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A MILESTONE IN THE HISTORY OF ACCOUNTING AND AUDITING IN CHINA

The Yong-You Institute of Accounting and Auditing Research was established in Beijing, China in November, 1990. The Institute is a nongovernment research organization and the first of its kind to be established in China. In addition to its inauguration, the Institute sponsored an international seminar at which more than 110 accounting and auditing scholars and news media reporters were present. The theme of the seminar was entitled, "China and the World: Just Now."

Professor Emeritus Paul Garner, former President of the International Association for Accounting Education and Research, attended the inauguration and seminar, at which he made congratulatory remarks. Dr. Garner accepted the office of Honorary Director of the Institute. Professor Ge Jia-shu, a well known professor of accounting in China and Vice President

of the Accounting Association of China, and Mr. Wang Wen-jing, President of Yong-You Electronic Financial Technology Co., Ltd., also hold the position of Honorary Director.

Professor Wen Shuo serves as Director of the Yong-You Institute of Accounting and Auditing Research. Professor Shuo has achieved acclaim through his research and publications, among which are *The History of Accounting in Western Countries* and *History of World Auditing*.

Establishment of the Yong-You Institute has aroused attention and interest and was highly praised as "a pioneering undertaking" and "a milestone" in the history of accounting and auditing in China. A government official stated that "it has fully filled a gap in accounting and auditing research which has long needed to be filled." Another high official similarly



praised the effort in his speech at the Inauguration and said, "In order to overcome the drawbacks in the accounting and auditing research scheme of present China, certain new research mechanisms must be set up, for which the establishment of Yong-You Institute is a good beginning. It has initiated an entirely new approach to the modernization of accounting and auditing in China."

As reported in the *China Daily*, China replaced auditing with administrative supervision in the first thirty years after the founding of the People's Republic in accordance with its highly centralized economy. Accounting and auditing research was constrained by the old socioeconomic system and research schemes copied from the USSR in the early 1950s. As a result, accounting and auditing theories and practices were not comparable to that in other developed countries and to the needs of economic structure reforms and the opening up of China to the outside world. With changes in China's economic structure in 1979, state enterprises began to have more decision-making power. This change required the establishment of a complete accounting and auditing system which has achieved marked progress in the past few years.

Due to the changes in China and the need for better support for decision-making, Yong-You (which means "Users' Friend" in Chinese) Electronic Financial Technology Co., Ltd., a private computerized accounting enterprise, is dedicated to the establishment of the Yong-You Institute of Accounting and Auditing Research, as a nonprofit and nongovernmental research organization, for the purpose of promoting the modernization of accounting and auditing in China. This innovation is a new model integrating research and business and serving society with creative and useful

theories.

The Institute's primary goals are as follows:

1. Conducting, or co-conducting with other institutions or individuals, research projects on world-wide accounting and auditing theory and practice.
2. Introducing advanced and innovative accounting and auditing theories, ideas, and techniques of other countries into China.
3. Introducing to academia, practitioners, and policy-makers, accounting and auditing theories, regulations and practices of other countries in China.
4. Forming linkages with academia, experts, research institutions, and professional organizations in other countries, exchanging publications, conducting joint research projects, and publishing research studies.
5. Promoting academic exchanges by inviting distinguished scholars from China and the world to join in symposia and seminars.
6. Establishment of an information center to collect authoritative accounting and auditing publications and to produce slides and video tapes with respect to accounting and auditing theory and practice and computer applications in accounting and auditing.

The Institute has already begun a series of ambitious projects. One of these projects is the publication of a *Translation Collection of World Classical Accounting and Auditing Books*. Professor Wen Shuo, chief editor of the editorial board, is sponsoring this project. Its primary purpose is to introduce the milestones in accounting and auditing development to Chinese readers. The Institute believes that such information will permit Chinese accounting and auditing professionals to push forward studies in both fields and help to construct China's own theories and

Accounting Historians: Milestone in the history of accounting and auditing in China methodologies needed to accelerate economic reforms in China. The Translation Collection is expected to contain one hundred books, of which ten have already been printed.

The Institute is also planning to publish other series. Examples include *New Knowledge on Contemporary Accounting and Auditing*, *Collected Papers on Accounting in China*, *Collected Papers on Accounting in the World*, and *Doctoral Dissertations on Accounting and Auditing* in cooperation with related universities and editorial boards. The Institute publishes quarterly journals: *Contem-*

porary Accounting and Auditing, and *Computerized Accounting and Auditing*.

Yong-You Institute has announced plans to establish a nonprofit accounting and auditing research foundation for the purposes of sponsoring and promoting activities of academic exchange, seminars, research projects, and exhibitions, and to award The Yong-You Award to distinguished experts, scholars, and practitioners for their contributions to accounting and auditing theory and practice. Many persons and institutions, including Professor Paul Garner, have donated to the Foundation.

THIRD INTERDISCIPLINARY PERSPECTIVES ON ACCOUNTING CONFERENCE

TIME AND PLACE:

July 8 - July 10, 1991

Dalton & Ellis Elywd Jones Halls
University of Manchester
England

PURPOSES AND THEMES:

The Third IPA Conference seeks to maintain the impetus of predecessor conferences which have been significant in providing an international forum for the interdisciplinary study of accounting by *inter alia* economists, historians, lawyers, organization theorists, philosophers, political scientists, sociologists and accounting academics. The organizers, Trevor Hopper and Linda Kirkham of the University of Manchester and Peter Miller and Michael Power of the London School of Economics, wish to encourage further development in the substantial and growing body of research on the relations between accounting and social and political

factors.

Three broad themes (Accounting Expertise and Knowledge, The Growth and Influence of Accounting, and Reconstructing Accounting) established for the Third IPA Conference are not intended to be exhaustive or definitive. The organizers seek also to extend the interdisciplinary study of accounting. Relevant contributions from disciplines such as anthropology, philosophy, political theory, law, political economy, and the history of science and technology are particularly welcome.

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