Conceptualising intellectual capital (IC) as language game and power

Kenneth Mølbjerg Jørgensen
Associate Professor, Department of Education and Learning
Aalborg University
Langagervej 8, 9220 Aalborg East, Denmark

Phone: +4596359957,
Fax: +4598156542
Email: kmj@learning.aau.dk

Paper prepared for the

Intellectual Capital Stream

Convenors: David O'Donnell, Lars Bo Henriksen & Sven C. Voelpel

4th International Critical Management Studies Conference

'Critique and Inclusivity: Opening the Agenda'

Judge Institute of Management,
University of Cambridge, Cambridge, UK

July 4-6, 2005
Conceptualising intellectual capital (IC) as language game and power

Kenneth Mølbjerg Jørgensen

University of Aalborg

Abstract Knowledge is deemed to be the increasingly important factor of production in creating economic and social value. Intellectual capital (IC) has emerged as a key concept encompassing this development. As such IC can be viewed as knowledge about knowledge, knowledge creation and how such processes might be leveraged into value. As a kind of knowledge in itself, however, IC is similar to other human constructs. IC has been created and modified by actors, cultures and history. Developing a critical understanding of IC requires a historical and contextual understanding of how IC has emerged and how IC is used. This paper, drawing mainly on insights from Foucault and Wittgenstein, conceptualises IC in very generalist terms as both language game and power in order to initiate such a critical understanding. IC is perceived as a social construction and the genealogical focus is on how actors, positions and interests influence this process of social construction. The paper concludes by proposing some methodological guidelines for conducting critical genealogical research on intellectual capital.

Key words: Intellectual capital; Foucault; genealogical analysis; Wittgenstein

“A picture held us captive. And we could not get outside it, for it lay in our language and language seemed to repeat it to us inexorably” (Wittgenstein, 1983, § 115).

[1] Introduction: towards a critical understanding of IC

It has by now perhaps become somewhat trivial to note that knowledge and learning have become increasingly important in creating economic and social value (DMSTI, 2003; Lundvall, 1992). Intellectual capital (IC) has emerged as a key concept in encompassing this development. The name itself indicates the basic idea behind IC - that knowledge and learning are becoming more important factors of production than the traditional capitalistic triad of land, labour and financial capital. IC is supposed to be knowledge about knowledge, knowledge generation and how these processes might be leveraged into some form of economic or social value. IC is viewed in this paper as a “human construction” (O'Donnell, 2004, p. 296); hence, it cannot be adequately understood independently of actors, cultures and history. It follows that IC does not first and foremost gain its legitimacy from any capacity to explain reality; nor is it solely the means for some neutral representation or measurement of reality. IC gains its legitimacy from its capacity to change social reality, to intervene in social reality, to allow “action to be performed
at a distance” (Mouritsen, 2004, p. 257), and/or to assist actors in transforming their own realities (Henriksen et al., 2004).

A number of different concepts and methods are pragmatically included under the IC umbrella in this paper: Knowledge Management, Organizational Learning, Balanced Scorecard (see Voelpel et al., this Stream), Human Resource Management, The Learning Organisation, various knowledge measurement systems (see Bontis 2001; Andriessen 2004; Sveiby 1997) and so on. These human constructs are not innocent concepts, tools or methods; they are all instruments used by actors in changing social reality. Consequently, IC may be compared with professional practice; management, accountancy, consultancy, HR, and so on. It follows that IC cannot be separated from relations of power.

Meeting power demands the development of a more critical understanding of IC. IC is now part of neo-liberal capitalist discourse and appears to be mainly concerned with the control, management and exploitation of knowledge, learning processes, and human capital/employees. One cannot simply take all the concepts noted above at face-value for creating desirable realities. One can find questionable targets, goals and outcomes hidden in IC-concepts and in IC-methods. These may be used as tools of manipulation, as justification for rationalisation of organisational practices (usually lay-offs), or as active elements in struggles for corporate power (Jørgensen, 2004, 2005a,b). Many aspects of the human side of organisational life – including the darker sides – are now part of IC’s life and history.

Does an IC focus create more effective organisations? Which type of effectiveness? Which type of effectiveness is desirable? In whose interests? As Clegg (2002) astutely points out in discussing Bauman’s (1989) Modernity and the Holocaust - there is nothing necessarily ethical in being effective. IC may be considered as one extreme example of the capitalisation of the lifeworld, where managerialism invades the minds, bodies and souls of employees in order to make them more knowledge-productive, disciplined and effective. HRM, KM, BSC and PM systems are indicative of such developments. Moreover, the different variables, measures, and so forth that are selected are often used in very arbitrary ways. One can also question whether this focus on control, measurement and management does in fact really create knowledge or enhance learning processes? A control emphasis on standardisation and rationalisation of organisational processes may very well be antithetical to learning and innovation. The latter derives more from disorganisation and increasing variety whereas the former is driven more by forgetting and reducing variety (Gherardi and Nicolini 2001; Weick and Westley 1996).

Debates and discussions within the scientific community may also be viewed as power struggles, which shape research and hence knowledge of IC (Astley 1985; Pritchard et al., 2004). Do IC-scholars, IC-practitioners and IC-workers critically reflect on such concepts and methods? The purpose of this paper is to assist such processes in proposing a two-step approach to constructing a critical understanding of IC. Following Wittgenstein (1983), IC is first understood as a language
game; and following Foucault (1979,1980), it is understood as power. As a language game, IC now exists under certain historical and social circumstances, which shape it for good or ill. IC is a social construction, shaping reality (Astley, 1985) and IC language and actions cannot be adequately understood independently of time, place and mind (Boje, 2001). When IC is used to analyse and solve problems in reality, this is accomplished from a specific viewpoint. IC is something that works and needs to be understood contextually where it works as how it works effects peoples’ lives. Crucial, in terms of critical theory, is the relation between actors who practice IC and actors who are exposed to IC. IC is a specific power at work, which again may be regarded as positive or negative depending on the position from which one speaks. Viewing IC as a language game demands that the so-called objective, neutral or value-free viewpoint (still dominant in managerialism) exits our discourse right here and right now. Rather, there are actors who speak and act from certain intentions and positions.

Language games may also be power games. Following Foucauldian insights (1979, 1980), considering IC as power is the second step in constructing a critical understanding proposed here. IC related power games occur in different institutions; scientific, commercial, public and so on. Scientists and scholars struggle to decide on boundaries and what counts as knowledge or not-knowledge within the IC literature. In commercial or public institutions power games are played out about the status and position of IC compared to other types of language games - the languages of production, sales, R&D, PM, accounting, and so on. Further, IC power games, if in part, construct the forms of life and identities of those who are exposed to them. These are power struggles that go on in daily life at a largely unconscious level, as a daily negotiation of meaning (Wenger, 1998) and are based on often tacit and taken-for-granted assumptions of what is true and what is just (Hardy and Clegg, 1996). These are the Nietzschean “tyrannies of truth” (O’Donnell, 2004) that need to be surfaced and challenged within different discourses and practices. The real tyranny is not that actors are dictators or exploiters or whatever—the real tyranny is that we are caught up by our own ways of speaking and thinking about things.

This paper initiates a consideration of IC as a language game and as power viewed from a Foucauldian perspective. Its purpose is to begin to create the conditions for a more critically reflexive and perhaps ethical form of IC discourse and practice to emerge. In doing so it provides concepts and methods that allow for questioning of taken-for-granted managerialist assumptions. It is necessary to keep an open mind on this IC phenomenon and approach it as multi-faceted and pluralistic with many different kinds of meanings. Moreover, IC should ideally be approached where it is locally constituted and used for local purposes—as in the cases underlying the seminal Danish Guidelines (see DMSTI, 2003). The remainder of this paper is organised as follows: IC is first described as a language game; IC is then described as power; some preliminary guidelines on how a genealogical analysis of IC might be conducted are...
then presented; the paper concludes that there is probably much to be learned from adopting a critical genealogical perspective on IC.

[2] Intellectual capital as ‘language game’

A general observation from IC-scholars is that there is no commonly accepted definition of what IC is (Andriessen 2004; Marr and Chatzkel, 2004; Mouritsen 2004; O’Donnell 2004; Sveiby, 1997). IC is said to suffer from a lack of clarification and agreement. As a logical consequence, we might search for a clearer and unambiguous understanding of IC. Andriessen (2004), to take one example, proposes a consolidation of IC by means of three steps: firstly, clarification by classification of existing concepts, motives and proposed methods; secondly, separation of the corn from the chaff by assessing the rigour and effectiveness of the proposed methods; and thirdly, standardisation and further development of the most promising methods. Viewed from a language game perspective this research path is a potential trap set up by our ways of thinking and speaking of things. The real problem is not lack of clarification and generally accepted agreement but how we frame the problem in the first instance.

According to Wittgenstein the problem lies in a misunderstanding of the way words work; “We are seeking to recognize the effects of language in despite of an urge to misunderstand” (Wittgenstein 1983: § 119). Wittgenstein’s point here is that it lies deeply in us to try to discover the essence of things – of IC for example. This is however a misunderstanding of the way word works. Instead IC can be conceived in a much simpler way: the meaning of IC is not some secret essence waiting to be discovered but more simply—IC is the way that IC works in actual practice. It follows that the IC phenomenon has multiple meanings. The reason we call something IC is not because of some secret common essence but because a number of different concepts and methods look like each other but none-the-less differ from each other. Wittgenstein introduces the notion of family resemblance (1983: §§ 65-67) to explain this: different languages look like and are related to each other just like sisters and brothers look alike and are related to each other but none-the-less are still very different from each other. It is because of these similarities that we call language – language - and not something else. Further, it is impossible either to deduce a common definition of what language is or to draw clear-cut boundaries between one language and another. To try to obtain a precise universalist definition misunderstands the complexities of language and its associated life forms.

Such definitions are signs that people are trapped by their own ways of speaking of things in the same way that the various phenomena that we call IC are called IC because of similarities and family resemblances. To try to define and clarify what IC is, is a result of a misunderstanding of the way that words work. We should rather view IC in much the same way as Astley’s (1985) description of administrative science: as socially constructed truth. Consequently IC is characterised by
continuous differentiation, development, destruction and reconstruction of concepts and methods. Theories are human constructs, manifested in linguistic practices produced by scientific communities. As such they cannot be separated from life, changing life forms, ways of being and various fields of inquiry (Pritchard et al., 2004).

As IC is now characterised by particular ways of speaking and acting, it is now to be understood as something that is practiced, and which has to be understood through such practices. I call these ways of speaking and acting *language games* in which actors are socialised. Wittgenstein (1983) introduces the concept ‘language games’ in his *Philosophical Investigations* to denote a particular contextual way of speaking and acting. His intention is to find the *rules* of language because the rules or the meaning of language simply lie in the way that language is used concretely to accomplish particular things. The meaning of words cannot be defined clearly because such meanings vary with the contexts in which they are used. To speak a language is to be master of a technique (Wittgenstein 1983: § 199), to be able to use language in accordance with the norms, traditions, conventions and standards that exist in different contexts, cultures and institutions (Harré and Gillett 1994; Hartnack 1994). Speaking a language is part of an activity, or of a form of life (Wittgenstein 1983: § 23). To speak a language is then much more than just being able to “speak” it in a literal sense; to speak a language is to be able to use it (Wittgenstein 1983: §§ 10-14), to communicate with others and so on. This ability is socialised in different cultures and interiorised by individuals who are members of such cultures. The rules for using language, and thus the ability to understand and to communicate, are to a large extent tacit and taken-for-granted (Clegg 1975; Hardy and Clegg 1996). The explicit and tacit dimensions of knowledge always need to be understood together; they cannot and should not be separated (Hall 1979; Wenger 1998). The concept of language games contains much more than a linguistic dimension and needs to be perceived as a totality that contains both the language and the actions into which language is woven (Wittgenstein 1983: § 7).

The tacit rules for using and understanding language, and the historical socialisation manifested in the ability to be a competent player in the historically situated social and collective language game, are not fixed but always developing in a complex interplay between individuals, institutions, technologies and circumstances. Development and change is thus an integral part of the IC-discipline. As such, language games denote particular ways of speaking, thinking, acting and being and they need to be understood concretely—through what they do.

In summary, language games are of decisive importance for IC as IC is created and recreated through language games that depend on the talk and actions of and between IC-scholars, IC-practitioners and people exposed to IC. Gergen and colleagues (2004, pp. 41-45) use the notion of dialogue to describe such social constructivist processes in a way consistent with Wittgenstein:

- Dialogue originates in the public sphere
- Dialogue is a form of coordinated action
- Dialogic efficacy is bodily and contextually embedded
- Dialogic efficacy is historically and culturally situated
- Dialogue may serve many different purposes, both positive and negative

These characteristics are useful in summarising the approach to IC as language game. **IC emerges in the public sphere:** Psychological processes largely reflect social processes due to processes of individuation and socialisation. IC (words, concepts, methods, tools and so on) is essentially a public discourse that has emerged from the surrounding social configurations of the knowledge economy and society and it is inseparable from these. **IC is a form of coordinated action:** IC can be understood as a relational concept as the meanings of concepts and methods in IC always depend on the responses to these concepts and methods. The response modifies the meaning. “…the meaning of an individual’s expression within a dialogue depends importantly on the response of his or her interlocutor…” (Gergen et al. 2004, p. 42). IC-concepts and methods acquire their meaning by virtue of the participation of participants in rule-constrained IC talk—the coordinated and rule-governed activities of participants in generating meaning. This approach to IC dialogue and interaction, as distinct from monologue, parallels the approach to communicative action by O’Donnell and his colleagues (O’Donnell, 2004; O’Donnell et al., 2003) in IC creation that draws on the work of Jürgen Habermas who is also influenced by Wittgenstein.

**IC’s efficacy is bodily and contextually embedded:** Any understanding of IC includes bodily actions and the context or ‘form of life’ in which IC language is used. The meaning of language is supported by gestures, tone of voice, bodily movements and so on, as well as material circumstances such as objects and spaces. **IC efficacy is historically and culturally situated:** it depends on cultural traditions—and difficulties may be encountered when participants don’t share such traditions. Thus particular IC concepts and methods may be effective for achieving goals within some cultures while they may be counterproductive in others (see the paper on IC metaphors by Andriessen, this Stream). Finally, **IC may serve many different purposes, both positive and negative:** IC is both used and misused in many different ways. As Wittgenstein (1983: § 11) put it: “Think of the tools in a tool-box: There is a hammer, pliers, saw, a screwdriver, a rule, a glue-pot, glue, nails and screws. The functions of words are as diverse as the functions of these objects” (Gergen et al. 2004, p. 44). This invites inquiry into the specific forms of coordination that achieve desired outcomes. Moreover, the processes and outcomes of IC may be evaluated as both positive and negative dependent on the position from which the evaluation is conducted; managerialist, employee, trade unionist or capital market evaluations will not necessarily arrive at the same conclusions.

[3] Intellectual capital as ‘power’
Viewing or describing IC as language game means that it cannot be understood independently of time, place and mind—it is to be understood through how it concretely works. IC is historically and contextually shaped in conversations and dialogues between people; and is dependent on constant conceptualisation and re-conceptualisation through the interplays between actors, diverse intentions and diverse positions (Henriksen et al. 2004). IC is a social construction which begs the key questions: how is IC socially constructed?—who is involved?—and, how is IC used to construct events and actions? These questions bring in power—and the relation between power and language (Fairclough, 2001). This is not power in a negative sense as power is central to key aspects of being human: motives, intentions, interests, feelings, emotions, meanings and so on (Henriksen et al., 2004). The problem is that actors, understood as historically constituted and shaped, are placed in a central position with regard to the production of truth and morality. There is no knowledge without power—and there is no power without knowledge: they are never independent but condition each other (Foucault 1980; Lyotard 1984).

What is important now is to make relations of power visible in IC language games so as to subject them to critical reflection. IC as language game is characterised by the continuous creation, modification, destruction and reconstruction of concepts. Inherent in IC, as in any scientific or professional discipline, are discussions, negotiations, dialogues, disputes, struggles and battles about what is inside and outside, what is central and what is peripheral and so on—and we haven’t even mentioned epistemology or ontology. The language game is a power game. The notion game is very useful because it encompasses moves, countermoves, tactics, positions and so on. Language games are under constant change and changes define the conditions for the next moves. The game may go on at many different scenes and settings. There are different actors, different roles, different sets, different places, different perspectives and different circumstances—and the IC-game goes on. Language games are stories that never end (Kendall and Wickham, 1999) where the plot is always altered by whatever comes next (Latour, 1996). These complex stories are somehow part of the taken-for-granted understandings implicit in the speech, discourse and practice of IC that need to be subjected to critical reflection.

A second problem is that language tends to favour and privilege certain voices with others being marginalised and perhaps eventually lost. Memory is embedded and embodied in language games and in histories shrouded by myths, anecdotes, stories and narratives. It is towards such problems that Foucault offers us the concepts of power and genealogy as a means of power analysis. These are tightly coupled since Foucault describes his concept of power as a ‘power analytics’ (1978, p. 94). Genealogy is a means by which we can go beyond the IC language of the present and construct an alternative more critical memory (Foucault 1984; Henriksen et al., 2004).

As a relation of force power is analysed in terms of struggle, conflict and war—this conception of power being distinct from juridical, liberal,
Marxist or economic perspectives (Foucault 1980, pp. 88-90). Power relations are historically constructed and war is eternal in the sense that peace doesn’t suspend the effects of war or neutralise imbalances. Power is unspoken warfare in economic and social institutions, in economic inequalities, in language, in bodies, in gestures—and it emanates from everywhere (Foucault, 1993). Inequalities, differences, domination are embedded and embodied in how societies, institutions and organisations work; in the language games of everyday life.

Power is not an institution, and not a structure; neither is it a certain strength we are endowed with; it is the name that one attributes to a complex strategical situation in a particular society (Foucault, 1993, p. 334).

Power works on two different dimensions in this IC war game. First, individual actors are seen as socially produced by the power relations surrounding them. The individual is a socially constructed category of analysis with multiple fragmented identities (Hardy and Leiba-O’Sullyvan 1998). Foucault (1984) denotes this dimension as Herkunft (descent). The second refers to the interactions between different actors in complex situations producing Entstehung (emergence) of words, actions, events, circumstances and so on (Foucault, 1984). From this perspective one can view the emergence of IC as created by multiple forces in interaction with each other, under specific historical conditions, and manifested in strategies, in apparatuses, in texts, in words and so on. Power does not originate from a single centre (Foucault 2003, p. 27) but emerges from below; from the force relations in many different institutions at many different levels: in the academy, the boardroom, the factory floor, the consultant’s sales pitch, the European Union’s Lisbon strategy, and of course, heterodox critical theorists such as ourselves:

(Power is) ... the multiplicity of force relations immanent in the sphere in which they operate and which constitute their own organisation; as the process which, through ceaseless struggles and confrontations, transforms, strengthens or reverses them; as the support which these force relations find in one another, thus forming a chain or a system, or on the contrary, the disjunctions and contradictions which isolate them from one another; and lastly as the strategies in which they take effect, whose general design or institutional crystallisation is embodied in the state apparatus, in the formulation of the law, in the various social hegemonies” (Foucault, 1993, pp. 333-4).

Viewed in this way IC as power always exists as a local conditioning of events while simultaneously always being in a process of becoming. It is these processes that need to be described in any Foucauldian oriented power analysis of IC. In Foucauldian power analysis, power is perceived
as embodied and embedded in the way we are as human beings, in the way we speak, act, think and interact (Hardy and Clegg, 1996), in the norms, traditions and rules that we live by. The IC language game is a power game, which creates and simultaneously destroys, where the games decide what is inside and legitimate and what is outside, excluded or illegitimate, who is competent and incompetent, and issues related to institutional status and prestige. The dominant neo-liberal managerialist IC language of the present, by which we are supposed to learn to become who we are, is one sided (Habermas, 1987), biased and inadequate.

Foucault’s power concept and the historical approach to power are Foucault’s means for bringing about a historical consciousness of who we are in order to question the present (Haugaard, 1997; Flyvbjerg, 2001; Jørgensen, 2002). It aims to show us how reality is socially constructed and in this way bring about a consciousness of ourselves because consciousness is the first step towards emancipation (Fairclough, 2001, p. 1). Power is thus first and foremost a way of writing history and thus a special way of organising historical material (Alvesson, 1996). A power analysis of IC can be used to write a more varied and complex history of IC and to shake up and disturb present understandings and concepts. This is history without constants (Foucault 1984) such that IC does not become subsumed under disciplinary power (Foucault, 1979) or bio-power (Foucault, 1978) without challenge. These grander forms of power are not of central concern here. The critical analysis is to analyse IC in its local constitution and where it is applied locally. It is important that power analysis addresses the micro-aspects and micro-relations and to maintain power analysis as a bottom-up analysis. One must beware of writing any conclusions before one begins (Wickham, 1986)—the purpose of power analysis here is to open up IC’s economic and social reality so as to gain deeper, and more critical, understandings.


A Foucauldian analysis of IC as language game and power is a genealogical analysis. In this way it should become possible to critically reflect and evaluate IC-discourses, IC-accounts, IC-statements and IC-activities. This has yet to be done and this section of the paper provides some broad generalist guidelines on how one might approach such an analysis. A genealogical analysis of IC describes the social constructivist processes by which IC, understood as the use of IC, is shaped, reshaped, modified and changed. These social constructivist processes take place in a complex interplay between actors, technologies, institutions and circumstances. To describe IC as social construction is to emphasise how actors located in specific instances in time and place are involved in such construction. This is what Foucault refers to as the sacrificial use of history (Foucault, 1984), in contrast to IC as so-called objective history where IC is perceived as the centre or essence of organisations or where one seeks to separate the effects of IC from actors, circumstances and history. IC is to be analysed as human history with all its shortcomings, pitfalls,
irrationalities and emotionalities. It is through the detailed analyses of IC processes that one may become able to go beyond the power of language and gain new understandings of this academic and professional field. This is necessary because, as noted above, we are all somewhat prisoners of our language games:

“A picture held us captive. And we could not get outside it, for it lay in our language and language seemed to repeat it to us inexorably” (Wittgenstein, 1983, § 115).

IC, IC-statements or IC-accounts and so on are not created to mirror reality in any objective sense but are created in order to work on or somehow intervene in reality. As such representation in language and intervention are two sides of the same coin. To speak about reality in particular ways helps actors to transform that reality (Henriksen et al., 2004; Mouritsen, 2004; O’Donnell, 2004). The IC-language game, similar to any other language game, shapes our ways of thinking and our ways of perceiving and defining problems and solutions (Astley, 1985; Jørgensen, 2004). It is inevitable and it also creates an inevitable problem; that the IC-language game enables particular ways of creating knowledge and learning while simultaneously restricting other viewpoints and arguments. Thus we become captives of our language games: we are caught in a web of myths, stories, narratives and presumptions about our social realities.

To go beyond these webs of seduction demands the parodic use of history (Foucault, 1984 p. 94) wherein detailed historical analysis may lead one to see more clearly the actual events leading up to the emergence of a field such as IC. Finally, genealogical analysis also demands the dissociative use of history, “...the systematic dissociation of identity” (Foucault 1984, p. 94), which addresses the problematic of identity as a unified and continuous perception of self. Identity is to be perceived as pluralistic and fragmented; put together in a piece-meal fashion (Foucault 1984; Hardy and Leiba-O’Sullyvan, 1998). The intention is to produce a more varied picture of who IC-scholars, IC-practitioners and IC-workers are, where they come from and why they think and do whatever they think and do, why they speak and act the way they speak and act. Together, the sacrificial, the parodic and the dissociative uses of history produce a kind of historical consciousness that makes critical reflection on IC language games possible.

How such historical material is organised is crucial to Foucauldian method and is also crucial in terms of analyzing IC as power. Some guidelines for doing this kind of analysis of IC are now briefly described. The most important principle is to approach IC in its local constitution: in other words, IC-statements and IC-activities emerge in specific historical circumstances and must be understood in the exact specificity of their occurrence. It is people or groups of people with specific intentions who speak and act; who have specific words, concepts, methods and tools at their disposal; and who are specific to time and place. The social construction of IC depends on the answers to questions such as these:
• Who is speaking and acting? Who speaks and acts in IC. What institutional sites give people the right to speak and act using IC-language. What positions do these people have and which positions does IC leave for other individuals to occupy.

• What concepts and methods do IC-scholars and IC-practitioners use and how do they use them? By means of which concepts and methods do they speak and act and how do these kinds of speech and action construct reality.

• What are the conditions of speech and actions? In what circumstances is it possible to use such language, and in what way and to what degree does this language count as knowledge in the social setting where such IC-statements and IC-actions take place.

These are simple, albeit deceptively simple, questions of (1) actors, (2) concepts and methods, and (3) context that may be asked in relation to every IC situation and every IC related event. Most importantly is the way these situations and events are organised by the researcher. In this respect openness and chronology is extremely important, since they constitute the means by which one may gain new understandings of the IC phenomenon. In this respect genealogy cannot be separated from archaeology, Foucault’s earlier method. Archaeology constitutes the first step of a genealogy; it is a non-interpretive disciplined and systematic rewriting of history (Foucault, 1995, pp. 138-140). Situations and events are chronologically ordered in terms of actors, concepts, methods and contexts. It allows one to see actors, alliances, networks, contents, aspects and details that may not have been recognised heretofore. This ordering of events and situations is, in principle, the first step of genealogy. One may argue that it is quite impossible to conduct a non-interpretive rewriting of history – especially in taking the position of IC as language game. That said, what is important is the attempt to do so (Kendall and Wickham, 1999), the real attempt to be open-minded that counts, hence the emphasis here on chronology and openness. To these principles one may add a number of principles to the study of IC as power deduced from Foucault’s own cited precautions on the study of power (Foucault, 2003, pp. 27-34).

Firstly, one has to understand IC by looking at its extremities, where it is invested in institutions, embodied in techniques and where it acquires the material means to intervene (whether in productive or unpleasant ways). Secondly, one should study IC at the point where it is invested in real effective practices – where IC relates directly to its object, its target, its field of application. As such a power analysis of IC does not try to describe how this power as a sovereign looks like but how people, desires, thoughts, and so on are constituted as subjects by IC. Thirdly, one studies IC as something that works through a network of relations. “It (IC in this case) is never localised here or there, it is never in the hands of some…” (Foucault, 2003, p. 29). IC works. As such, individuals are not to
be considered the inert or consenting targets of IC; they are also in many ways its relays.

Fourthly, one conducts an ascending analysis of IC—that is, do not start at a centre of power and see how far it goes (Foucault, 2003, p. 30). Instead one has to analyse IC beginning with the infinitesimal mechanisms, which have their own history, their own trajectory, their own techniques and tactics:

“We have to analyse the way in which the phenomena, techniques, and procedures of power [or IC] come into play at the lowest levels; we have to show, obviously, how these procedures are displaced, extended, and modified and, above all, how they are invested or annexed by global phenomena, and how more general powers or economic benefits can slip into the play of these technologies of power, which are at once relatively autonomous and infinitesimal” (Foucault, 2003, pp. 30-31).

In this way one can view IC as something that has emerged from many different forces at play across different sites and levels. It is not some grand force or grand truth from which everything else originates. It has emerged from many different forces and therefore analysis has to describe this emergence (Entstehung) including actors, technologies, circumstances, institutions and so forth that made it possible. This is an historical analysis of IC and therefore the chronological ordering of actors, methods, and contexts from beginning to end are important in terms of analysing IC as power (Flyvbjerg, 1991; Jørgensen, 2002) because it may allow one to see IC-developments, IC-effects and IC-changes that are excluded or silenced. Finally, IC is not to be considered understood as some grand ideology. IC cannot function as ideology but needs to be understood where it works:

“...the delicate mechanisms of power cannot function unless knowledge, or rather knowledge apparatuses, are formed, organised, and put into circulation, and those apparatuses are not ideological trimmings or edifices” (Foucault, 2003, pp. 33-34).

[5] Conclusions

Intellectual capital (IC) is developing into a diverse and multidisciplinary field that contains multiple concepts, meanings and methods. It is supposed to be knowledge about knowledge, knowledge generation and how these processes might be leveraged into economic and social value. IC is created and works through multiple actors. IC doesn’t seek to reflect social reality; IC seeks to change social reality. Since IC is not innocent or in any way value-free we need concepts and methods by which we can reflect on its concepts and methods. This paper
has proposed two steps in this operation: to perceive IC as language game and to perceive IC as power. The latter comprises a specific method, genealogy, for describing the social construction processes that have shaped, modified and changed IC and the use of IC in social institutions. The method of performing power analysis is important here, since this is the means of going beyond the power of language – at least to some degree. Historical analysis of this kind is an attempt to obtain new IC understandings, to see new IC possibilities, new IC aspects and new IC perspectives.

The research framework suggested in this paper can be applied in relation to IC and the use of IC in many different institutions: as a description and analysis of how IC has evolved in scientific institutions, as a description of how IC or the use of IC has evolved and changed in private or public institutions, or how IC is used to construct the life forms and identities of people exposed to IC. Emphasis is at the discretion of the researcher and we do not recommend any particular strategy in relation to which IC area to choose here. It depends. The application of this research framework depends on the specific IC discourses or IC activities that are the subjects of inquiry. We conclude with a reminder that Foucault’s power framework is very closely linked to this historical procedure. If this kind of power framework is used in a top-down way – where one, for example, looks for disciplinary power – one does not have the proper kind of open mind which is absolutely crucial, and which makes it possible to obtain new understandings of reality. Therefore it matters a great deal which critical strategy one chooses. To locate IC in class struggle ab initio, for example, is to close one’s mind from the beginning and it is likely that one will find whatever one expects to find—but little new. Genealogical power analysis is a way of trying to discover something new by trying to really listen to people and their history.

Acknowledgements:
The author must acknowledge the critical comments and suggestions made by the Stream convenors David O’Donnell, Lars Bo Henriksen and Sven Voelpel on an earlier version of this paper.

References


