Valuation Studies 3(1) 2015: 1–7

Editorial note

Valuation and Calculation at the Margins

Andrea Mennicken and Ebba Sjögren

Valuation studies is an emerging field with visible momentum. This is evidenced not only by the existence of this journal. In 2015 alone, several edited volumes and special issues were published on the explicit theme of examining valuations and how things are made valuable (Berthoin Antal et al. 2015; Cefai et al. 2015; Dussauge et al. 2015; Kornberger et al. 2015).

One common feature of the histories of valuation studies which has been mentioned in these and other contributions is that valuation emerges as a long-standing core concern for a diverse array of scholars, as varying as it is delimited: by time, geography, and/or academic discipline.

A related commonality concerns the acknowledgement of multidisciplinarity. As a journal, Valuation Studies has taken a strong position on the multidisciplinary foundations of its authorship and audience. The journal has created a platform for exchange and debate among sociologists, anthropologists, accounting scholars, science and technology studies (STS) scholars, as well as students of organizations and information systems.

Calculative infrastructures, which account for what is valuable, are important sites for probing into processes of valuation. Valuation Studies shares this interest in calculation with social studies of accounting, a neighboring field to which the authors of this editorial also belong. Accounting, Peter Miller (1998) has argued, is most

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LiU Electronic Press, DOI 10.3384/VS.2001-5592.15311
http://valuationstudies.liu.se

interesting at its margins. It is at the margins that accounting as a body of legitimated practices is formed and re-formed by the adding of devices and ideas of various kinds (ibid.: 174). This also applies to valuation, as the contributions in this issue show. To attend to the margins of accounting, calculation, and valuation is to emphasize that there are different margins at different points in time, and in different places.

Accounting scholars have been concerned with the study of calculative practices at the margins for more than 40 years. The social studies of accounting emerged in the 1970s as a behavioral, process-oriented critique of taken-for-granted and instrumental views of accounting as a tool to assess organizational performance and make decisions about the allocation of both financial and non-financial resources (see Miller and Power 2013 for overviews; but see also Hopwood 1976, 1980; Mennicken et al. 2008). In the 1980s this scholarly project changed. Inspired to a significant extent by Foucault's writings but also by STS, Anthony Hopwood, who in 1976 had founded the now internationally reputed journal Accounting, Organizations and Society, and colleagues outlined a research program that placed the study of the constituting roles that accounting plays in economic, social, and political life at its heart (see also Hopwood and Miller 1994 for an overview).

Since then one long-standing analytical interest by Social studies in accounting has been a question of representation and production of value, i.e. the role of accounting in rendering particular versions of reality robust, pervasive, and persistent (see also Power 1994). Another preoccupation has been the role of accounting in shaping the cognition and behavior of various actors by making them visible and accountable to others and themselves in a particular mode and manner (Quattrone 2004; Ezzamel et al. 2008). A related theme has been the investigation of how accounting is involved in engineering action at a distance, through the socio-material arrangement of controlling centers and attendant peripheries (Robson 1992; Quattrone and Hopper 2005)

Social studies of accounting and valuation studies share a process- and practice-oriented view and an interest in "the how" of calculative arrangements. Both are interested in the "tracking of numbers" (and valuations) across markets, organizations, and other domains (Vollmer et al. 2009), and they share a concern with the conditions and consequences of calculative practice.

Various contributions to this journal have shown that following accounting can be a productive methodological tool to unpick what is at stake in valuation. Accounting is a means of tracing how valuations unfold over time. In this issue, Emily Barman, for example, examines the genealogy of two accounting devices to show that a plurality of values can be accounted for through the emergence of parallel infrastructures for assessing investment prospects' social and environmental performance alongside financial performance.

Accounting valorizes economic constructions of actors and things (Vatin 2013). In so doing, connections have to be formed between a multiplicity of disparate components and ambitions (see also Miller 1998). Accounting scholars have highlighted the plurality of valuations performed in the calculation of economic values—take for example the use of historical cost versus fair value in the valuation of assets, or different methods for pricing capital and time in capital budgeting (Burchell et al. 1985; Mennicken and Power 2015). Accounting is 'plastic' due to both methodological variability and the different domains of worth that achieve registration within accounting concepts and techniques (Mennicken and Power 2015). As Hopwood puts it, "accounting has no essence". This plasticity should not be read as weakness. It is part and parcel of the rise and spread of accounting (see for example the rise of value-added accounting or the spread of corporate social responsibility accounts). At the same time, however, this plasticity can also contribute to accounting's very own destabilization. This becomes particularly visible in times of crisis when accounting's established core practices of measurement and valuation are most contested, and alternative representations and valuations proliferate (ibid.). For example, the recent financial crisis problematized fair value accounting, i.e. the use of market or market-like prices for valuing firms' financial assets.

The plasticity of accounting is similar to the plasticity of valuation. Like accounting, valuation practices also may eventuate in single figures for further consumption and processing, sustained by an apparatus whose components are malleable and contestable. As Carruthers and Kim (2011: 253) argue, "the plasticity of valuation is […] apparent with every accounting restatement, but such episodes do not simply reflect valuation-gone-wrong. Rather, they reveal how much value is a contested and provisional judgment whose complexity lies buried beneath a surface of numbers and quantification." It is for us—researchers of accounting and valuation practice—to probe beneath that surface and to get to the heart of, to borrow from Goffman (1969), where the (valuation) action is.

Studying valuation in crisis can serve as one avenue of research, although it is not the only one. Teun Zuiderent-Jerak and Stans van Egmond highlight in this issue the provisional character of valuation in their longitudinal analysis of the changing operation of an expert-engineered calculative device in the market for healthcare insurance in the Netherlands. While 'successfully' introduced to reconcile competition between insurers and solidarity among the insured, the authors problematize the capacity of both the device and its increasingly marginalized expert operators to robustly balance these values over time.

Unraveling the multiplicity of accounting makes us not only aware of the multiple forms of calculability engrained in valuation and the importance of considering the role of friction and fragility in valuation (see e.g. Mouritsen et al. 2009; Stark 2009). It also brings to light the fictional character of valuation (Giraudeau 2012; Puyou et al. 2012; Doganova 2013). Much valuation (and accounting) relies on projections, estimates, and more or less systematically organized guesswork, which are invested with aspiration and hope (see also Barman's article in this issue). In our view, more work is still needed to unfold the fictionality of valuation, including the "ideas, marks and things" (Hacking 1992) employed to constrain such fictionality or to hold it stable. More work is also needed to get to grips with the temporality of valuation and the challenges it poses. More could also be done about developing our understanding of the relationship between calculation, emotion, affect, and valuation (take for example the role of fear) (see Guénin-Paracini et al. 2014 for an analysis of fear in audit practice).

A good starting point for tackling such questions lies in studying accounting and valuation at their margins, when they are put on trial (Muniesa and Linhardt 2011). This is where valuation is undone and redone. The contributions by Barman, and Zuiderent-Jerak and van Egmond in this issue illustrate how it is at the margins of valuation that existing practices are problematized and new ideas and instruments are brought into play.

It is also at the margins where power and politics become visible. Here, we can scrutinize how processes of accounting and valuation come to be bound up with questions of inclusion and exclusion, matters of appropriateness, and hierarchies of credibility (Espeland 1998; Fourcade 2011; Samiolo 2012).

And, finally, it is at the margins that we can study the limits of accounting and valuation. As argued in the contribution by Zuiderent-Jerak and van Egmond, it is problematic to assume the persistent influence of calculative devices and to presume the success of endeavors to engineer particular forms of financialized agency (see also Bay 2011). Here we are reminded of Callon and Law's (2005) conversation about two circumstances which can contribute to the realization of non-calculation. The first, denoted proliferation, undermines the bounding of a calculable space and object. Alternatively, non-calculation can be achieved through rarefaction, which undermines the relating of an object to any other. Valuation studies and social studies of accounting have a common challenge in probing where accounts and values proliferate or singularize to the point that both valorization and evaluation (Vatin 2013) break down.

We hope that apparent convergence around valuation studies as a topic of research does not undermine the desire to attend to the margins of accounting and valuation practice.

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