



ELSEVIER

Contents lists available at [ScienceDirect](#)

Critical Perspectives on Accounting

journal homepage: www.elsevier.com/locate/cpa



Rationalising and resisting neoliberalism: The uneven geography of costs

Jane Andrew^{a,*}, Damien Cahill^b

^a *Discipline of Accounting, University of Sydney, Australia*

^b *Discipline of Political Economy, University of Sydney, Australia*

ARTICLE INFO

Article history:

Received 6 May 2015

Received in revised form 2 September 2016

Accepted 2 September 2016

Available online xxx

Keywords:

Accounting

Public policy

Privatisation

Prisons

Neoliberalism

Geography

ABSTRACT

This paper explores the relationship between public policy, geography and accounting in the context of an ongoing program of neoliberal restructuring. We present a case study of the proposed privatisation of two prisons in New South Wales, Australia, including the subsequent public debate and the finalisation of the policy, which together covers the period 2008–2010. The privatisations were justified by the New South Wales government through the use of accounting technologies and discourses which purported to demonstrate that a model of private delivery would be more cost effective than continued reliance on public ownership. Yet, despite the identical accounting rationales given by the government and the Department of Corrective Services for the privatisation of each prison, the policy outcome was to privatise only one of the prisons. We examine the resistance strategies employed by the various union and community groups opposed to the privatisations and find that they differed markedly for each prison. Quite different discourses of costs were mobilised to counter the proposed neoliberal reforms: one was based in orthodox accounting discourse, and the other in a spatially grounded discourse of costs to the community. We therefore argue that spatial factors played a crucial role in the discussion. This contributes to a potentially rich, but as yet under-examined, area of research on the relationship between geography and accounting, and of accounting's contribution to the distinct spatiality of neoliberalism.

© 2016 Elsevier Ltd. All rights reserved.

1. Introduction

The relationship between accounting and neoliberalism has been the subject of research for some years (Rose, 1991; Andrew, 2007; Ellwood and Newberry, 2007; Merino et al., 2010; Morales et al., 2014; Jupe & Funnell, 2015). For the most part, critical accounting researchers have explored the ways in which accounting functions as a technology of neoliberalism: exposing accounting's capacity to make ideology appear factual (Dillard, 1991; Cooper, 1995; Parker, 2011; Fourcade & Healy, 2013); demonstrating its ability to depoliticise normative concerns by making them appear calculable (Rose, 1991; Fourcade & Healy, 2013); and showing how the regulation and standardisation of accounting information have successfully cast it as a tool for decision making, masking the privileges accounting information affords capital (Zhang et al., 2012; Jupe & Funnell, 2015). Much of this work has provided important insights into the way accounting can be harnessed to provide a rationale for neoliberal reforms, sensitising us to its political potency and demonstrating the significance of accounting in the rolling out

* Corresponding author.

E-mail addresses: Jane.Andrew@Sydney.Edu.Au (J. Andrew), Damien.Cahill@Sydney.Edu.Au (D. Cahill).

<http://dx.doi.org/10.1016/j.cpa.2016.09.001>

1045-2354/© 2016 Elsevier Ltd. All rights reserved.

of neoliberal policies and practices. Somewhat surprisingly, there is less work that explores the possibilities of accounting as a tool to resist neoliberal reforms, something that is critical to provide a “better understanding of how it [neoliberalism] spreads, meets with resistance, transforms and is reinvented” (Chiapello, forthcoming, p. 21).

In an effort to address this gap, and to better understand the variegated achievements of neoliberalism, this paper explores accounting as a means to both rationalise and resist neoliberal reforms through an exploration of the relationship between public policy, geography and accounting in the context of the ongoing program of neoliberal restructuring across the globe. To do this, we present a case study of the proposed privatisation of two prisons in New South Wales (NSW), Australia, including the subsequent public debate and the finalisation of the policy, which together covers the period 2008–2010. Prison privatisation was not a new idea in Australia at the time. It had formed part of a suite of policy reforms used by state governments since the late 1980s, but at the time of the proposal, NSW had only one private prison, which had opened in 1993 in Junee, a regional town 400 kms south of Sydney. When the NSW Labor government announced the proposed privatisation of Parklea Correctional Centre, in Australia’s largest city of Sydney, and Cessnock Correctional Centre, in a regional town about two hours north of Sydney in 2008, it was a controversial. There was significant public concern, and as a consequence a *Parliamentary Inquiry into the Privatisation of Prisons and Prison Related Services* (the Inquiry) was established to assess the relative merits of the proposal.

During the course of the Inquiry, the NSW government and its Department of Corrective Services claimed that privatisation offered superior value for money over continued public provision and that the reforms would save taxpayer funds. Despite the government’s contention that ‘value for money’ constituted the over-riding consideration as to whether privatisation should be pursued, and despite the government officially making the case that each privatisation represented superior value for money than public provision, only one of the prisons, Parklea, was privatised. The campaign to keep Parklea in public hands relied heavily on alternative accounting information to counter the arguments mounted by the government and Corrective Services. It was a strong and empirically grounded campaign, but it was ultimately unsuccessful. By contrast, the campaign for Cessnock reframed the discussion in terms of the costs of privatisation on the local community. Employing spatially-grounded discursive frames, it argued that the cost frame adopted by the government failed to consider the long term effects of privatisations on the regional community of Cessnock. Ultimately Cessnock prison remained in public ownership and management. While these *outcomes* are interesting, our study is largely focused on the various ways in which accounting discourse was used as a means of rationalising and resisting policy reform *during* the debate.

In particular, the resistance strategies employed in this controversy prompt several research questions relevant to critical accounting scholarship. First, if accounting is a hegemonic and authoritative discourse, how is it that different policy outcomes resulted from a process in which the government relied upon accounting evidence to show that privatisation was the only rational, ‘value for money’ option in *each* case? Second, several scholars have shown that the discursive practices of accounting are crucial to the process of neoliberalisation (Perry & Nolke, 2006; Merino et al., 2010; Zhang et al., 2012; Guénin-Paracini, Gendron, & Morales, 2014; Wickramasinghe, 2015). In this case, accounting discourses were central to the government’s justifications for privatisation – a key repertoire of neoliberal governance – yet with different outcomes. How does an explanation of this outcome shed light on the broader uneven development of neoliberalism and the role of accounting practices within this? Third, what explains the fortunes of the different political campaigns against privatisation, and what conclusions can be drawn about strategies for resistance to neoliberalisation, and the role of critical accounting within this?

This paper argues that spatiality is crucial to answering each of these distinct but related questions. After a discussion of the recent literature on accounting, public policy, and its relationship to the spatial dimensions of neoliberalism, the paper examines the political conflict over prison privatisation in NSW with a focus on the 2009 Parliamentary Inquiry (New South Wales Legislative Council, 17 December 2008). We show how the campaign to keep Cessnock Correctional Centre in public hands mobilised a discourse that grounded the costs of privatisation within notions of community and the distinct spatiality of the Cessnock region. By contrast, the campaign against the privatisation of Parklea Correctional Centre countered the government’s projected cost savings with alternative accounting measurements to demonstrate problems with the cost case being used to justify privatisation. While the evidence seemed compelling, the arguments appear to have had little effect on the outcome.

Our analysis suggests spatial configurations had a significant impact on the arguments that were mounted for and against privatisation, and the NSW government’s decision to privatise one prison while keeping the other in public hands. The case prompts consideration of the distinct spatiality of accounting and neoliberalism, and how the latter’s uneven development can be shaped by geographically specific resistance movements and spatially specific discourses of accounting.

2. Accounting, public policy and the spatiality of neoliberalism

2.1. Accounting and neoliberalism

Research from the broad field of critical accounting has shed considerable light on the role that accounting plays within such neoliberalised states (Zhang et al., 2012; Guénin-Paracini et al., 2014; Wickramasinghe, 2015). It has been shown, for example, how the discursive practices of accounting are mobilised “to articulate and operationalize abstract neoliberal concepts, such as notions of competitiveness, markets, efficiency and entrepreneurship” (Mennicken & Miller, 2012, p. 6). It is here that accounting has played an important role in making the incomparable comparable (Ezzamel, Hoskin, & Macve,

Download English Version:

<https://daneshyari.com/en/article/5106898>

Download Persian Version:

<https://daneshyari.com/article/5106898>

[Daneshyari.com](https://daneshyari.com)