

Michael Power

Auditing the Wissenschaftskolleg



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"An accountant as a Fellow at the *Wissenschaftskolleg*? How could they do it? How could they betray hard-won traditions of intellectual excellence?" Of course, no-one actually said this. At least, not to my face. But I'm used to such reactions. There is a long history of resistance to accounting and related disciplines within institutes of higher education, and the whole field lives uneasily within the academy, squeezed on the one side by distrusting academics and on the other by equally distrusting practitioners. Over the years I have tried to work positively with this tension between intellectual and practical credibility. But all this still does not explain why the Kolleg, initially hesitant, decided to accept me as a Fellow.

As an organization, the *Wissenschaftskolleg* is itself a fascinating subject for study. Indeed, I must confess that I became rather obsessed with it during my stay in Berlin. Unlike many organizations, the Kolleg has an elaborate quality control system for selecting Fellows. Once accepted, the controls are loose and informal. This model has much to recommend it although research shows that point of entry controls often function largely to celebrate the elite status of an organization. In reality the boundaries between acceptance and non-acceptance as a Fellow are not

sharp and, as in any walk of life, much depends on fashion, luck and other contingencies. It could not have been fashion in my case; I was one of the lucky ones.

A good administration is like a good referee, or a good parent. It is mostly invisible when it is most effective. At the Kolleg, questions of finance are resolved quietly in the background, allowing intellectual strategy to play the leading role in the life of the organization. The administration is a more traditionally hierarchical and regulated order than is immediately apparent but the underlying commitment to support academic work rather than, as is often the case, to pursue administrative goals for their own sake, was striking and refreshing. The ideal of "Fellows first" seemed to me to be genuine. Coming from an institution where I am third (behind students and the administration), being first for a year was pleasant.

Of course, the policy of putting Fellows first is an exhausting one. During the preparations for the *Abschiedsfest I* discovered hitherto unseen private spaces, spaces where Fellows do not go and where the staff can relax and forget these spoilt academics with their excessive demands. Occasionally Fellows breached the defences of the embattled staff, such as by joining them for Thursday lunch. We were permitted to do this of course — "Fellows first" means never saying no. But it was clear to me that the weekly ritual of the staff lunch was important and should have been respected. Of course, this did not stop me scavenging shamelessly for leftovers afterwards.

For the Fellows, the atmosphere of the Kolleg is relaxed and, so I was told, not very German. None of this happens by accident. For example, the decisions not to use academic titles among Fellows and to avoid cash transactions in the house (money mysteriously comes in and out of your bank account) are small things but they set a pleasant tone. And yet, walking up the stairs to the second floor of the main building I always felt as if I was trespassing and was reminded of my school days and the areas where boys were definitely not allowed. This is the space of accounting, of monthly "brainstorming" meetings to discuss how Fellows are "getting on", who is a problem, who needs reminding of his or her informal duty to be resident or to attend the public meetings. And like all good administration, no information was leaked from these meetings (with only one or two exceptions).

In past yearbook entries, Fellows have tended to select the library for special thanks, with justification. I would like to mention the in-house accountants who justified two audits during my stay, by Coopers & Lybrand and by the *Landesrechnungshof*, and who emerged with credit on both occasions. I never understood why both these audits took as

long as they did, but as rituals of legitimation they are important to the Kolleg. And at least the auditors didn't find out about the... but that would be telling wouldn't it?

An important part of the organizational self-presentation of the Kolleg is this yearbook, which demands that we, the Fellows, account for ourselves. Contrary to appearances, my research project was not to study the *Wissenschaftskolleg* itself. I actually came to Germany to write a particular book about the rise of auditing in Britain. Sometime in the late 1980s there was a conspicuous increase in checking activity across a wide range of fields, such as banking, medicine, environment, education and insurance. Why was this? Was it simply a technical response to the need for greater control and efficiency in organizational life? Or was it simply another one of those management fads which have come and gone in the twentieth century?

In responding to these questions I started and completed a monograph, *The Audit Society: Rituals of Verification*. This is nothing to be proud of since, in completing this book, I actually failed the Kolleg's requirement that Fellows must be disturbed and deflected from their original plans. I often wonder whether one could design an accounting system based on such an ideal. For example, the UK Research Assessment Exercise would be redesigned and would require academics to list the work and projects which they *failed* to complete. Individuals would be criticised and counselled if they wrote too much. It would also be argued that taxpayers have a right to know that public research money is not being wasted on research publications as compared with thinking and reading. Political pressures would grow for the establishment of more institutes for advanced study and journals would be closed down.

I'm getting carried away. The problem is that it is hard to make intellectual activity visible and accountable without crude measures of auditable performance. In the book I argue that the UK fashion for checking disguises the fact that it is less effective than is presumed and that there is evidence of disfunctional side effects on the audited domain itself. In auditing and evaluating research there is a danger of creating undesirable incentives for researchers. It was also interesting to write this book at a time of heated discussion about public finances in Germany. Regrettably, it was only toward the end of my stay that I began to consider how the arguments developed in the context of the UK would travel to the German case. Would German traditions of solidarity on the one hand and bureaucratic control on the other be invaded by management ideas? Would the Germans install extensive formal systems of evaluation and auditing and what would be the effects? Time will tell.

I spent a whole year at the Kolleg being mistaken for an economist. I work at the London School of Economics in an Accounting and Finance department, so I can understand the temptation. But whenever economic topics, such as currency union or the strength of the Deutschmark, came up in lunchtime conversation, colleagues would turn to me as the resident expert. Here let me account for myself publicly and finally. I am not an economist, I do something called the "sociology of accounting". Budgets, balance sheets, profit and loss accounts and cash flow statements are playing an ever more conspicuous role in the organization of social and economic life. This is no simple technical fix to problems of economic decision-making. Accounting is not just the measurement of objective facts. Accounting statements constitute the factual basis of decision-making, can affect human behaviour and are increasingly valued as a form of rationality in their own right. Weber and Sombart recognised this a long time ago, but somehow their insights never gained a foothold, either in German sociology or in *Betriebswirtschaftslehre*.

What of my impressions of Berlin and the Germans? Many things stick in my mind. Apart from opera, theatre and concerts it is clear that holidays, cars, dogs, beer and bread play a very important role in Berlin life. The *Betriebsausflug* also fascinated me, being such an alien concept for an Englishman. It originates in ancient working traditions in which hierarchy can be reversed for a day (seating on the coach was randomised for the Kolleg staff outing). In Germany, the customer is definitely not yet king, especially at the Hagenplatz branch of Dresdnerbank where even the simplest transaction had a Kafkaesque quality. I could say much on this subject. The Berlin cyclist is not someone to argue with, whether you are walking or driving. And I was constantly struck by the complex role of law in social life. Germans drive their cars very badly but always signal when they (suddenly) change direction. Order and disorder side by side. But the Germans are still wonderfully trusting. The advantage is that in bars, cafes and restaurants one is never hurried or harried for payment (unlike London). But the disadvantage is that many small German businesses suffer because their debtors take so long to pay.

Berlin offered much to disturb and delight and although I would say that I worked hard, the year was not all work. Outside the Kolleg I made friends with the other players at BSV Berlin, my football team. The highlight was a wonderful evening when, in the final match, we won 2-1 to avoid relegation and celebrated until four in the morning. At 39 I doubt I shall ever play in such an important match again. There were many other highlights: Germany versus Bulgaria on a cold November

evening in a full Olympic Stadium; England versus Germany on the big screen at the *Tränenpalast* and the agony (and inevitability) of the penalty shoot out; great ice hockey games, particularly the West vs. East confrontation between the Prussian Devils and the *Eisbären*, and the final play-off between the Devils and the Kassel Huskies. And there were long runs in the Grunewald to work off the wonderful Kolleg food.

It wasn't all sport — there are many other great memories. Dancing and watching at the Abraxas; Friday afternoons at Kieperfs; mad late night taxis; the Odeon cinema in Schöneberg; that yellow crane against the blue sky; driving too fast around the Siegestsäule (and everywhere else); endless *Milchkaffee* and beer in Stuttgarter Platz; whisky in the morning at the *Landesrechnungshof*(!!); the Russian pianist Eugeny Kissin at the Philharmonie; Australian restaurants and cocktails; being driven through the Brandenburg gate (not allowed unless you are a form of public transport) by an English philosopher; my debut on German TV; my first German seminar at the Humboldt University, barely a week after passing the *Mittelstufenprüfung* at the Goethe-Institut; watching my twin sons learn to swim. And much more.

I have already said that a yearbook like this plays an important role in accounting for the Wissenschaftskolleg and its Fellows. But like all accounts it leaves out much that is important. It's hard to explain why I leave such a big part of me in Berlin. It was. It will never be again. Remember.