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Tyson: Accounting for labor in the early 19th century: The U.S. arms making experience specific items which would qualify for extraordinary treatment. The main thrust of the early work on extraordinary items was directed at the debate concerning the inclusion or exclusion of extraordinary items from the figure designated as net income.

ACCOUNTING FOR LABOR IN THE EARLY 19TH CENTURY: THE U.S. ARMS MAKING EXPERIENCE

by
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The Springfield armory was the largest and among the most important prototypes of the modern factory establishment, and its accounting controls were the most sophisticated in use before the 1840's (Chandler, 1977). Until that time, the armory's accounting system did not integrate piece-rate accounting and a clock-regulated workday into prespecified norms of output. Hoskin & Macve (1988) have argued that accounting was unable to establish norms, increase labor productivity, and thus attain its full disciplinary power until a West Point managerial component was established in the 1840's. They then called for further discourse to verify or refute this contention.

The current study pursued this charge and concludes that West Point management training was a relatively minor determinant in the evolving nature of accounting. In the U.S. arms-making experience, at least, a more proactive accounting system emerged in response to social and economic forces that included the disintegration of the craft production tradition, an economic depression, and the termination of cost sharing and cooperative knowledge among producers.