerned by forces external to the organization: creditors, the police and the Department of School Education auditors. However, this information was dispersed and used partially, upon the subjective judgment of the principal. The whole school community was not made aware of the debt and failed accountability, only the principal and a select chosen few who formed the new canteen committee were aware of the situation.

This disturbance initiated a need to return to a form of social stability. In response to a crisis the principal and the auditors held accounting up as a symbol of probity and as holding valuable knowledge and guidance, and as a device believed beyond question which is capable of instilling meaning, order, and stability back into the school canteen. Accounting was believed with profound intensity to hold valuable knowledge and guidance that would give meaning, order and stability and social integration to the situation, re-affirming the status quo. It was believed to be able to reestablish desired social values of the canteen. There was a “deschi” or community belief in this power of accounting. That is, the principal and his superiors believed accounting to be a means of salvation in the situation. Accounting took on the role of a soteriological myth (Day
1984, p24), with the power of rescuing the school from imminent financial disaster. The principal responded by changing the way accounting was done to protect the school from the actions of creditors, and to protect his reputation with the Department of Education.

The protean nature of accounting became evident. Initially managerial arrangements were altered to cope with the crises. The parent-group canteen was transformed to a committee run canteen. Formal accounting procedures were made much more visible in the organization, though still used little for decision making. A specialised work group was established to include the principal and a canteen committee, to try and spread necessary accounting changes. However, it was not enough for the work group to make cosmetic changes such as altering who completed the cash book and who signed the cheques. As accounting practiced was an artifact of the culture of the organization, real changes had to be made to the existing culture.

Prolonged pressure and increased attention from the departmental auditors saw the work group initiate accounting changes to establish new value systems of the volunteers in the canteen. Emphasis was changed from one of participation and trust and informal accountability to that of visibility and very formal accountability. The completion of new records such as petty cash vouchers, daily sales sheets, mark-up schedules and regular financial statements became ritually produced. As never really understood or used by the daily canteen workers (the parents in the school), they appeared supra-rational to them, but their production was continued to be tolerated as a form of ceremony. What these documents represented was not in themselves great stores of useful knowledge, but a symbol of new organizational values. They were not significant
in the present tense for the workers, but were to serve as a record of the past to demonstrate to future scrutiny a permanent order and stability. Community beliefs were altered from the wider non-financial values such as nutrition and mathematics education and were replaced with a monetary emphasis. The mythical attribute of accounting of having a propensity to change saw the creation of a new “deshi”, where wider non-financial values such as nutrition and mathematics education were replaced with a monetary emphasis, specifically make a profit at any cost to cover the debt. This was evident in the note culture that emerged in the canteen.

6.1.14 Accounting myth two: good accounting practice is synonymous with good accountability.

Accountability sought from government agencies in Australia is both fiduciary and managerial in nature (Funnell et. al. 1998, p32). Fiduciary accountability embraces notions of trust and honesty, and focuses on inputs and probity in their handling. Public bodies are expected by the citizens of a society to raise and use money in an honest and fair manner. It is aligned with the idea of efficiency. A higher level or more sophisticated notion of accountability that is also expected is managerial accountability. Managerial accountability in a government context embraces process accountability, performance accountability, program accountability and policy accountability (Funnell et. al. 1988, p32). Managerial accountability is aligned more closely with the idea of effective use of resources, and ultimately to the achievement of policy outcomes. Managerial accountability embraces the social impacts and ethical performance of a government body with respect to citizens in wider society (Funnell et. al. 1998, p39).

The school in this study, as a New South Wales government school under the auspices
Chapter 6 Tales of the Field

of the New South Wales Department of School Education, is captured in the net of government accountability described.

The policy of the New South Wales Department of School Education with respect to school canteens is given in The School Health Canteen Policy, (appendix 6.1). Three relevant sections of this policy to exemplify points for discussion about managerial accountability are:

- The school canteen is an integral part of the school environment where its value as a source of profit is seen as being secondary to its value as an educational resource.
  New South Wales Department of Education 1987, Section 13.3(1.2)

- The canteen policy encourages a selection of nutritious foods that reflect the food preparation of the various nationalities represented in the school’s population.
  New South Wales Department of Education 1987, Section 13.3(1.5)

- The school canteen is physically part of the school, and socially and educationally a dimension of the life of the school. The school canteen should aim to fulfil the following role(s):
  To enhance community involvement in the school by providing enjoyable and rewarding social, educational and working experiences for teachers, parents, citizens and, indeed, students, in the operation of the school canteen as part of the total school curriculum.
  New South Wales Department of Education 1987, Section 13.3.3(2.2.7)

Given this understanding of accountability for a government body, it is paradoxical that increased usage of measures of fiduciary accountability resulted in a decrease in managerial accountability at the micro level of the school canteen. The legitimizing and activating of rigorous financial accounting procedures by the principal, auditor and New
South Wales Department of Education was done with the sacred like belief that good accounting practice is synonymous with good accountability, and a community belief was fostered to this end. Rigorous fiduciary accounting was invoked as a sociological symbol for community belief in an accountable organization. However, taking a contextual perspective at a micro level, such a belief appears dangerously simplistic.

The formal “myth” of accountability in this instance is that the only relevant and appropriate formal accountability measures are fiduciary ones. Consequently, there is no intentional recognition of the more difficult to measure community benefits and pluralistic interests associated with accountability issues and the canteen. Formal financial accountability does nothing the address managerial accountability with respect to the inequitable responsibility taken, and use of the canteen resource within the school community. For example, the canteen was dominated by one culture hindering the participation of other cultures in the school. Fiduciary accountability offered no critique or visibility of cultural access, welfare issues, health issues and social aspects by prescribed financial accountability measures, despite this being explicitly stated in policy documents. However, these are intrinsic to the needs of micro level accountability. A myth like belief in increased accountability was woven despite an absence of rationality about its impact on community and social well being. Accounting was used to mask and tolerate this ambiguity in order to establish new values and relationships between the educational hierarchy and the school students, staff, parents and community members.

The canteen narrative offers arguments against the notion that good accounting practice is synonymous with good accountability. It weakened existing informal accountability
structures in place, which were most suited to the specific needs of the context in which the school canteen operated.

Such a strong emphasis on fiduciary accountability also resulted in a myopic focus on the past, without a valuing or questioning of changing structural circumstances. It was a device which reified meaning, order and stability to maintain the status quo. This is despite many procedures and operating conditions of the canteen becoming increasingly anachronistic with changing community values. A case in point is the expectation placed on an unmeasured and unacknowledged volunteer resource, which is becoming less typical in a society where both partners work and more flexible working hours and conditions take hold.
Voices of the Past: Accounting for the School Pool and Intergenerational Accountability

6.2.1. The Story of the School Pool

Accountability issues associated with the school swimming pool are described in this narrative. A micro level analysis focusing on the school pool makes visible multiple concepts and problems of accountability emergent from the research site, and their associated mythical constructions. Through an examination of the narratives in the research site surrounding the school pool, the implications and difficulties of providing accountability in a small community are examined.

6.2.2. The School Pool and its Relevance to School Funding and Understanding Accountability in the School Community.

The school site of this ethnography is unique in being the only public primary school in its region, and possibly the state, to boast a swimming pool as an outdoor facility. It is a strong and clearly identifiable constant in the changing environment of the school over a forty-year period. As displayed by a plaque at the school, the pool was opened on the 24th November 1961 and was funded and built solely by the efforts of the Parents and Citizens Association of the school, a voluntary organisation. At that time the school population was in excess of five hundred students, and the area was regarded as affluent and had a proactive Parents and Citizens Association.
During the study it was observed that the pool was ascribed two roles by the members of the school community, both an educational role and also a role as a source of funding for the school.

The role of the pool in education is evident in the planning documents of the school. The School Strategic Plan 1992-1994 (Appendix 1.1, p3.4) identified the school pool as a "means of improving the quality of education offered to the children". A similar purpose was expressed in the School Management Plan of 1995 (Appendix 1.3, p5.3) where the school pool was described as being intrinsic to meeting the educational goal of "develop, recognize and value participation and achievement in all areas of personal endeavor". The unique feature of the pool as an educational resource was recognized in an external assessment of the school, conducted by the New South Wales Department of School Education. In this Quality Assurance Report (Appendix 3.2, p24.2) the statement "the swimming programs were seen as unique curriculum components offered by the school" supports the community view of the pool being tied to educational goals. However, it was noted that this function of the school pool was ascribed more by the parent body than the teaching staff. This is indicated in the Strategic Plan documents of 1995-1999 (Appendix 1.4, p6.5) in which the school pool was prioritized as fourth highest in supporting education in the school by the parent body, but did not achieve a rating in a similar list composed by teaching staff. This is in conflict with the message sent out in a school promotional pamphlet of the same period (Appendix 3.5, p27.1), in which the school pool is listed above the library in the resources and facilities advertised.
There is also evidence to show the school pool valued by the school community, as a means to bring funds into the school. The Management Plan 1994 describes “the expansion of the financial base of the school (canteen, hire of pool/school, sale of surplus land)” (Appendix 1.2, p4.3). The significance of this asset in generating funding and requiring recurrent expenditure is suggested by the commencement in 1994 of a specific swimming pool management plan. This view was sustained through to later years, as shown in the 1998 Annual Report of the school (Appendix 3.3, p25.2) where it was recorded “A swimming school, ‘[name]’ now operates from our pool. This caters for our students as well as outside clients. As a result of the existence of the swimming pool our community profile has been raised. There are also positive financial outcomes”.

Despite the documented claims of “positive financial outcomes” and educational benefits attached to the school pool asset, and the growing importance of the school pool to generate funds for the school as traced through the budgets of successive years, an examination of financial records directly challenges the claim to financial gains. It also indirectly challenges the pool as the best educational outcome for the funds required maintaining it. This is illustrated in Table 6.2.1 below. During the years 1993 –1995 budgeted rent income from the pool increased substantially. A large one-off budgeted income from a “swimathon” fundraising event was included in 1994. While $5000 income was budgeted, only $3000 was collected. It can be observed that water, general and chemical expenses associated with the operation of the pool far outweighed any potential rent or fundraising income.
Table 6.2.1 Budgeted Pool Income and Expenditure Amounts

<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td><strong>Rent Income</strong></td>
<td>Nil</td>
<td>800</td>
<td>1200</td>
<td>1600</td>
</tr>
<tr>
<td><strong>Fund Raising Income</strong></td>
<td>Nil</td>
<td>Nil</td>
<td>5000</td>
<td>Nil</td>
</tr>
<tr>
<td><strong>Water Rates and Sewerage</strong></td>
<td>(6809)</td>
<td>(7350)*</td>
<td>(5164)</td>
<td>Not known</td>
</tr>
<tr>
<td><strong>Pool Expenses and Chemicals</strong></td>
<td>(2402)</td>
<td>(2400)</td>
<td>(2989)</td>
<td>(3041)</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>(9,211)</td>
<td>(9,750)</td>
<td>(8,153)</td>
<td>Not known</td>
</tr>
</tbody>
</table>

Note: Water Rates and Sewerage also included some general water supply to the school. *A Pool leak and malfunctioning pump existed during this year.

Information for the table was derived from Appendix 2.2 pp11.1-11.2, Appendix 2.5 p14.3, Appendix 2.6, Appendix 2.7 p19.1, Appendix 2.8 pp17.1-17.2. and Appendix 17.7.

As the pool was not made explicit in the accounts by its own cost centre, the visibility of the net amount of revenues and expenses was not immediately evident, nor easily extracted. To the best of my knowledge no formal report extracting these amounts was ever produced.

The larger research question emerging from this observation of financial costs juxtaposed with written claims of financial and educational benefits, is whether or not accounting information played any role in decisions made about the pool, or whether accounting information was ignored or used selectively to support pre-existing cultural understandings of the pool. An historical perspective on the origins of the pool informs an understanding of this contradiction.

6.2.3. The Historical Origins of the School Pool

The pool donation came from the Parents and Citizens Association of the school in 1961. The homegrown nature of the endowment is evident in the pool’s characteristics, it being the nonstandard and inconvenient length of seventeen metres, and the uncommon width of six lanes. The pool depth gives the impression that not much
thought was given to how it would be used. At the deepest end the pool is two and a half metres in depth, while at the shallow end the pool is over one metre in depth. This very deep pool has proved impractical for teaching the very young children how to swim. It is of cement construction painted blue with a tiled area above the water line. The pool surrounds are cemented and painted yellow. At the deep end each lane has a small diving block. There are hooks for lane ropes and black lane lines painted on the bottom. There are four ladders, one on each side and at each end of the pool. It is a freshwater pool run with two filters (of which one did not work most of the time during the time span of this study).

Amenities built with the pool included two toilet and shower blocks, one each for boys and girls. Outdoor showers were also provided. The pool was fenced, and a raised spectator bank was also included, with trees planted as shade.

While I was unable to find any existing financial documentation related to the building of the pool, one ex student anecdote told how she had raised funds for the pool over a three-year period. She does remember parents borrowing tools and mechanical diggers on the weekend from the local steelworks in order to do the work. I have since met in the general community several adults who learned to swim in the pool, with fond memories of the experience.

Today the pool evidences some changes and improvements. The amenity block has a wonderful mural of a sea scene painted by the children. There is a supply of flippers, kick-boards, flotation devices, balls, diving rings etc. for use by the children. It is heated with solar panels and has a solar blanket and thermometer installed. The pool
itself has a small leak and is badly in need of paint. There are childproof fences and gates, and resuscitation posters displayed in order to meet the comparatively new council regulations. There are signs advertising the pool on the school fence. The outer boundary of one side of the pool consists of many rainforest plants maintained by the children. This ensures a loud habitation of mosquitoes, frogs and spiders in the pool area, most of which are harmless. It is also a favourite stopover of migrating ducks in the summer.

Illustration 6.2.1. The School Pool by Stephanie Rudkin.

6.2.4. The Researcher’s Narrative of the School Pool

A Parental Recollection

I remember the first day my husband and I visited the school in 1994. We were looking for a suitable school to move our children to, and were most interested in seeing some teachers in action and perhaps meeting them. Our priority was finding a supportive
environment. We did not care about physical facilities. The school largely appeared in a run down state, in great need of some paint and clean carpet etc. The principal, almost in his second breath after "hello", asked us if we were interested in seeing the school pool. This, for him, was a key selling point. It was the middle of winter.

My next experience with the school pool came the following summer when I assisted with the 'learn to swim' classes. During this period my daughters came to love the pool. Everyone was expected to swim. All the teachers had their resuscitation certificates. One of my children was in kindergarten and I remember going along with other parents and helping them all to change into their swimwear. Fluro pinks and greens and oranges were everywhere, as were lost shoes, socks, and towels. The excited noise was incredible. The loudest of all was Mrs Y, the swim teacher. She did she have a loud voice. She was a teacher at the school with life saving qualifications, and taught the children water safety. To avert the noise we tried putting a Sesame Street video on to settle the children while they changed, to no avail. It was wonderful.

Parents were an integral part of the process. We came in swimmers and sarongs and hats and sunglasses, and smothered sun cream all over the kids. The teacher had a "neck to knee" wetsuit on and wore this all day. Learning to swim was fun for all. We had tears, and frightened children. Eventually, all learned to swim, but many of the children looked like skinned rabbits and the water was very cold. These were the early days before the pool was heated.
A School Council Member Recollection

I gained a different experience and understanding of the pool much later between 1996 and 1997, when I joined the School Council. Many hours in meetings were spent discussing plans for the pools, ideas for using it to raise revenue, and strategies for minimizing its associated recurrent costs such as water chemicals and routine maintenance. I came to regard the pool as one of these intergenerational assets without the intergenerational equity attached. The analogy of a white elephant is not far off the mark. It cost money, lots of money. It was over thirty-five years old and it was leaking. Water rates were soaring, as were the associated chemicals needed for the pool.

My role as school councilor made me cognizant for the first time not only of the financial burden of the pool, but also of the administrative burden attached to it. Since the building of the pool, health regulations had become more onerous. Regular council inspections were now required. Insurance required the pool only be used when there was a suitably trained person present. Little maintenance had been done over the years. Consequently only one of the two pumps was working. The broken pump was not worth repairing and the school council was told a replacement pump would cost in the order of $5000.

A particular illustration of the unique accountability burden associated with the pool was that of the pool chemicals. The aggregate expense of pool chemicals was increasing substantially compared with previous years without an obvious reason. Budgeted costs for this item are shown in Table 6.2.1 in this chapter. Pool chemicals were stored in the shed alongside the pool. While the pool gate was locked, numerous staff and parents had a key because all volunteered on a roster to clean and check the
pool. Parents usually completed pool maintenance tasks outside normal office hours. It was noted that at one particular point abnormally large quantities of pool chemicals were being used. My background emerged again, and I asked at school council who had access to the shed where they were stored, and what controls were in place for the stockpile. It was revealed by the principal that when chemicals were delivered from the supplier (a local company), the delivery person had a key and placed them straight into the shed. There was no supervision of the delivery by any school personnel. All invoices were mailed to the school. There was no goods inwards advice or similar used. Goods received were not matched in any way with orders placed. Consequently deliveries made were not checked and a system of trust, intrinsic to the school culture, prevailed.

It transpired that deliveries often were not received in part or in whole, and the delivery person was doing a very nice trade of his own with the missing pool chemicals. The lock was changed on the storeroom with a greater restriction of access and the problem disappeared. Those teachers and parents within the school community who had their access removed took offense at the implication they were not trusted.

Several circumstances facilitated this absence of internal control procedures, intrinsic to any accounting system. The asset was unique, and the circumstances of a delivery of regular large physical items stored away from occupied premises was not provided for in routine accountability procedures, as it was not envisaged centrally for a school. This was exasperated by the predominant culture of trust, in this case extended beyond members of the school community.
6.2.5. Other Narratives of the School Pool

A Private Sector Venture in a Public Sector Enterprise

The school needed to find money to pay for the water, chemicals, maintenance etc. The pool had a slow leak that would be costly to repair, and required the emptying of the pool, a great expense of water (appendix 9.9.17). There was a change of president of the School Council in 1996. At this time and without any investigation, financial or otherwise, but with a great deal of blind faith, the then new president of the School Council, Mr O proposed the pool had the potential to be the school's financial saviour. It was argued all that was needed was a little money spent for a huge return from establishing a swim school. This was contingent on the leak being fixed and the pump replaced.

There was blind acceptance of this idea by the principal, who had a great deal of respect for the new president, and so the whole school was launched into the project. Children had a "swim-a-thon" where they gained sponsors per lap (appendicies 5.3 and 3.9.7). This was run over the course of a day. All participated in some form or another, and just over $3,000 was raised by about 160 children. This was a mighty effort not only by the students of the school, but also by the staff and parents. The Parent's and Citizen's Association contributed the rest, and the school had a repaired pool and new pump.

There was an active effort to start a swim school. There was a determined belief that the pool should be used and the school should be collecting money from it. The School Council called for expressions of interest. One former parent of the school was a Level One qualified swimming instructor, and offered to start a private swim school based at
the school. Rent was agreed at what the school council were told were nominal rates although these were never disclosed, even to the school council, as the principal referred to them as being in commercial confidence. It was not possible to discern the amount from the financial accounts presented.

The establishment of the private swim school was an interesting experience to say the least. The school principal acquired a new image of "this school specializes in swimming", the school having one state champion swimmer already (appendix 3.5). He had his mind set on winning the next district swimming carnival (appendix 5.2). A note went home to parents. Now children who could swim well had special training paid for by the school from the new private coach. This was during school hours and at lunch. It is ironic that children that could not swim were not afforded this opportunity, in direct conflict with the educational goals espoused for the school. Their use of the pool was restricted to one week's intensive learn to swim training (by the same coach) after the competition season. The parents were charged separately for this learn-to-swim coaching (appendix 5.4).

"Whales", a swimming club was started after school on Tuesdays. Children had to be able to swim three strokes adequately to be allowed to participate. This initially was free, but later a small charge was instigated "to cover the cost of chemicals for the pool". The seeds of "user pays" were being sown.

Not before long the more able swimmers were "encouraged" to attend squad training before school, again this being provided by the private coach. This was at a cost to the parent of $6 per child per session, in addition to the other charges for swimming
activities introduced into the school (appendix 5.5). I had three children attend six
sessions each per week, which became a not insignificant financial imposition. Squad
members were required to purchase and wear squad polo shirts. These were not in the
school colours, did not advertise the school, but did bear the logo of the private swim
coach. Children who swam well but did not attend squad training were called out at
school assembly and questioned. It was implied they were not supporting the school
efforts to win the next swimming carnival. Notes in similar tones were included in the
school newsletter (appendix 3.9.15). The school was effectively acting as recruiting
agent for a private and commercial enterprise.

Such commitment to the enterprise transferred itself over to the volunteer community
within the school. It was not long before parents were offering to fund raise for the
private for profit swim school. This was seen as appropriate as their children attended,
and the venture was located at the school. Each morning as few as two and up to five
parents attended with their children squad training, and at 6.30am provided and served a
breakfast to the children for a small fee of 50c. This included cereal, milk and fruit. Tea
was also provided for the swim school staff.

Independently another parent came to the school each morning at 5.30am to check the
ph balance of the pool, and add the chemicals. Each weekend parental volunteers
cleaned the pool and its surrounds, including vacuuming the pool and cleaning its filters.
One parent donated the prize of a Christmas ham, and a raffle was run to raise funds for
a bar fridge for the swim school.
After one season of operation, a complaint was made by the owner of the swim school to the principal that the pool needed heating to make the venture viable. Consequently, the school and parent body raised and spent over $10,000 installing solar heating and a pool blanket, something never thought needed before this time. In addition hot water showers and new basins were installed in the change-rooms. Only students of the swim school were allowed to use the hot water showers in the change-rooms. Students of the school in their learn to swim class were now required to only use the cold outdoor showers. The school also gave free advertising to the swim school on the school fence and signs (others were charged), as well as in the school newsletter. It is interesting to note that while the children complained of these new arrangements, they were viewed as reasonable by parents in the school, and as a boon by members of the parents and citizen body and some members of the school council.

Illustration 6.2.2  A Private Swim School is Established
Chapter 6 Tales of the Field

*Intergenerational Equity*

When the school pool was originally built, a vibrant and affluent local community did not envisage the financial liability they were creating for the school in the longer term. The pool, thirty-five years on, is kept operational despite considerable difficulties being encountered to fund it. Being a unique asset of a school in the state public system, there appears nowhere explicitly stated from where recurrent operational funding is to come from, or what specific accounting and reporting should be undertaken to account for this resource (appendix 2.2). There is a large financial burden associated with this unique asset (appendix 2.5). The pool is an increasingly expensive asset to maintain given the declining population of the school and the deteriorating condition of the pool. Money is constantly needed to pay accounts. Common expenses include such items as pool chemicals, grounds upkeep, cleaning, mandatory health department inspections, insurance, painting, electricity, routine maintenance and replacement of items such as pump motors, constant repairs from vandalism, training of staff in water safety and first aid accreditation, employment of a specialized swimming teacher, and a very large water rates bill. Moreover, a total dollar cost of these expenses per annum cannot be accurately ascertained, because not all of these costs are formally recorded in a systematic way in one place. While the school funds meet most accounts due, the parents and citizens association pay some accounts, and some are met from fundraising monies, as well as some expenses being donated in kind.

There is a menagerie of funding strategies in place as ad hoc responses to the necessity to find funds. Various forms of funding being relied upon at the time of this research include the use of non-tied public sector school funding monies, private sector donations by way of the Parents and Citizens Association, fund raising events undertaken by
students and staff, the impost of user pays fees on both the students of the school and community groups who use the facilities, and rent monies obtained from a private swim school set up at the pool. As well as these sources of direct money, support was given in kind in the form of volunteer labour to clean the pool and act as weekend and after-hours security, as well as barter arrangements (appendix 5.1). Examples of such barter arrangements are the use of the school pool being given to the Catholic school across the road and other nearby schools, in exchange for temporary access to other needed resources from these schools such as trestle tables and performance facilities. One trade was arranged with the Catholic school across the road for the use of their hall for a bush dance for the school. Another trade was arranged with the grammar school across the road for the use of their considerable theatre facility and grand piano for the school concert. These resources would otherwise be hired.

The ad hoc and varied sources of funding did not coexist harmoniously, and sometimes caused tension between different user groups by setting up a privileging hierarchy. Over my period of involvement in the school, I have observed that the focus of use and the behaviour associated with the school pool has changed, coinciding with financial pressure and a change in the pool’s funding mix.

In 1994 the emphasis was very much on a learn-to-swim program, in which every child in the school was involved in an “intensive learn to swim program”, and participation of all was the goal. This had transformed to the situation in 1999 where the emergent focus was on an elite swimming team from which intensive training is expected, and where “PB’s” or personal best times are the goal. A privatization of sorts and a commercial venture of the school have changed the traditional use and priorities of the
school pool. It was now viewed as primarily a means of achieving needed funds, and not as an overall educational resource for the school. Through a style of privatised use, the pool became a device for elitism in the student body. It became a means of distinguish those who could achieve good swimming outcomes for the school above a more general outcome of learning to swim. It also became a way of distinguishing financially those who could afford to attend the private squad training. The resource was being captured be a dominant affluent group within the school through the user pays system.

6.2.6. The School Pool’s Relevance to Accounting and Accountability.

Emerging from my experiences associated with the school swimming pool are several considerations relevant to accounting and accountability. First there is an observed direct relationship between funding and behaviour. Secondly, at the micro level there appeared to be a blurring of the distinction between public and private sectors. Thirdly it raises questions about accountability both to and from volunteer labour in an organization. Fourthly it also raises questions about intergenerational equity in the public sector.

There is an observed direct relationship between funding and behaviour. Changing financial arrangements for the pool resulted in changes being made to both who used the asset and how it was used. The pool originally was regarded in the school community as a social asset. It was a resource to be used to serve the community such as teaching all students to learn to swim. However, as the pool moved from being regarded by the school as a community social asset to a revenue generating asset the focus moved from social capital to commercial concerns of revenue. Behaviour changed. Access to the
resource became less equitable and more hierarchical. Elite swimmers were privileged over those children that could not swim.

The micro level issues surrounding the school pool exemplify a blurring of distinction between public and private sectors, challenging the dichotomy of the concepts. A new synchronous pollination of public and private sectors at the micro level is appearing, begging a new accounting and accountability. The volunteer parents in the school were happy to volunteer for a commercial enterprise. They did not appear concerned with monetary aspects. Rather they focused on the social capital. If the enterprise had benefits for their children, they were happy to still provide their financial support. It did not matter that only a nominal rent amount was being received by the school. The parents while cognizant of the financial aspects of the pool did not link their activities in any real way with the construction of these difficulties.

The example of the school pool questions the rhetoric of financial information being needed as an aid to decision making, implying this need to be manufactured by constructors of financial information. Very little rational decision making was made around the school pool based on accounting numbers. Accounting seemed to be redundant in the situation. The example of the school pool challenges accountabilities to and from volunteer labour and funding. The difficulties of the present were bequested from the past. While much is said about accountability to volunteers, little provision is made in accounting for accountability by volunteers, especially with respect to what they commit an organization to in the future. This is an intergenerational equity problem.
6.2.7. Mythical Constructions of and for Accounting and the Pool

The above told a narrative of accountability and funding issues associated with the school pool, using various text artifacts of accountability in this context. The following section will focus on two areas. First, it will identify themes of accounting myth in the narrative. Secondly, it will identify links of the described accounting and accountability practices with attributes of myth. In this way the extent to which accounting behaved as a myth-making device in the micro situational context of the school pool will be explored.

In the narrative of the school pool, there are traces of soteriological myth. The pool as an asset was socially constructed as a means to save the school financially. The pool was to generate income from being hired out to third parties and through rent from the newly established swim school. It can be argued that the purpose of the emergence of this soteriological myth was psychological. If the school community was to avoid the financial monster of a deficit for the school, and a cost overrun for the pool, the school pool had to be socially reconstructed as an income-generating asset. This myth was generated from “elders” in the school community, from the staff, principal and from the school council president.

This soteriological myth was emergent because of the utter faith and profound intensity with which it was believed by the school community. This utter belief generated rituals and ceremonies around the pool, both accounting and non-accounting related. Rituals included the annual student swim-a-thon for which monies had to be collected, banked and accounted. Similarly the Whales Swimming Club and the squad training generated a weekly ritual of pool use and collection of monies and incurring of expenses.
Such rituals set in play a form of derivative myth in which all children in the school were sent on a quest for swimming achievement and glory. These mythical beliefs took the narrative form in school newsletters, advertising, and formal management plans, agenda items at the Parents and Citizens meetings and at school council meetings, and staff meetings.

What is most interesting to accounting is that all of these activities occurred despite any attempt at what could be called scientific verification. No true costs were ever comprehensively measured, or attempted to be measured regarding the cost of operating the pool compared to not operating it. Similarly, no financial plan was every put together to test the commercial viability of the efforts undergone. The swim school was never costed, and nor were the returns on the expenditure of heating and repairing the pool. At this micro level, the actual accounting did not matter, nor did it have meaning. This is despite the constant accounting language being used many conversations about the school pool. There was much conversation about costs and expenses.

There is also an element of the suspension of chronological time in this myth, tied in with notions of intergenerational accountability and equity. The ancestors of the members of his community are speaking from the past, evoking past ethical systems of parental volunteerism and reaching from the past requiring the smaller and far less affluent members of the community to continue paying for a past decision. Ideals of the past are being reified though as an impost, through the ongoing participation in the pool myth.
Implementation of Schools Renewal at the Coal Face: Devolution or Revolution?

6.3.1. Introduction

Vignette 6.3 examines the process of implementing into a school the School Renewal Reforms of the then New South Wales Minister of Education, Dr Terry Metherell. Schools renewal, as previously explained in chapter five of this thesis, was born out of a management review that embraced the findings of the Scott Report 1989. The key findings of the Scott Report were that schools were responsible for providing teaching and learning, and that schools are different and have different needs. The Scott Report determined that the best judge of how schools' needs are met should be the schools themselves and their communities. It proposed that this was best achieved if schools were allowed to manage themselves within departmental guidelines because this would best ensure the efficient and effective allocation of scarce educational resources in the school. The mechanism invoked to implement this new policy was decentralization, whereby schools were made responsible for their own budgets, and were to be governed by their own local school councils (Appendix 9.5, pp2-3).

This vignette now examines the instigation of devolution in the research site for its impact on the processes and roles of accounting and accountability. This is done as a study of accounting in action. The implementation of devolution is examined with respect to four aspects. First in section 6.3.2 devolution is examined with respect to the formation and operation of the school council. Secondly, section 6.3.3 examines
budgeting processes and outcomes within the school for any impacts of devolution policies. Thirdly, in section 6.3.4 processes of strategic planning for the school are examined with respect to the impact of devolution on the Korean language program in the school. Fourthly, in section 6.3.5 the changes in external reporting via the annual reports of the school are discussed to illustrate the effects of the Schools renewal policy.

6.3.2. The School Council: A Story with no Plot.

The processes and decisions of the school council are examined in this section of the vignette. While the period of field access for this thesis was from September 1995 until December 1999, access was given to recorded texts in the forms of minutes of school council meetings, and other correspondence and resources from the period of 10 May 1993. This is a valuable form of data as it covers the period of the introduction of the school council into the school, a key reform of the Schools renewal legislation of the then State government.

These source materials of this early period of the introduction of the school council are included in appendix nine of this thesis. They include the School Council Seminar Summary (appendix 9.1), the results of an information survey (appendix 9.2), letters of invitation to join the school council (appendix 9.3), the final report of the school council survey (appendix 9.4), school council guidelines (appendix 9.5), school council survey form (appendix 9.6), a parent survey summary (appendix 9.7) and the school council minutes of meetings (appendix 9.8). In addition to the formal written texts of the school council, I have the experience of being a participating member of the council for 1996 and 1997. I served as a nominated parent representative in 1996 and as school council secretary in 1997. This participation also informs the telling of this vignette.
The inaugural meeting of the school council of the research site was on the 10 May 1993. The articulated roles of the school council were given to the inaugural school council in the New South Wales Department of School Education Guidelines pp2-3 (appendix 9.5). This document stated the council’s roles as to identify local educational needs and priorities, assess the school’s financial needs and expenditure, set broad policy directions, aims and educational goals of the school, participate in the framing of school plans and associated budgets and their subsequent endorsement, establish effective liaisons with other schools and community groups that are consistent with school policies, to consult and advise of a range of curriculum options available to the school, to provide advice and endorsement of policy regarding student welfare, to provide guidance on supplementary services required by the school, to determine community and other school use of school facilities, to participate in staff selection procedures as appropriate, to present and promote a positive image of the school, and to establish a sense of community. These articulated roles are broad and policy driven.

The minutes and records of the school council during the period 10 May 1993 to 5 December 1995 will now be examined to determine the extent to which these articulated roles were practiced, and problems at the micro level encountered in enacting these articulated roles.

The first obvious difficulty emerging from the data is being able to find people not only willing but able to participate as members of the school council. The inaugural meeting of the council took place on 10 May 1993. The agenda set by the principal (indicated by the document being in his handwriting appendix 9.9.1.). There were seven people present. The principal was present as an ex officio member. There were two staff
representatives in the form of deputy principal and head teacher. The remaining four members were parents of the school. All the staff members were male. Three of the four parent representatives were female. One of the parent representatives was a qualified teacher. All initial members of the council were of an Anglo Saxon background. These members were appointed for a two-year term in accordance with the constitution of the school council. The council met on a Monday evening every month during school term.

The operation of the inaugural council did not begin smoothly. The meeting was required under the constitution to appoint a member from the local community to participate. A senior journalist at the local paper agreed to fill this post. While bringing a broader representation to the council being of a middle-eastern background, his appointment was problematic in that he was also a parent of the school. This did not strictly meet the requirements of the school constitution in that it should have been a community member rather than a parent appointed.

After one year and half way through the term of appointments, correspondence of the school council indicates problems with the membership. A letter dated 21 March 1994 to the president of the school council (appendix 9.3) requests clarification of her position, in that no contact had been received from her (the president) in a long period of time. Her position on the council was subsequently filled by another member’s husband.

Another letter of correspondence (Appendix 9.3) indicates that the community representative on the council resigned after less than a year in office, citing
commitments of work and study being too onerous for him to fulfill his duties as a school counselor.

Moving on to the second school council appointed two years later the constitution was altered to allow a staggering of appointments of school counselors for succession planning, to ensure continuity in the operation of the committee. By the time of my appointment in 1995 and 1996, the makeup of the committee was similar to the first committee in terms of ethnic and gender mix. However, all appointees now had education backgrounds in the form of being a teacher, former teacher or in the case of myself being associated with the education sector. This included the community member, and it is questionable whether this is in the true spirit of the devolution guidelines that seek a cross section of community involvement. It also begs the question why was this form of natural selection occurring?

This reflection on the constituents of the school council is relevant because it illustrates two real problems of devolution of management for the micro level. These are concerned with levels of access and required skill levels of community members.

The stated roles of devolution rest on the underlying assumption that all community members will have access to participate in the self-management philosophy of the school. Implied in this assumption is that there is a sufficiently articulate and educated parent community to give them the skills necessary to participate at this policy setting level, which requires on paper taking responsibility for complex legal and financial documents.
A second underlying assumption is that members of the school community come from a culture that understands a participating parent population. This may be problematic for some cultures and some genders in cultures. Interview B with parents from a non-English speaking background (appendix 10.5) stated that "my nose does not belong there" when asked about contributing to the management of school finances. While requiring the school community to take a greater responsibility in the management of their school, these requirements are not sensitive to or supportive of less educated parent bodies, or parent bodies where English is not a language easily used.

No funds or resources were provided with which to enact these policies, and no structures put in place to enable equal participation in the processes by marginalized groups in the community. In moving through the school community, I observed little awareness of the existence of the school council, yet alone its role. It was not visible as part of the daily operation of the school. For example in the twenty eight school newsletters shown in appendix 3.9, only two mention the school council, that of appendix 3.9.7 and appendix 3.9.11. These two mentions of the school council are only to a brief line to inform the next meeting time. This lack of awareness also comes through as a theme in the interviews conducted. Only one of the formal parent interviews showed any awareness of the role of the school council in allocated and procuring funding for the school (appendicies 10.5, 10.6 and 10.7). Anecdotally few parents were aware of the school council’s existence. The interview with the Korean teacher (appendix 10.2) also indicated a lack of awareness of the responsibilities of the school council with respect to allocating funding to her program. This lack of profile in the community leads to the question of what activities did the school council undertake
and were these activities compatible with the articulated roles of devolution announced by the department?

In order to answer this question, minutes of the school council were analysed for the period 5 October 1993 until the 27 March 1996 as shown in Table 6.3.1 below. Items discussed were identified, and the number of occurrences of that item's discussion over the period was counted. During this time there were 75 different discussions. The smallest number of occurrences of discussion for any one topic was once. The highest number of occurrences for discussion of a topic was nine. Discussion at school council during this period can be classified into six categories. These are finance related issues (17 occurrences), discussions around school facilities (14 occurrences), property maintenance (12 occurrences), publicity and promotion of the school (7 occurrences) (appendix 3.5), administrative matters of the council (14 occurrences), and student welfare (14 occurrences) (appendix 3.4).

**Table 6.3.1. School Council Discussion Topics and Frequency**  
*For the period 5.10.1993 to 27.3.1996*

<table>
<thead>
<tr>
<th>Item</th>
<th>Number of Times Discussed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recommending financial sub-committees</td>
<td>3</td>
</tr>
<tr>
<td>Office Bearers</td>
<td>4</td>
</tr>
<tr>
<td>Community Members</td>
<td>8</td>
</tr>
<tr>
<td>Motto Changes</td>
<td>1</td>
</tr>
<tr>
<td>Uniform</td>
<td>5</td>
</tr>
<tr>
<td>Current Budget</td>
<td>5</td>
</tr>
<tr>
<td>Strategic Plan</td>
<td>7</td>
</tr>
<tr>
<td>Quality Assurance</td>
<td>8</td>
</tr>
<tr>
<td>Security</td>
<td>2</td>
</tr>
<tr>
<td>School Banner</td>
<td>1</td>
</tr>
<tr>
<td>Student Representative Council</td>
<td>6</td>
</tr>
<tr>
<td>Topic</td>
<td>Page</td>
</tr>
<tr>
<td>------------------------------------------------------------</td>
<td>------</td>
</tr>
<tr>
<td>Sale of Excess Land</td>
<td>3</td>
</tr>
<tr>
<td>School Safety Day</td>
<td>1</td>
</tr>
<tr>
<td>Prospectus</td>
<td>4</td>
</tr>
<tr>
<td>Photocopier</td>
<td>2</td>
</tr>
<tr>
<td>Fete</td>
<td>4</td>
</tr>
<tr>
<td>School Council Guidelines</td>
<td>2</td>
</tr>
<tr>
<td>School Review</td>
<td>1</td>
</tr>
<tr>
<td>School Survey Report</td>
<td>2</td>
</tr>
<tr>
<td>Proposed School Numbers</td>
<td>1</td>
</tr>
<tr>
<td>Asset Stocktake</td>
<td>1</td>
</tr>
<tr>
<td>Audit of Annual Report</td>
<td>1</td>
</tr>
<tr>
<td>School Focus Areas</td>
<td>1</td>
</tr>
<tr>
<td>Canteen</td>
<td>6</td>
</tr>
<tr>
<td>Action Plan 1994</td>
<td>1</td>
</tr>
<tr>
<td>Finance</td>
<td>6</td>
</tr>
<tr>
<td>Annual Report 1993</td>
<td>4</td>
</tr>
<tr>
<td>Management Plan 1995-1995</td>
<td>3</td>
</tr>
<tr>
<td>Swimming Pool Maintenance Plan</td>
<td>9</td>
</tr>
<tr>
<td>Hall Improvements</td>
<td>2</td>
</tr>
<tr>
<td>Roof and Ceilings</td>
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</tr>
<tr>
<td>Outcomes Based Education</td>
<td>3</td>
</tr>
<tr>
<td>Iranian School Contract</td>
<td>3</td>
</tr>
<tr>
<td>School Council Conference</td>
<td>3</td>
</tr>
<tr>
<td>Public Address System</td>
<td>1</td>
</tr>
<tr>
<td>Korean Using Technology</td>
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</tr>
<tr>
<td>Five year School Plan</td>
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</tr>
<tr>
<td>Parent Survey</td>
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</tr>
<tr>
<td>Welcome for New Parents</td>
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<td>Role of School Council</td>
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<tr>
<td>Role of Staff Representatives</td>
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<td>Staff Planning</td>
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<td>Peer Support</td>
<td>3</td>
</tr>
<tr>
<td>Oasis Library</td>
<td>2</td>
</tr>
<tr>
<td>Doing Things Together (DDT) Day</td>
<td>2</td>
</tr>
<tr>
<td>Focus areas for Maths and Reading</td>
<td>1</td>
</tr>
<tr>
<td>Individual Roles of Council Members</td>
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<tr>
<td>Timing of Meetings</td>
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<tr>
<td>Compost and Vegetable Garden</td>
<td>1</td>
</tr>
<tr>
<td>Bullying</td>
<td>1</td>
</tr>
<tr>
<td>Remedial Maths</td>
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<tr>
<td>Departmental Structure</td>
<td>3</td>
</tr>
<tr>
<td>Korean Program Funding</td>
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</tr>
<tr>
<td>OASIS Reports of Budget to Actual</td>
<td>1</td>
</tr>
<tr>
<td>After School Care</td>
<td>2</td>
</tr>
<tr>
<td>IO Class</td>
<td>7</td>
</tr>
<tr>
<td>Occupational Health and Safety</td>
<td>2</td>
</tr>
<tr>
<td>Cooperative Teaching</td>
<td>2</td>
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Table 6.3.1. continued

<table>
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<tr>
<th>Area</th>
<th>Frequency</th>
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</thead>
<tbody>
<tr>
<td>Digital Camera</td>
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<tr>
<td>Outdoor Play Equipment</td>
<td>4</td>
</tr>
<tr>
<td>Assemblies</td>
<td>2</td>
</tr>
<tr>
<td>Discipline Policy</td>
<td>2</td>
</tr>
<tr>
<td>School Excursions</td>
<td>2</td>
</tr>
<tr>
<td>In Service Education</td>
<td>1</td>
</tr>
<tr>
<td>Staff Request for Minutes</td>
<td>1</td>
</tr>
<tr>
<td>Basic Skills Testing</td>
<td>1</td>
</tr>
<tr>
<td>Child Portfolios</td>
<td>1</td>
</tr>
<tr>
<td>Traffic Conditions</td>
<td>2</td>
</tr>
<tr>
<td>Parents and Citizens Donations</td>
<td>2</td>
</tr>
<tr>
<td>School Environment Team</td>
<td>1</td>
</tr>
<tr>
<td>Mixed Gender Sports Teams</td>
<td>1</td>
</tr>
<tr>
<td>Old and Inappropriate Readers</td>
<td>1</td>
</tr>
<tr>
<td>Investment Revenue from Advertising</td>
<td>1</td>
</tr>
<tr>
<td>Trout Fish Off</td>
<td>1</td>
</tr>
<tr>
<td>Need for Commercial Venture</td>
<td>1</td>
</tr>
</tbody>
</table>

These areas of discussion all appear to fit within the articulated roles of the school council. However, two comments can be made regarding this. While finance related discussions that were undertaken by the school council fit within the articulated roles of devolution, being to meet the school financial needs and expenditure, the process of devolution with respect to this aspect represents responsibility without authority. The school council has no capacity to make funding commitments on behalf of the school, or to approve funding expenditures, in that they can incur no financial liability. They are merely a consultative body.

Secondly, while discussions around school facilities and discussions about property maintenance are comparable to the articulated roles of use of school facilities, the line of responsibility is somewhat fuzzy here, as some maintenance falls under the realm of daily operation of the school. This is seen as a responsibility of the principal rather than that of the school council. This is noted as being problematic in the School Council Seminar Summary 30 August 1994 (appendix 9.1) where it states a failure of the school
council system is to determine “where does ‘determine broad educational policies’ end and ‘management of school’ begin?”

A reflexive observation of my time associated with the school council is that though the principal was not chair of the council, the principal very much ran the council. He set the agenda, invited guests, and provided most of the materials for discussion. It came to be run as a different brand of Parents and Citizens’ Association without the fund raising activities. As a decision making body it had little power, merely that of recommendations and suggestions. Decisions taken by the school council over time increasingly could be questioned and challenged as the purview of the Parents and Citizens’ Association. Such decisions concerned the school uniform, the school fete, the canteen, the public address system, the “doing things together’ day, the compost and vegetable garden, and the trout fish off (Table 6.3.1). While extremely relevant and important to the school community at the micro level, these decisions are questionably part of the role of the school council, and would have been accessible to more parents and community members if dealt with in the context of the Parents and Citizens’ Association.

These items were all put on the agenda by the school principal, having an authoritative management style and appearing more comfortable with a “P&C” style relationship for the school council. It can be speculated that the transferring of decision making roles from the Parents and Citizens Association, a much larger and more vociferous forum, to the School Council, a much more controllable and closed forum, is a political move to control the agenda of discussion in the school community. This is especially relevant in the industrial climate at the time of the study, when numerous strikes and restrictions
were placed upon school activities and support of the parents actively sought by the Teachers' Federation (Appendix 3.10). Moreover, participants in the school council are hand picked as "appropriate" and approved by the principal. That luxury is not afforded him at the Parents and Citizens' body.

6.3.3. Budgeting Processes

This section of vignette 6.3 examines the impact of the School Renewal policy on school-based budgeting. The New South Wales Department of School Education states

A school based budget is a financial translation of the educational priorities of the school. It is 'global' in the sense that granted funds will no longer be tied to particular expenditure items but allocated in accordance with the school's total assessed needs.

(Schools renewal Taskforce Bulletin 5 14/11/1989, p1)

The concept of school based budgeting was to be phased in over a period of time. The application of this process at the micro level in this ethnography will now be discussed. This section demonstrates that the application of the macro policy in the micro setting is problematic, protean and burdensome.

The interview with the principal (appendix 10.1) expresses a tone of disapproval and frustration with the new budgeting and financing structures. He is very quick to articulate all the ways he perceives the school lost funding. He refers to staffing levels (Appendices 2.4 and 4.4), stating that the ESL teacher (English as a Second Language) was cut from four days a week to two days. He also argues that the restructure of the regional office amounts to the Labour Party, who at that time held state government, wanting to cut costs. The administration of the New South Wales Department of School Education was previously structured with three tiers, state, regional and district. The
regional tier was removed and now the two tiers of state and district remain (Appendix 4.3). The principal viewed this structural change as a devolution of responsibilities with a centralization of functions, resulting in a polarization putting greater reliance on auditing functions, both financial and pedagogical. The principal states:

> There is no consultation now. Things are done with the stroke of a pen. This is much to do with Mr Aquilina and Mr Carr, and their cost cutting. The changes were announced without warning on the Thursday of the Quality Assurance interviews. There was a lot of secrecy in the policy formations. It is a lot to do with their fiscal budgets and efficiency.

(Appendix 10.1, piii)

From this quote it is implied that the newly instigated quality assurance review was onerous (Appendix 3.2). The principal was quite cognizant of the implication of the budget in terms of the rhetoric of efficiency.

Despite the responsibility of school financial needs and expenditure, and plans and budgets being articulated by the New South Wales Department of School Education as belonging to the school council, in this ethnography the burden of these tasks fell squarely on the shoulders of the principal. The school council was largely a volunteer body with inadequate access to information, skills and knowledge for this task. Also, there were no procedures and structures ever funded or instigated to facilitate council members actively participating in these tasks. The principal claimed his access to departmental assistance was significantly diminished with the abolishment of the regional tier of administration.

The conscientious and admirable efforts of the principal at the research site are shown in Appendix 2 of this thesis, which shows the progression of budget working papers.
between 1994 and 1995. Appendices 2.5 and 2.8 show copious hand written worksheets done by the principal in an attempt to record, control and communicate the budget. This is despite the OASIS computer generated budget reports available as (illustrated in appendix 2.7), which were difficult to read, contained too much non-summarised data that proved difficult to digest, and not useful in giving timing of expenditures necessary for internal control purposes. These computer generated reports were still reflective of the line item budget system that the schools renewal policy was attempting to depart from. It was not helpful to communicate budget information by programs, or to forecast outcomes for these programs. These comments also apply to other recording of historical financial information. The hand-written sheets were the items presented at school council meetings.

Scrubinizing of the hand written budgeting documents in appendix two illustrate both the application and innovation of the principal in meeting this onerous newer duty, but also the lack of training and understandable lack of specialized knowledge in completing such a task. Revenues and expenses are still not recorded in the programs related accounts, but in a line item fashion. The culture of precise accounting for public monies is evident in the recording of cents in items in appendix 2.8. The recordings still reflect very much a cash basis of accounting, even though accrual accounting was being introduced. There is no evidence of understanding regarding cost behaviours or classification of costs or the notion of accruals. For example, appendix 2.8 in classifying school administration expenses correctly classifies freight, medical, hospitalities, stationary, telephone etc. in these items. However, petty cash and uniforms are not usually classified as school administration expenses, but have been in this document. The entry to record Russian dolls in this category is beyond explanation.
No indications of the concepts of provisions or cost allocations across time are apparent, evidenced by the absence of numbers in May and October, periods of school holidays. The implied assumption made by the principal is that if there is no school on, there are no costs incurred.

Such a process of budgeting must be questioned as an efficient and effective allocation of the resource of a trained educational professional in a school.

A deeper conflict with the spirit of schools renewal is apparent in this narration. The principal, while taking on the burden of the budget preparation himself, is not communicating, compromising or being informed about the financing priorities of the school community.

6.3.4. Strategic Planning and the Story of the Korean Language Program

The fate of the Korean language program in the research site directly challenged the principles of schools renewal as described in chapter five of this thesis. Specifically, schools renewal allows "a self-managing school...the authority and responsibility to devise an educational programme and to allocate resources to meet the particular, unique needs of its community" (Scott Report 1989, p1). However, in this case a failure of the strategic planning process is evident in the Korean Language Program at the school.

Embracing the concept of devolution in schools, two parents with adopted Korean children originally obtained funding for the Korean language program from the then
Department of Employment, Education, Training and Youth Affairs (DEETYA). It was a seeding grant, meaning it was intended to start the program off but alternate funding had to be found in the longer term.

The program that facilitated all children learning the Korean language was well received and raised the expectations of the students, but when the seeding grant expired there was no source for other funding for the specialized education, and thus no certainty for the future. This is despite the Korean program being given a strong priority in the school, and very quickly becoming part of the school culture. This circumstance, while noted in the strategic plans, was not prioritized or even addressed by them (Appendix 1). That is, there was no apparent source of funds to replace the seeding grant, and no realistic means to raise such monies. Rather than adopt an entrepreneurial style encouraged by the schools renewal policy, the strategic plans prepared at this time followed the traditional format of the curriculum of the department. This was despite in practice the school did not follow this traditional curriculum. The Korean program, a unique feature in the state was not accommodated in this format, and so was not incorporated. This gives the impression of the strategic planning process undertaken by school council and staff as largely administrative and not really capable of mobilizing action at the local level, or initiating or facilitating strategic decision making.

The program was valued by students, staff and parents in the school because of its quality. It was taught by native speaking Korean teachers to all classes within the school. These lessons were reinforced by class teachers who also produced work in the classroom using both languages (appendix 8). The enthusiasm of the Korean teacher interviewed was evident when she made the comment:
When I first started to teach Korean here I was very very scared that it would be too hard for such little children to learn. They thought it was “fun”. I was so very happy when the children started to speak Korean, and the Australian parents spoke to me in Korean too. I ‘had a honeymoon’. It was wonderful.

(Appendix 10.2, p6).

Illustration 6.3 Worksheet Demonstrating the Learning of Korean alongside the Learning of English

Similarly, the interview with parents B (appendix 10.6) supports this view of the Korean program. These parents were Turkish and Lebanese, and both saw the Korean language program as a positive thing. They especially appreciated that the program included cultural activities as well as the language, for example cooking, dress, and music. The father stated

Every school should have a second language. Living in Australia (there are) many nationalities, good experience to learn and understand multicultural

(Appendix 10.6, p8)

With the drying up of the funding, the Korean program was replaced in the school with a LOTE program (Languages Other Than English). LOTE funding was received for
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1995-1996 Hub teaching only. This refers to the teaching of the language being done via teleconferencing from a remote site with a native speaking Korean teacher. In 1997 funding was again cut and the Korean Language programme was diminished to ordinary teachers being required to teach the language that they did not have themselves. Under the LOTE program local existing teachers replace native speaking teachers. It is funded for technology only. In 1995-1996 the then state Minister for Education Virginia Chadwick allocated $1 600 000 to fund the satellite program across the state (Appendix 10.2, p1). This money was used on capital expenditure items such as satellite dishes, but could not be used to fund teacher salaries in the area.

Under the LOTE program in the school, the satellite was used for teaching Korean to Year five only, for two times one half hour sessions a week. The school received $40,000 of funding for technology for this project. Previously, the Korean language program was integrated through all teaching in the school all day. Words were placed on cards around the class in Korean. Greetings were given alternatively in Korean and English. Korean games were played and Korean songs and music were incorporated into music classes. These resources were developed and supported by the native Korean teachers on site. The new program meant that only one year in the school now had the opportunity to learn Korean.

The existing Korean teacher criticized the program as giving insufficient time to teach and being too intensive for young children. In addition, she noted that LOTE cannot teach culture, and because of this it would not be effective. She felt it only suitable for children that were highly motivated and of high intelligence and unsuitable for ordinary children. She said of the LOTE program
The LOTE program is not an holistic education view. It always looks for product. It thinks it is enough to start a program and then leave you to find the funding yourself. Schools are not businesses. They cannot do this.

(Appendix 10.2, pvi)

The parents of the school engaged the Korean teacher to continue teaching her classes after school to the children when the funding for her program ran out. Children from other schools joined, and many continued on their language study to the School Certificate level. Two continued on to Higher School Certificate level.

This narrative of the Korean Program is important to highlight the personal and cultural implications of funding decisions, and how poor strategic planning fails to support real outcomes in an organization.

The Korean narrative also contradicts the rhetoric of Schools renewal and devolution espoused through the institutional structure of the ethnographic site. In a very real way the Korean program was supported by the parent community. Despite this pedagogical preference, institutional structures did not permit the allocation of resources to it. However, it succeeded in initiating the introduction of a form of user pays into the public education system for course instruction, because parents were forced to fund the retention of the native teachers and class support for all students not in year five themselves.

6.3.5. Annual Reports

This section reflects upon the introduction of corporate style annual reports by the school as part of the Schools renewal program. Site information for this section is
largely derived from notes taken upon a conversation with the principal held on 16 November 1997.

There has always been an annual report prepared by the school. An example of this traditional form of annual report is shown in appendix 3.1, where the 1993 Annual Report is shown as an illustration. In this reporting one copy of the annual report was kept on file and another copy was forwarded to the Department of School Education. The report comprised three sections that were school focus areas, regional goals and state priorities. The report was qualitative and there were no financial figures included.

At the introduction of school councils, the school council did have some input into the report process, but still the report was just made available to the department and a copy kept in the school. However, 1997 was the first year that the report was required by the government to be distributed to the parents of the school and made available to the general public.

The principal, in a conversation on 16 November 1997, described the process required to create the annual report in 1997. A committee was established which comprised parents, the staff and the principal. This group held several meetings at which responsibilities for sections of the report were delegated. Generally speaking the parents contributed comments regarding parental participation such as Parents and Citizens matters and other fund raising. Staff made contributions to the curriculum and social welfare aspects of the report. The principal took responsibility for financial matters, overall cohesion and meeting departmental requirements including what he described as a very tight deadline. He was not specific about when the exact date of the deadline fell.
The principal was keen to point out that he offered the task of developing the school report to the School Council but they declined. As they were volunteers there was no mandatory requirement for them to do so, despite this being envisaged as part of the responsibilities of the school council in the schools renewal program. He commented that he felt they did not wish to be involved with the production of the annual report because they did not have the expertise to do so. The invitation was then extended to members of the school’s Parents and Citizens Association. Two parents (both female) volunteered to participate in the process. They did so, but it quickly became apparent that they did not have the knowledge or educational background sufficient to complete the whole task. Therefore, their contribution was necessarily limited to comments on fund raising activities. The process began at the start of term three. All participants of the process were required to sign letters of confidentiality.

The process and inclusion of reported items was hindered somewhat by industrial action by the Teachers’ Federation. This dispute was also linked significantly to the controversy over basic skills testing which was prevalent at the time. Examples of these reports are shown in appendices 4.1 and 4.2. The union wished to ensure that no information was included in the annual report that allowed comparison of teachers or students within a school, or comparison across schools. They were concerned that if the basic skills information that was required by the Department of School Education were to be included, it could be used to that end. A compromise was reached and the report was modified so as not to allow comparison with state averages, or include any measures of relative worth. The principal expressed disappointment at this, as the
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school had done extremely well in comparative analysis, and he thought the results would have been good publicity and help to counter the poor image of the school.

The New South Wales Department of School Education gave the school a ‘pro forma’ disk, into which they inserted their data. There was no opportunity to change the format. This was sent on to the department for approval, who also arranged for its printing.

An example of this style of report is given in appendix 3.3. The report, while still having three sections, appears far more comprehensive than its predecessor. There is a strong accountability emphasis, with qualitative measures of social capital in the school being accounted for in the first section. These include parent participation and community use of school facilities. Source documents relating to these activities are included in appendices in their relevant sections as they cross all boundaries of school activity. However, now included is quantitative accountability in the form of a Financial Statement Summary (Appendix 3.3 p4). This retained earnings brought forward, income for the period, expenditure for the period and the funds balance carried forward. It is very much a cash based report. There is also a section to report on voluntary school contributions. However, these are monetary, and contributions in kind that are predominant in a school community are not reported.

Section two of the new style annual report records school and student achievements and school based assessment information focusing on the newly introduced performance indicators of literacy and numeracy.
Section three focuses on school development targets, reporting on the progress achieved against the targets of the previous year, and the presentation of new targets for the following year.

A requirement of the department which was strongly enforced was that the school must hold a meeting at which all parents were invited, and open to the general public, to present the annual report. This meeting was held on the 16 December at 7.30 pm in the school hall. The meeting was held in the school hall on the 16th December 1997 at 7.30 pm. Notification of the meeting along with a copy of the school report was forwarded home to each parent via their child eight days before the meeting. Additional notification of the meeting was given in the School Newsletter, also a week before the meeting.

The meeting attracted an audience of only one, myself, and the presenter, the principal.

Being aware and supportive of my research, the meeting as such was abandoned, and the principal graciously gave me one and a half hours of his time explaining the report and other matters regarding the school.

The example of the school report illustrates most poignantly that, despite the rhetoric of devolution, the financial reporting and accountability that is given by the research site is still a centralised imposition. In this case the accountability report produced appeared to bear no relevance to the school community in that the format and content was prescribed and it failed totally to invoke the school communities' participation, interest or support. However, the reporting process was an additional administrative imposition on
individuals within the school that were not trained for the task. It was not presented covering issues of interest to the parent body. It was a long and formal document that would appear overwhelming and inaccessible to many non English-speaking parents and English as a second language parents in the school community who rely on their children to read their notes for them. It begs the question: what is the real function of the annual report?

6.3.6. Is Myth Missing in Action?

The introduction of the schools renewal process was an attempt at ideological myth making, in which the rhetoric of the school renewal program promising meaning, order and stability for those who practiced it. It had the authority of the gods in the form of the higher administrative hierarchy and the authority of the minister.

The language of schools renewal was that of psychological myth in which the monsters of inefficiency and ineffectiveness had to be defeated in the quest of implementing the schools renewal ideology. Schools renewal was a soteriological myth in that it promised its practitioners salvation from these economic monsters. However, the real purpose of the myth was sociological in that it was to bring political power and control to the government with respect to educational funding.

The validity of the schools renewal program was never demonstrated or tested. It was held to be sacred and providing valuable knowledge and guidance. It was symbolic of good accountability, and as members of the community participated in its rituals they began to participate in what the rituals pointed towards. The processes became meaning giving. To some extent the myth failed because in some instances such as the school
report the myth was not believed as sotierological. Rather it had eschatological characteristics in that it was externally imposed on the culture.

Myth attributes are present throughout this narrative. The whole schools renewal process is protean, changing the processes of accounting and accountability in the research site. Improved accountability was supposed to give meaning to local preferences and priorities. The validity of the schools renewal program was never demonstrated or tested. It was held to be sacred and providing of valuable knowledge and guidance. It was symbolic of good accountability, and as members of the community participated in its rituals of school council meetings and approving budgets they began to participate in what the rituals pointed towards. The processes became meaning giving.

To some extent the myth failed because in some instances, such as the school report, the myth was not believed as sotierological. Rather, it had eschatological characteristics in that it was externally imposed on the culture. Myths must be intrinsic to their culture to achieve belief.

Chapter seven to follow will draw on some broad myth themes present throughout the field narratives.
Chapter 7

Mythological Themes of Accounting in a New South Wales Primary School

Chapter Overview

In this chapter, as a contribution to the literature, the presence of myth themes and attributes will be traced in a traditionally non-mythical area of experience and thought, accounting in the micro context of a New South Wales primary school. Section 7.1 is an introduction to this chapter and reviews the methodological framework of interpretive ethnography that is used in this study. It summarises the limitations and advantages that this methodology brings to the analysis. Section 7.2 discusses the relevance of the approach taken in this thesis. A review of myth theory is found in section 7.3. Specifically, section 7.3.1 summarises the four stages in myth development, archaic myth, intermediate myth, derivative myth and ideological myth. Section 7.3.2 reviews the nine attributes of myth, which are used in this chapter as a structure in which to investigate the presence of myth in accounting in the research site. Section 7.2.3 briefly reiterates the purposes that myth serves in a culture, from the perspectives of the psychological and functionalist, the sociological and the structural approaches. In section 7.3.4 themes of myth are revised, namely etiological myth, soteriological myth, and prophetic and eschatological myth. Section 7.3.5 revisits the assumptions of myth as described in chapter two of this thesis, reviewing the ontological and epistemological assumptions behind any application of theory of myth. This recapitulation of myth then
permits the demonstration of myth as a theoretical framework with which to investigate accounting in action.

The theoretical lens described in section 7.3 is then used in following sections of this chapter to investigate how myth theory can be used to elucidate sub-texts in the practice of accounting, and inform a wider societal world-view. The theoretical lens of myth will be applied to the case study narratives of chapter six of this thesis, specifically Vignette One *The Tale of Accounting in Action in the School Canteen*, Vignette Two *Voices of the Past: Accounting for the School Pool and Intergenerational Accountability*, and Vignette Three *Implementation of Schools Renewal at the Coal Face: Devolution or Revolution?* Section 7.4 will identify the attributes of myth present in the use of accounting in these case study narratives, while section 7.5 will identify the stages of myth development in the vignettes. Section 7.6 will offer a conclusion.
7.1 Introduction

This chapter makes no attempt to generalize broad principles regarding mythical constructions in and of accounting. To do so would be inconsistent with the ethnographic methodology used, as described in chapter three of this thesis. Rather, this chapter attempts to explore in more general terms common myth themes and attributes emerging from the field narratives specific to this site as described in chapter six of this thesis.

Theory of myth is used as a theoretical lens through which to investigate accounting in action. Myth theory used in this way is a new paradigm to understand accounting at a micro level context, because it embraces the values of the culture in which it is practiced. It demonstrates accounting to be an oracle foretelling social and cultural beliefs at the deshi level, intrinsic in the way accounting is practiced in the organization. This chapter will explore allegiances between accounting-in-action, and myth.

7.2 Relevance of Approach Taken

This chapter demonstrates that by applying the attributes of myth as described in Chapter 2 of this thesis to the narratives emergent from the research site, the elucidation of common myth themes and attributes are made visible, with the intention of exposing institutional structures and values, and informing knowledge of how accounting is used in the micro context of the research site. This is intended to provide visibility to the marginalized other(s) in the site. Such analysis is done acknowledging the limitations of the interpretive paradigm of ethnography, including the limitations of language, the morphing effects of a changing context, and the imperfections of the researcher. The
analysis is also made within the ethical constraints of ownership, which informs the data that was selected and recorded in this thesis.

This chapter addresses the question posed in chapter two of this thesis, namely are such or similar myth-like elements present and necessary in the accounting realm, and do they permeate beyond the profession into wider society, given that accounting is intrinsic in the culture of the organization? This chapter demonstrates how the use of accounting in the school has inculcated mythical stories and beliefs to the wider society, that then are used by individuals innately to construe their world picture. The relevance of the approach in this study is that it makes visible the ambiguous applications of accounting, demonstrating pluralistic tolerance for how accounting is understood at the micro level in the subject of this study, a New South Wales Primary School.

Manifestations of myth themes are traced in the artifacts of accounting practice as described in the case vignettes of chapter six, to demonstrate how accounting stories and beliefs are used as a form of myth by individuals. Myth themes are aligned with the common purposes accounting serves in society, demonstrating that accounting itself serves as a myth-making device to support a society’s cultural norms and values.

7.3 A Review of Myth Theory

Section 7.3 will give an overview of key aspects of myth theory, as fully discussed in chapter two of this thesis. Specifically stages of myth development, the attributes of myth, the purposes of myth, themes of myth and assumptions of myth will be reintroduced in this chapter, to serve as a structure for exploring their presence in the research site.
7.3.1. Stages of Myth Development: Myth Types

Four stages of myth were identified in the continuum of myth development, archaic myth, intermediate myth, derivative myth and ideological myth (Chapter 2, pp52-54). Archaic myth is largely non-literate and as such is communicated in story form, and its facts are believed to be genuinely true by its participants. Intermediate myth, while still holding its abstractions to be absolutely true, communicates these truths in a written story form. Derivative myth, next along the continuum, is much more a creature of the secular world. While not depending on absolute belief, it requires a suspension of disbelief, and uses devices such as superheroes and heroic quests to teach fundamental truths. The most sophisticated stage of development is that of ideological myth, which is embodied in literature. While not taken literally, ideological myth is believed to hold valuable knowledge and guidance, which is timeless. Section 7.5 of this chapter will identify and analyse the presence of these four stages of myth development in the three vignettes described in chapter six of this thesis, with a view to exploring allegiances between accounting and myth in the research site.

7.3.2. Attributes of Myth

Nine key attributes of myth were identified as existing in stages of myth development (Chapter 2, pp55-79). These were that myth is protean; myth gives meaning, order and stability; myth is widely believed with profound intensity; scientifically myth cannot be proven; myth is held to be sacred but not necessarily religious; myth takes a narrative form; myth settings are outside chronological time; myth contains symbolism; and myth is held to provide valuable knowledge and guidance. Section 7.4 of this chapter will
identify and analyse the presence of these myth attributes in the three vignettes described in chapter six of this thesis, with a view to exploring the presence of myth in the use of accounting in the research site.

7.3.3. Purposes of Myth

Chapter two of this thesis (pp 80-83) described different explanations of why myth is needed in societies. Specifically it described four approaches, psychological explanations of myth, functionalist perspectives of myth, sociological purposes, and structural reasons for myth.

Psychological understandings were described in Chapter 2, p81 of this thesis. In summary they see myths as universal, and suggest that every myth has monsters that represent dangers to be overcome, usually by a hero or heroine. From a psychological perspective, myth serves the function of modifying individual behaviour (Day 1984, p250), because the monsters were essentially internal to the individual, and required individual behaviour to be modified, in accordance with rules of the myth that “slay the monsters”.

Functionalist approaches are similar to psychological approaches because they too seek to modify individual behaviour. A functionalist approach to understanding myth suggests myths represent a need for order, meaning and stability, and embedded in the myth are societal norms and values to be inherited by participants in the myth (Walker 1995). These inherited societal norms and values reify order, meaning and stability in a society. Functionalist approaches were discussed in Chapter 2 p 81 of this thesis.
A sociological approach to myth understands myths as not universal, but as located within and specific to the culture that produces it. A sociological approach argues that myths as unique to societies, do more than embed societal norms and values. It sees myth as being more than functional, by being political. Myths are viewed as a means of ensuring the maintenance of institutions and structures that maintain the political status quo, because they have the ability to inculcate values and norms into an effective social system to ensure acceptable conduct that is replicated across time (Chapter 2, pp 82-83).

Finally, a structural perspective of myth is again broader than a sociological perspective of myth. It seeks out parallelism in mythic plots. Myth meaning only comes from considering many myths in a culture serially, and conflict within the myths is resolved by mediating opposites (Day 1987, pp273-274). The structure or mechanisms of the myth are viewed to be just as meaning giving as the narrative of the myth. The structuralist perspective of myth is discussed in chapter 2, pp83-84 of this thesis.

7.3.4. Themes of Myth

Four main themes have been identified in myth, namely etiological, soteriological, prophetic and eschatological themes. Etiological myths are creation stories that explain the origin and reason for things. Soteriological myths contain knowledge that has the ability to rescue the believer of the myth from imminent disaster. Prophetic myths are concerned with the future and are characterized by a great deal of symbolism. Eschatological myth is also concerned with the future, but more specifically predicts impending disaster if the values and rules of the myth are not followed. These myth
themes are discussed in chapter 2, pp 84-87 of this thesis. Discussions in this chapter will link manifestations of these myth themes in the artifacts of accounting practice in the vignettes of chapter six, to demonstrate how accounting stories and beliefs are used as a form of myth by individuals at the micro level in an organization to inform and construe their world picture.

7.3.5. Assumptions of Myth

While it was not the intention of this thesis to elucidate a clear and unequivocal theory of myth, the underlying philosophical assumptions informing the application of myth theories to understanding accounting should be acknowledged. Ontologically, given that myth requires belief by its participants, there can be no independently verifiable reality of the myth. That is, the myth is a non-empirical unconditional reality that is self-referential. The reality of the myth exists as part of a culture of the participants of the study, and as such the myth is a social understanding about the past for a better future.

Epistemologically, myths can exist in an organization even though they are not rational, and are regarded as valid if they are believed. This permits a tolerance and even a thirst for the ambiguous and contradictory. Knowledge is reified through belief.
7.4 The Presence of Myth in Tales of the Field – Myth Attributes

The next sections in this chapter take the general attributes and understandings of theory of myth as described above, and use them to reflect upon the operation of accounting in the case study site, the school. In this section this study is going beyond a ‘grand narrative’ explanation of accounting, because this theoretical lens permits the privileging of small and heterogeneous narratives in this specific context, as suggested by Lyotard (1984). Section 7.4 identifies attributes of myth intrinsic to accounting practice in each of the vignettes.

Vignette one The Tale of Accounting in Action in the School Canteen (Section 6.1, pp179-212) concerned the story of the school canteen. It described its operation, observing how it was based on the core values of its participants, those being trust and volunteerism (Section 6.1.3 and Section 6.1.8). It is proposed that these intense micro level values and norms of trust and volunteerism are sustained by, and are dependent on practices of accounting and accountability. This implies accounting is not a sterile activity, but partisan to organizational culture. Accounting-in-action in the school canteen was both socially constructed by organisational values and norms, and in turn was practiced (or not in this case) to sustain the values and norms of trust and volunteerism (Hines 1988). That is, accounting and accountability was intrinsic to socially constructing the mythical ideals of trust and volunteerism.

Vignette Two Voices of the Past: Accounting for the School Pool and Intergenerational Accountability (Section 6.2, pp212-230) told the story of funding and accountability
arrangements of the school swimming pool. The school pool is a unique feature to this research site. Vignette 6.2 challenges functionalist understandings of accounting, in its description of the complexities of financing and accounting for a legacy of an intergenerational gift that is atypical of prevailing systemic funding and accounting policies and procedures. It problematised black and white constructions of accountability, demonstrating financial decision making based on organizational values of volunteerism, education and a long term community culture. Issues concerning intergenerational equity were prevalent in this narrative.

Vignette Three Implementation of Schools Renewal at the Coal Face: Devolution or Revolution? (Chapter 6.3, pp 231-253) examined the implementation of the Schools Renewal Reforms in the 1990’s. This vignette considered the devolution of these reforms to the individual school level, and their impact on the processes and roles of accounting and accountability. Specifically four aspects were considered, first the formation and operation of the school council, secondly the budgeting processes of the school, thirdly the impact on strategic planning with the specific case of the Korean language program, and fourthly the changes introduced to the school’s annual report. These vignettes described the conflict between systemic systems of accountability and ways of showing accountability at the micro level context.

Using these narratives, the devices enabling the socially constructed and socially constructing nature of accounting (Hines 1988) can be aligned with specific myth attributes.
With respect to vignette one, five attributes are prominent. First the protean nature of accounting and accountability; secondly its ability to give meaning, order and stability; thirdly that it was believed by some participants with profound intensity; fourthly it was accepted though not understood, and in this way held to be a sacred ritualistic practice; and fifthly it had the quality of suspending an anachronistic value system in time and space.

Accounting-in-action in the school canteen was not practiced as a technical exercise. It was not done in a uniform, consistent, or transparent way across the time span of the narrative, despite the requirements to do so of the institutional structures it operated within, and as prescribed in the School Manual on Financial Management (1997). This functionalist form of accountability is the antithesis of trust, a key value of the organisation. Contradicting this functionalist view of accounting, in the vignette of the school canteen, the variable, protean nature of accounting can be seen in full flight. To sustain the deschi value of trust intrinsic to volunteerism, accounting and accountability was practiced in a removed, lip service fashion, so as not to trample upon the values of the participants. Simultaneously to the day-to-day technical demands of making sales, recording stock, paying creditors and managing bank accounts, protean forms of accountability emerged and coexisted to support micro level values.

In the initial stages, accountability was of a verbal nature, in aural presentation to the Mothers’ Group. Such an annual verbal accountability echoes allegiances with the archaic form of myth. This myth type belongs to the non-literate and its plot is believed to be genuinely true. The Mothers’ Group was largely non-literate with respect to reading and interpreting trading statements, and in many cases poorly literate in written
English also. This form of verbal accountability enabled their value system of trust to prevail. This archaic myth form supported the intense belief that the canteen workers were making money for the school. The accounts were believed to be genuinely true (another attribute of myth), based on the trust in those who presented them, and hence information presented was never questioned.

Accounting and accountability showed its protean nature within the site, when it reacted to changing environmental factors. When trust was violated in the form of theft in the canteen in several instances, for example monetary and stock theft, the technical face of accounting came to the fore and was used in an attempt to give meaning, order and stability to the situation. Accounting gained prominence in the discussions of a newly established committee, and in the assumed responsibility taken by the principal, by the establishment of formal cash books, stocktakes and bank reconciliations. Again, in this situation the principal and other committee members displayed utter belief that the desperate financial situation could be remedied through the application of more formal literate accounting procedures, showing an allegiance to the intermediate form of myth development. Accounting in this instance was performing the role of a soteriological myth. Attention was strategically focused on the technical aspects of accounting. However this technical application of accounting did not replace the less formal verbal accountability. Rather, they coexisted, meaning the technical forms did not require direct engagement with the idealised values of the organization, and left their failings in application very much unchallenged. The technical application of accounting was confined to the domain of the canteen committee. The problem was deflected to this new protean manifestation of accounting. This had the effect of suspending in time and space the micro level values associated with trust and volunteerism. These core values
were not shaken, but prevailed as an opposite in the research site, resembling the structural perspective of myth if applied to this accounting situation. Both applications of accounting embodied participant’s perceptions of their deepest truths and took on problem solving roles. The aural accountability of the canteen was concerned with abstractions and ideals. The technical accountability of the canteen was concerned with the concrete and material (Day 1984, p273).

There were elements of ritualistic practice of accounting in the school canteen. A staff member completed bank reconciliations, even though she had little knowledge or understanding of the task. They were ritualistically signed by the principal showing authorization, but incorrectly. This practice offered its participants no new knowledge. Rather, its value was in its social construction of the appearance of accountability. Similar situations were repeated with the trading statements stored on the disk but never accessed. The production of these accounts was a ritualistic practice only, symbolic of accountability.

Myth attributes can also be identified in Vignette Two, *Voices of the Past: Accounting for the School Pool and Intergenerational Accountability* (Section 6.2, pp212-229). Specifically, three myth attributes can be discerned in this vignette, first that financial decisions were never required to be “scientifically” verified, secondly that there appeared a suspension of time and space, and thirdly much accountability was communicated in the narrative form, such as newsletters and notes to parents.

The pool as an intergenerational asset embodies anachronisms associated with intergenerational assets. In the context of this case the anachronism is associated with
the resource assumption made with respect to volunteer labour. This cultural norm of volunteerism to resource recurrent needs is a reiterated value of the past, and demands actors to step outside the values and wider environmental demands of chronological time of the present, and attempt to stop time by reifying the volunteerism values of a bygone era, where predominately only one parent worked and use of time was more discretionary (Kolakowski 1972, p4). The funding and accountability issues of the school pool are not of the present. The pool is imposing the past funding implications on the future. Tangible monies of the present are linked inextricably to the past, creating a social space across time. In this way the pool is sociologically infusing the school organization with the financial priorities, and societal values and norms of the past to ensure its operation. The school pool narrative itself embraces an etiological myth in that it explains the origin and reason for funding shortages in the present, without actors having to confront the real option of closing the pool. Rather the pool is construed as a soteriological myth offering salvation and a way forward out of funding cuts in the future.

It was believed with profound intensity by the school ‘elders’ that the pool was an income generating asset. This was despite no verifiable financial information being available to support this. On the basis of sheer belief, large amounts of capital improvements were made to the asset, without any real basis for expecting a financial gain. However, this blind belief did support the values of the micro culture.

Deshi beliefs as described in section 2.3.3 (pp61-63) of this thesis are evident in the narratives of the pool. For example there exists a strong folklore belief that the pool can generate funds to support the school finances (vignette 6.2). This appears to be an
intrinsic belief of the school community. It does not appear important that the belief be absolutely true, as financially it is obvious the pool has never generated excess funds. Rather this belief is given the status of truth because it reifies the desirable situation of running a school pool. This belief about the profitability of the pool is supra-rational, or beyond rationality. The belief tolerates the ambiguity of not having relevant numbers and financial reports about the school pool costs, or paradoxically being satisfied with using numbers that are known not to be factually exact.

Vignette Three Implementation of Schools Renewal at the Coal Face: Devolution or Revolution? (Section 6.3.1) as a collection of narratives displays a key thread demonstrating that accounting exists to bring meaning, order and stability in the organisation. In this way accounting is functionalistic. These functionalist attributes have allegiances with functional attributes of myth, permeating the political, social, moral and psychological aspects of the school’s culture. These are all identified in myth theory as being common purposes of myth (Section 2.4, pp80-84).

Year after year poor quality accounting reports in terms of accuracy and decision usefulness were produced for various areas of the school, such as the budgets prepared for the school council, the annual reports prepared for the department and the school community, and the canteen reports prepared for the canteen committee and auditor. The mandatory requirement of the department enforcing this accounting activity, while having the appearance of accountability, in fact had little real impact in terms of accountability. Rather, the reports were a means of enforcing “appropriate” conduct, as a political demonstration of society’s values. In requiring the production of financial reports such as those in the OASIS system (appendices 2.8 and 2.10) in a form offering
little information value that could be used by the school to their advantage, the financial reports served the functionalist objective of maintaining the status quo between the individual schools and the Department of School Education, at a time when there was a political imperative from the State government for devolution from the departmental level to the school level.

In a similar way, reports of social and financial accountability provided to the wider school community in the form of the annual report are identified as supporting psychologically functionalistic ideological myth. By regulating and thus limiting through the school council, school members' participation in information and financial decisions, and at the same time espousing a rhetoric of devolution to the local level, the perception is that the reports are a tool for understanding the 'universe' of the school environment. However, for such myths to be sustained, they must be believed, or enjoy a willing suspension of disbelief. The failure of interest in the annual reports of the school by the wider school community can be interpreted as a willing suspension of disbelief. They were trusted and so not challenged because they had the authority of the elders. There exists a wider marga belief in society of the necessity for the annual report and this is enforced through legislation.

7.5 Tales of the Field and Stages of Myth Development

Levels of archaic and intermediate myth development were identified as a form of myth that arises from a non-literate and semi-literate society. Archaic myth has the characteristics of being crude in form, and the stories created are believed to be genuine truth. Intermediate myth also has the characteristic of being believed to be genuine
true, but may be communicated in story form and belongs to the semi-literate. The understanding of accounting technology by key actors in the school; the principal, and the majority members of the school council, parents and citizens body, and the students at the school are non-literate or semi-literate in accounting technology. Three examples are chosen to illustrate this claim, the inability to understand accounting in the principal’s attempts to construct meaningful budgets, the inability and unwillingness of members of the canteen committee to engage with forms of accounting such as bank reconciliation on the canteen bank account, and the inability of the School Council to effectively incorporate the Korean language funding into the strategic plan.

The principal’s attempts to construct the required budgets, as described in section 6.3.3 of this thesis, are technically flawed (for example the treatment of petty cash and uniforms and Russian dolls as expenses). While the untrained attempts at completing this task are admirable, and while they embrace the spirit of a budget, they are crude manual attempts at this routine task. Similarly there was no accounting literacy within the school to deal with the accountability requirements of a bank reconciliation on the school canteen account as described in vignette 6.1 of this thesis. Yet another example of semi-literacy of accounting is the failure to successfully plan for the recurrent costs of the Korean language program that was introduced, as described in section 6.3.4 of this thesis. Attempts at engaging with the technology were crude in form, but their outcomes were believed to be genuine truth by their participants. They were never questioned as not being worthwhile or valid.
These micro-level deshi beliefs are supported by ceremonies and rituals of accounting. The production of periodic reports such as the budgets, canteen bank reconciliations and the annual reports are a form of ritual that binds the actors into a group. The ceremony of passing a budget paper through a council meeting acts as a way of ritualistic reinforcement of the accounting process. There are examples of both low intensity rituals such as the strategic and management plans, and high intensity rituals such as quality assurance reviews and financial audits. The beliefs attached to these ceremonies are reified through their periodic performance.

7.6 Conclusion

While it was not the intention of this thesis to list an inventory of accounting’s mythical attributes, it has been demonstrated that they do exist in the practice of accounting at the micro level of this study. Their existence facilitates ambiguous and pluralistic forms of accountability within the site, nurturing and protecting the intrinsic values and norms of the organization. This study has gone beyond a “grand narrative” explanation of accounting, privileging small and heterogeneous narratives, and elucidating sub-texts in the practice of accounting, broadening the view of accounting in action.

In exploring accounting, not with the predisposition to a sophisticated technology, but rather with a primitive view of accounting as myth making, accounting can be viewed openly as a social device, and we give accounting researchers a tool to make visible understandings of accounting that are the realm of the “other” in an organization. We illuminate experiences and understandings of the marginalized. Through viewing how accounting is engaged with, interpreted, modified and avoided by actors in a social setting, and by considering how accounting interacts with the cultural values of the
social setting, we gain a deeper understanding of how accounting makes sense of our daily lives. Exposing partial understandings of accounting enables us to be ethically aware in our engagement with the discipline.
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