

Accounting Historians Notebook

Volume 11
Number 1 *Spring 1988*

Article 4

Spring 1988

Balduin Penndorf: Accounting historian (1873-1941)

Ernest Stevelinck

Oliver Finley Graves

Follow this and additional works at: https://egrove.olemiss.edu/aah_notebook



Part of the [Accounting Commons](#), and the [Taxation Commons](#)

Recommended Citation

Stevelinck, Ernest and Graves, Oliver Finley (1988) "Balduin Penndorf: Accounting historian (1873-1941)," *Accounting Historians Notebook*: Vol. 11 : No. 1 , Article 4.

Available at: https://egrove.olemiss.edu/aah_notebook/vol11/iss1/4

This Article is brought to you for free and open access by the Archival Digital Accounting Collection at eGrove. It has been accepted for inclusion in Accounting Historians Notebook by an authorized editor of eGrove. For more information, please contact egrove@olemiss.edu.

BALDUIN PENNDORF: ACCOUNTING HISTORIAN (1873-1941)

by
Ernest Stevelinck
Expert comptable, Belgium
and
O. Finley Graves
University of Mississippi

Groitsch is a small industrial town in Saxony situated in the District of Leipzig near the Elster. For the most part one would have encountered cobblers, box makers, and locksmiths there in the last century. It was in Groitsch, with its five thousand inhabitants, that the German accounting historian Balduin Penndorf was born on 27 November 1873.

Penndorf attended normal school at Borna, another small industrial town in Saxony situated on the Wiehra, where he obtained a teacher's certificate. It was in this capacity that he taught for some time, but opportunity presented itself with the opening in Leipzig of the first college of business in Germany. The industrial and commercial revolution at the close of the nineteenth century necessitated a considerable expansion of these schools. Nevertheless, Leipzig was privileged to have the only college of business in the country for some time. Penndorf matriculated at the school and completed the courses that were offered there. One of his classmates at the college was Eugen Schmalenbach, whose name is universally known in the world of accountancy.

In 1902, when he was twenty-nine, Penndorf successfully completed the examination necessary to become a lecturer in commerce. He then became headmaster of the College of Commerce in Leipzig. His headmastership, however,



Balduin Penndorf

did not prevent him from continuing his studies at the Universities of Leipzig and Tübingen, and in 1906 he received his doctorate in political science. Searching through the archives of towns throughout Saxony, Penndorf assembled a voluminous amount of material that served him for the rest of his life. Initially, he was interested in the organization of the various trades in the Kingdom of Saxony. That topic became the subject of his doctoral dissertation, which was published in 1907 as *The Guild System in the Kingdom of Saxony Since the Introduction of Freedom of Trade Choice* (*Das Innungswesen im Königreich Sachsen seit Einführung der Gewerbefreiheit*, Leipzig: T. Thomas).

In 1908 he completed "Historians' Notebook, Vol. 11 [1883, No. 1, Art. 14: Correspondence as an Academic Subject in the Middle Ages" (Kaufmännische Korrespondenz als Unterrichtsgegenstand im Mittelalter"), which was followed in 1909 by "The Historical Development of the Form of the Business Letter" ("Historische Entwicklung des kaufmännischen Briefstils"). In 1911 he undertook a study of the education and position of the Hanseatic clerk¹ ("Ausbildung und Stellung des Handlungsgehilfen in der Hansa"). The following year he completed a similar work on the clerk in southern Germany.

Each of these studies familiarized him with the history of accountancy, a subject that had already been treated to some extent by others. (Earlier German-speaking accounting historians included Jaeger, Sieveking, and Kheil; earlier Italian-speaking ones, Brambilla, Rigobon, Vianello, Bariola, and Alfieri.) For his part, Penndorf decided to publish a history of bookkeeping in Germany. The study appeared in 1913 with a Gloeckner imprint (*Die Geschichte der Buchhaltung in Deutschland*, Leipzig: G.A. Gloeckner) and was an immediate success. This well documented and well written study established his fame as an accounting historian.

His love for accounting history, however, did not prevent him from keeping abreast of current developments in accounting. In 1922 Penndorf was named Professor at the Leipzig College of Commerce where he had served as a lecturer for a number of years and where he taught industrial economics and auditing. Indeed, the year 1924 saw the publication of a very respectable work on cost accounting entitled *Factory Accounting and Its Relationship to Cost Determination and Statistics* (*Fabrikbuchhaltung und ihr Zusammenhang mit Kalkulation und Statistik*, Berlin: Spaeth und Linde). Yet

accounting history remained his favorite research area until his death. Certainly a large number of his articles on the subject appeared in the professional journals. In addition, he very effectively performed the functions of auditor and public accountant. This threefold activity of practitioner, theoretician, and historian is symbolic. It demonstrates that history, teaching, and practice are not only quite compatible but contribute to the advancement of each other.

Penndorf's accomplishments did not go unrecognized during his lifetime. In 1931 Schmalenbach devoted a eulogistic article to him in the *Zeitschrift für handelswissenschaftliche Forschung*, and in 1933 a laudatory notice on the occasion of his sixtieth birthday appeared in the *Zeitschrift für Betriebswirtschaft*. The same year Penndorf published the magnum opus of his career: a translation with commentary of Luca Pacioli's work under the title *Italian Bookkeeping in the Fourteenth and Fifteenth Centuries and Pacioli's Life and Work* (*Die italienische Buchhaltung im 14. und 15. Jahrhundert and Pacioli's Leben und Werk*, Stuttgart: C.E. Poeschel). To be sure, Kheil had already undertaken such a translation, but he had done so too hastily. (Kheil had rushed to publish his translation in 1894 on the four hundredth anniversary of the appearance of the first edition of the *Summa*.) Penndorf, on the other hand, executed his translation in a masterly fashion.

Shortly before the outbreak of World War II, Penndorf retired. He died in Leipzig on 30 April 1941 at 67 years of age. He was not, however, soon forgotten. In 1950 Löffelholz devoted another eulogistic article to him in the *Zeitschrift für Betriebswirtschaft*, in which he also insisted on the historical and professional importance of *The History of Bookkeeping in Germany*. He has also been includ-

ed Stevelinck *Hanscharterbuch* in Penndorf: Accounting Historians' Association **CALL FOR HOUGLASS NOMINATIONS**

Betriebswirtschaft (Lexicon of accounting), which accords an entire page to his life and work. It describes him in particular as "an historian of the science of accountancy who clarified—far into the past—the development of commercial accounting." And his work endures. As a new generation of historians meets with the great difficulty of obtaining his two historical treatises on accounting, one can only wish to see them reprinted.

Unfortunately, there remains nothing of the great quantity of source material that Balduin Penndorf assembled. In December 1943 a bomb struck his home in Leipzig, destroying his valuable library and all the original documents he had gathered during his lifetime. The fire spared nothing.

The accompanying photograph of Penndorf was taken when he was Rector of the Leipzig College of Commerce (1926 to 1928). It was provided through an intermediary by one of his sons who now resides in the United States.

NOTES

¹*The Hanse or Hanseatic League consisted of a confederacy of merchants from various free northern Germanic towns who traded abroad. The League formed in the late 1200s and flourished through the Middle Ages.*

Each year, the Academy presents the Hourglass Award to an individual who has made an outstanding contribution to accounting history literature. The term "literature" is broadly interpreted. Usually this award has gone to the author or editor of a book (or books) on accounting history, but some awards have been for a series of articles or for video histories. The president of the Academy makes the award annually at the business meeting in August. Anyone who would like to make a nomination for the award should send their suggestion immediately to Dale Flesher, School of Accountancy, University of Mississippi, University, MS 38677 USA.

Previous winners of the award which began in 1973 have been: Steve Zeff (Rice University), Michael Chatfield (California State-Hayward), Hanns-Martin Schoenfeld (Illinois), Osamu Kojima (Japan), Basil Yamey (London), A. Van Seventer (California), David A. R. Forrester (Strathclyde), Murray Wells (Sydney), Gary Previts (Case Western Reserve), Barbara Merino (North Texas State), H. Thomas Johnson (Portland State), Williard Stone (Florida), Richard P. Brief (NYU), Esteban Hernandez Esteve (Spain), H. Edgar Jones (England), Leonard Spacek (Arthur Andersen & Co.), and Ernest Stevelinck (Belgium).

**ENCOURAGE DOCTORAL
STUDENTS TO JOIN THE
ACADEMY AT THE SPECIAL
STUDENT RATE OF \$7.50
PER YEAR**