

Dissemination of Management Accounting in a Developing Country: The Case of Sri Lanka

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Abstract

This paper surveys how Management Accounting (MA) has disseminated in Sri Lanka since it became a British colony. Although the country can currently boast a high level of dissemination of MA, its evolution remains largely unexplored, which this paper aims to explore. It traces the historical evolution of MA as a constitutive element of institutional knowledge in Sri Lanka. The theoretical framing of this exercise is drawn from Burawoy's labour process theory-based analysis of how regimes of control in ex-colonial developing countries are manifested by state, production and global politics. Akin to Burawoy's work, the analysis here is historical and dialectical as it attempts to explain the evolutionary dynamics of MA in relation to wider political and institutional regimes. Data for the analysis, therefore, is drawn from a wider set of rich secondary sources of information together with several in-depth interviews.

The paper asserts that (a) Dissemination of MA has gone through four distinct phases of evolution, viz., (i) Early initiatives by colonial masters; (ii) Dual role of financial accountants; (iii) Local ICWA members hard at work and (iv) Taking wing with globalization, and (b) Such historical phases are framed by the evolutionary dynamics of the wider political regimes of colonial despotism, state capitalism and market capitalism where each regime sets the stage for the next via the contradictions and conflicts that ignite socio-political changes nationally and globally. Accordingly, the findings suggest that dissemination of MA is driven by, and arises in consequence of, the

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historical and structural needs of the evolving society. The paper provides further evidence from a developing country that dissemination of MA is contextually bound, evolves historically and is socially constructed.

Keywords: Labor process theory, cost accounting, management accounting practices, colonial despotism, state capitalism, market capitalism.