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NEW ORACLES FROM DELPHI. A 'CRUCIAL EXPERIMENT' FOR POSITIVISM IN ARCHIVAL HISTORY

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Abstract. Empiricism has reigned supreme as an episteme for mainstream accounting research for some 25 years. In accounting, the Empiricist doctrine has assumed various guises. Positive Accounting is one of Empiricism's generic forms. It exists both in its own right, and in various incarnations such as Market Studies, Agency Theory and Historical Archivalism (in accounting history). In the U.S, these manifestations of Empiricism emerged in the mainstream literature in response to attacks on the then Big 8 accounting firms and their corporate clients. In the 1970's, Abraham Briloff's assaults in Barrons were costing the firms and their clients millions of dollars in law suits. The Big 8 mounted a counterattack to Briloff's normative perspective by alleging such work consisted of arbitrary 'opinions' and 'value judgments'. The firms urged mainstream academe to develop an alternative to normative research, grounded in 'objective' factual (empirical) analysis -- Positive Accounting Research. Archival accounting history was a byproduct of this new regime. The result has been to deflect mainstream academia from any critical mission and render it impotent in dealing with the massive audit and financial failures that today imperil the World Wide economy. Positive Accounting's continuing presence has anesthetized criticism by the Academy. This paper takes advantage of a rare opportunity to deploy a 'Crucial Experiment' to evaluate accounting's positivistic epistemic foundations. This opening allows for an in-depth review of Historical Archivalism (and therefore, by implication, its parents: Positivism and Empiricism). This paper catalogues first, how archivalist accounting history disguises its normative underpinnings, and second, explores the nature of these normative underpinnings. It reveals how archival research 'disowns' value judgments by 'Consulting an Oracle': a technique of using other-voices to camouflage opinions and normative stances. Implicit in this paper's critique of Archivalism is an alternative episteme (Post-Positivism or Constructionism) that immerses as an alternative to Archivalism. The paper concludes that the hidden agenda of Archivalism / Positivism is a politically conservative one: a form of politics aimed at preserving a status quo.

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