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A PLEA FOR ACCOUNTING ARCHIVAL RECORDS

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Important aspects of financial, economic and social history depend on the availability of archival source material. The archives department at most libraries has vast holdings of old manuscripts authored by writers both famous and not-so-famous. Also, political papers are widely available as almost every former Congressman has donated complete files to libraries for the benefit of future historians. These political papers usually include every document with which the politician ever came in contact. For some reason, political figures feel that the documentation of American history would be inadequate without the notes to their milkmen.

Unlike political records and writers' manuscripts, business records are not nearly so common. In fact, the shortage of business archival records presents a hardship for many college students who would like to do accounting history research. The lack of business records in library archives is due to a number of reasons. First, most businessmen are not aware that their records are of academic importance. Whereas politicians sometimes overestimate the value of their papers, business managers tend to err in the other direction by underrating their documents. The second reason for the scarcity of historic business papers is that some businessmen may fear that competitors might obtain trade secrets if records are made available in a public library. This objection can usually be overcome by not placing the most recent records in the archives. After all, how much damage could a competitor cause with data applicable to 1945 and earlier? The third reason that business records are scarce in archival collections is that archivists have typically been indifferent toward, and unappreciative of, commercial documents. Archivists traditionally have been librarians with no business background. Consequently, they did not understand the importance of old journals, ledgers, cancelled checks, financial statements, trial balances, and other forms of business correspondence.

The objective of this article is to combat the first two of the above reasons; that is, to convince business managers that their records are academically important and should be donated to library archives. The problem of overcoming the indifference of librarians can only be overcome by future use of those business documents that are made available.

Importance of Old Business Records

Perhaps the easiest way of explaining why old business records are important is to quote Cicero, the famous Roman.

If no use is made of the labors of past ages, the world must remain always in the infancy of knowledge.

In other words, accounting history should be studied in order to avoid repeating the same mistakes in the future.

Accounting techniques are a product of their environment. Consequently, a study of past accounting practices, and the environment in which they thrived, can lead to a better understanding of the present, and to development of new ideas for the future. The importance of a knowledge of the past cannot be overemphasized. There has often been inadequate research performed in the area of business history. As a result of this, there have been many "rediscoveries." This means that many modern attempts at innovative business management are just repeats of methods tried and abandoned in the 19th century. Thus, one of the overall objectives of accounting history research is to "rediscover" a few things before too much effort is spent by others in "discovering" for the first time. The shortage of archival records, however, hinders research of early accounting practices.

Continued

Advantages to Business Of Donating Records

There are advantages to a company, or individual, that donates old business records to a library archives. Probably the biggest advantage to a firm is that a lot of storage space is freed up for more productive use. A century's accumulation of records can fill many file cabinets. Since these records are rarely used within the firm, it is good management to let the library take over the storage duties. And if the firm ever did need access to the records for any reason, they would be available.

Another advantage to businesses who donate old records is that they may get a company history written at no charge to the firm since doctoral students in history, economics and business could all utilize the records for writing dissertations. Faculty members, who are expected to "publish or perish," might also use the records in writing books and articles. Finally, an individual donating records (perhaps from Granddad's store) may be able to get a charitable contribution tax deduction.

Types of Records Needed

Records of all types of businesses are desired. Generally, the older the records are, the better. Although pre-1900 records are of most value to scholars, documents up to 1945 can also be useful. Some archival collections consist of only one volume—a journal or ledger. The largest collections consist of all of a firm's records (journals, ledgers, cancelled checks, cancelled stock certificates, financial statements, copies of tax returns, invoices, and business correspondence) for periods of many decades. Records covering many years are particularly desirable in that they permit researchers to examine business practices under varying economic conditions.

The quantity of records available in most libraries is minimal. The best collections of archival business records are at Harvard and the University of Virginia. The abundance of records in those collections can be attributed to the fact that the archival facilities were made known to businessmen. If more business records were made available to the public, the world could perhaps be better appraised of various economic contributions. And maybe accounting research would be simplified since rediscoveries would no longer be necessary.

In the opinion of these authors, it is the responsibility of all members of the Academy to enrich the data base available to accounting historians. Members can do this by encouraging businesses to donate old records to established archival facilities. The job does not stop there. In

addition, members must convince their university archivists of the value of old accounting records. In fact, members should establish a working relationship with local archivists. Only through a united effort will more accounting history material be made available. And at the local level, it is the individual member who is responsible for the future of accounting history research.

**HELP NEEDED IN SAN DIEGO**

The Academy of Accounting Historians usually has a booth at each annual meeting of the American Accounting Association. The purpose of the booth is to generate interest in accounting history and to sign up new members. Academy publications are also distributed at the booth. In addition, Pete McMickle, who is in charge of the booth, usually has several of his rare books on display.

Volunteers are needed to work in the booth during this year's convention in San Diego (August 16-18, 1982). If you would be willing to devote one hour or more of your time to the Academy, please contact Pete McMickle, Department of Accountancy, Memphis State University, Memphis, Tennessee 38152.

VIDEOTAPE SERIES LIBRARY

The Academy sponsors a videotape lending library for the benefit of members in the United States. The series was funded by a donation from the Touche Ross Foundation. Nine tapes (each one-hour in length) may currently be borrowed for use in accounting theory and history courses. The tapes were originally filmed during the early 1960's. The subjects appearing on the 3/4 inch (U-matic type) tapes are: Mautz and Trueblood (two tapes), Bevis and Davidson, Blough, Carey, Paton, Chambers, Littleton, and Sprouse and Moonitz. There is no cost to the members borrowing the tapes, other than the return postage. Tapes may be kept for one week at a time. The videocassettes can be played on equipment available at most campuses. A brochure will be prepared in the near future describing the contents of each tape. In the meantime, members who wish to use any of the nine tapes mentioned above should contact the Academy's Curator of the Tapes: Dale L. Flesher, School of Accountancy, University of Mississippi, University, MS 38677.